



# LAHOTI OVERSEAS LIMITED

REGD. OFFICE :

307, ARUN CHAMBERS, TARDEO ROAD,

MUMBAI - 400 034. INDIA

TEL.: 91-22-40 500 100 • FAX : 91-22-40 500 150

Internet: <http://www.lahotioverseas.com>

E-Mail : [umesh@lahotioverseas.com](mailto:umesh@lahotioverseas.com)

Corporate Identity No. L74999MH1995PLC087643

4<sup>th</sup> September, 2015

## FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	Lahoti Overseas Limited
2.	Annual financial statement for the year ended	March 31, 2015
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable

For Lahoti Overseas  
Limited

Umesh Lahoti  
Managing Director

For Lahoti Overseas  
Limited

Pradeep Bachhuka  
Chief Financial Officer

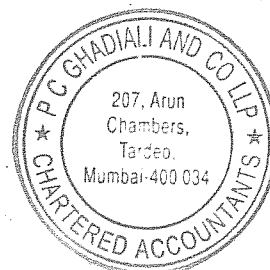
For Lahoti Overseas  
Limited

Mr. Prakash R. Bang  
Chairman of Audit  
Committee

For P C Ghadiali and Co.  
LLP

Chartered Accountant  
(Registration No.  
103132W)

Pannkaj Ghadiali  
Managing Partner  
Membership No.  
031745





## LAHOTI OVERSEAS LIMITED

307, Arun Chambers, Tardeo Road, Mumbai – 400 034.

Tel.: - +91-22-4050 0100 Fax : +91-22-4050 0150

E-mail : investor@lahotioverseas.com Website: www.lahotioverseas.in

CIN- L74999MH1995PLC087643

### Notice

**NOTICE** is hereby given that the Twentieth Annual General Meeting of the Members of **LAHOTI OVERSEAS LIMITED** will be held on **Tuesday, the 29<sup>th</sup> September, 2015** at **3.00 P.M.** at Registered Office of the Company at 307, Arun Chambers, Tardeo Road, Mumbai -400 034 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - i. the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 comprising of Balance Sheet as at 31<sup>st</sup> March 2015, the Profit and Loss Account for the year ended 31<sup>st</sup> March 2015 and the reports of Directors and the Auditors thereon
  - ii. the Audited Consolidated statements of the Company for the financial year ended 31<sup>st</sup> March, 2015
2. To declare Dividend on Equity Shares of the Company for the Financial Year ended on 31<sup>st</sup> March, 2015
3. To appoint a Director in place of Mr. Aadhitiya Ujwal Lahoti (holding DIN **01501504**), who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 139 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act, if any read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactments for the time being in force and subject to ratification by the shareholders at every Annual General Meeting, the appointment of M/s. P C Ghadiali and Co. LLP, Chartered Accountants, Mumbai (ICAI Registration No. 103132W) as the Statutory Auditors of the Company, which has been approved at the Annual General Meeting held on 29<sup>th</sup> September, 2014, for a term of 3 years i.e. from the conclusion of the 19<sup>th</sup> Annual General Meeting until the conclusion of the 22<sup>nd</sup> Annual

General Meeting, be and is hereby ratified and the Board of Director ( including any committee of the Board) be and is hereby authorized to fix their remuneration and sanction travelling and other incidental expenses that may be incurred by them during their audit of Accounts of the Company.”

#### **SPECIAL BUSINESS:**

5. **Appointment of Mr. Umesh Rambilas Lahoti (00361216) as Managing Director and Key Managerial Personnel and fix his remuneration**

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 Section 164, 196, 197 and 203 of the Companies Act, 2013 and other applicable provisions of the Act read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, other applicable rules and regulations, if any, to the extent notified for the time being in force including any statutory modification or re-enactments made thereof from time to time and Articles of Association of the Company and subject to the approval of the Central Government or such other competent authority, if required, approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Umesh Rambilas Lahoti (DIN: 00361216) as Managing Director and Key Managerial Personnel of the Company and fixing his remuneration for a further period of Five (5) years (not liable to retire by rotation) with effect from 13<sup>th</sup> August, 2015 upon such terms and conditions as set out in the agreement as entered by the and between the Company and Mr. Umesh Rambilas Lahoti as detailed in the Explanatory Statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors (the “Board”) and Mr. Umesh Lahoti.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this



Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**6. Appointment of Mr. Ujwal Rambilas Lahoti (00360785) as a Whole time Director and fix his remuneration**

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 Section 164, 196 and 197 of the Companies Act, 2013 and other applicable provisions of the Act read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, other applicable rules and regulations, if any, to the extent notified for the time being in force including any statutory modification or re-enactments made thereof from time to time and Articles of Association of the Company and subject to the approval of the Central Government or such other competent authority, if required, approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Ujwal Rambilas Lahoti (DIN: 00360785), being the Executive Chairman of the Company as Whole-Time Director of the Company and designated as Executive Director of the Company for a further period of Five (5) years with effect from 1<sup>st</sup> April, 2014 upon such terms and conditions as set out in the agreement as entered by the and between the Company and Mr. Ujwal Rambilas Lahoti as detailed in the Explanatory Statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors (the “Board”) and Mr. Ujwal Lahoti.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**7. Appointment of Mrs. Meghna Vijay Panchal (07082835) as an Independent Director**

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, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Meghna Vijay Panchal (DIN:07082835), who was appointed as an Additional Director in the meeting of Board of Directors of the Company held on 12th February, 2015 under Section 161 of the Companies Act, 2013 and who holds office as such upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing signifying her candidature for the office of Independent Director under Section 160 of the Companies Act, 2013, who has further submitted a declaration that she meets the criteria for Independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company from this Annual General Meeting of the Company to hold office for 5 (five) consecutive years with effect from 29<sup>th</sup> September, 2015 to 28<sup>th</sup> September, 2020.”

**Place:** Mumbai

**Date:** 12<sup>th</sup> August, 2015

**By Order of the Board**

**Umesh Lahoti**  
**Managing Director**  
**(DIN-00361216)**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy for not more than 50 Members and holding in



- aggregate not more than 10% of the total share capital of the Company. The instrument appointing the proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company not less than 48 (forty-eight) hours before the commencement of the meeting. Proxy Form for the AGM is enclosed.
2. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
  3. Members/Proxy holders are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Meeting.
  4. The Board of Directors has recommended for consideration of the members a dividend of ₹ 0.40 (20%) per equity share of the nominal value of ₹ 2 each for the year ended 31st March, 2015.
  5. The Company has notified closure of Register of Members and the Share Transfer Books of the Company from Wednesday, 23<sup>rd</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.
  6. The Shareholders are requested to notify their change of address immediately to the Registrars & Transfer Agent – **Sharepro Services (India) Private Limited**. The Company or its registrar will not act on any request received directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant by the Shareholders.
  7. Those members who have not yet encashed the dividend warrants for the previous years may approach the Regd. Office of the Company for the issuance of fresh cheque for dividend of the relevant year.
  8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect to special business annexed hereto.
  10. The members may note that the dividend declared by the Company before the year 2007, un-encased /unclaimed for a period of 7 (Seven) Years will be transferred to the Investors Education and Protection Fund (IEPF) constituted by the Central Government u/s. 205A & 205C of the Companies Act, 1956. Further note that under the amended provision of Section 205B of the Companies Act, 1956 no claim by the shareholders shall lie for the unclaimed dividend transferred to IEPF.
  11. Equity shares of the Company are under compulsory Demat trading by all Investors. Those shareholders who have not dematerialized their equity shares are advised to dematerialize their shareholding, to avoid inconvenience in future.
  12. Re-appointment of Directors: At the ensuing Annual General Meeting Mr. Aadhitiya Ujwal Lahoti (holding DIN: 01501504), liable for retire by rotation, and being eligible, offer himself for re-appointment. The details pertaining to him required to be provided pursuant to Clause 49 of the listing agreement are furnished in the statement on Corporate Governance published elsewhere in this Annual report.
  13. Members intending to seek explanation / clarification about the Accounts at the Annual General Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairman permits such information to be furnished.
  14. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours of the Company up to the date of the Meeting.



15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
16. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
17. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs to the RTA sending an e-mail at [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com). The Annual Report of the Company would also be made available on the Company's website [www.lahotioverseas.in](http://www.lahotioverseas.in).
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents.
19. Non- Resident Indian Members are requested to inform Registrars and Transfer Agents, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
20. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members to exercise their right to vote by electronic means. The Members / list of Beneficial Owners as on cut-off date as on Tuesday, September 22, 2015, i.e. the date prior to commencement of book closure are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the "cut-off" date can exercise their right to vote by electronic means. The e-voting period will commence from 9.00 a.m. (IST) on Saturday, September 26, 2015 and will end at 5.00 p.m. (IST) on Monday, September 28, 2015.
21. The Company has appointed Mr. Hitesh Kothari, Practicing Company Secretary (Membership No. FCS 6038) and in his absence Ms. Sonam Jain (Membership No. 31862) to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure one-voting sent separately.
22. The Notice of the Annual General Meeting and instructions for e-voting, 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.
23. Members may also note that the Notice of the 20<sup>th</sup> AGM and the Annual Report 2014-15 will be available on the Company's website, [www.lahotioverseas.in](http://www.lahotioverseas.in). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at : [investor@lahotioverseas.com](mailto:investor@lahotioverseas.com)
24. Additional information, pursuant to Clause 49 of the Listing Agreement with the stock exchanges, in respect of the directors seeking appointment / re-appointment at the AGM is furnished as annexure to the Notice. The directors have

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furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.

25. Members who are unable to exercise their voting rights through e-voting may exercise their voting rights at a poll provided at the Annual General Meeting.

26. Investor Grievance Redressal :

The Company has designated an exclusive e-mail id [investor@lahotioverseas.com](mailto:investor@lahotioverseas.com) to enable Investors to register their complaints, if any.

27. Members who have not registered their email addresses so far are requested to register their email addresses so that they can receive the Annual Report and other communications from the Company electronically.

28. **E- Voting:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the Twentieth Annual General Meeting scheduled to be held on Tuesday, September 29, 2015 at 3.00 p.m.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorised Agency to provide the e-voting facilities.

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

Commencement of e-voting	<b>From 9.00 a.m. (IST) on Saturday, September 26, 2015</b>
End of e-voting	<b>Up to 5.00 p.m. (IST) on Monday, September 28, 2015</b>

The cut-off date (i.e. the record date) for the purpose of e-voting is September 22, 2015. Instructions and other information relating to e-voting are as under:

1. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
2. Click on "Shareholders" tab.
3. Select "LAHOTI OVERSEAS LIMITED" from the drop down menu and click on "SUBMIT"
4. 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.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. In case you have 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.
7. If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Members who have not updated their PAN with the Company / Depository Participant are requested to use sequence number which is printed on / Attendance Slip indicated in the PAN Field.
DOB / Dividend Bank Details	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

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Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (4)

8. After entering these details appropriately, click on "SUBMIT" tab.
9. 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.  
  
Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for LAHOTI OVERSEAS LIMITED on which you choose to vote.
12. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
17. For Corporate / Institutional shareholders:
  - Corporate / Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) 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](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a Compliance user using the admin login and password. The Compliance user 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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

## Other Instructions

- (I) During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e September 22, 2015.

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

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- (iii) The results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the Resolution.
- (iv) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the cast votes at the meeting through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting, a consolidated Scrutinizers' Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same
- (v) In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, the facility for voting through ballot shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting.
- (vi) The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (vii) The results shall be declared on or after the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.lahotioverseas.in](http://www.lahotioverseas.in) within three days of conclusion of 20<sup>th</sup> AGM of the Company and communicated to BSE Limited, where the shares of the Company are listed. The same shall also be placed on the website of CDSL.
29. Information required to be provided under the Listing Agreement entered into with various Stock Exchanges, regarding the Directors who are proposed to be appointed / re-appointed is as below:

Name of Director	Umesh Rambilas Lahoti	Ujwal Rambilas Lahoti	Meghna Vijay Panchal	Aadhitiya Ujwal Lahoti
Age (years)	50 years	56 years	31 years	31 years
Qualifications	B.Com	B.Com	B.A	B.Com., FMBA
Expertise	Trading and Management	Trading and Management	Business Administration	Marketing and Business Development
Directorships held in other Companies	As per Annex-I	As per Annex-II	As per Annex-III	As per Annex-IV
Memberships / Chairmanships of committees of other public companies.	As per Annex-I	As per Annex-II	As per Annex-III	As per Annex-IV
Shareholding (No. of shares)	44,84,000 Equity Shares	38,23,000 Equity Shares	-	3,40,500 Equity Shares
Relationship with Directors, Manager or other KMP	Brother of Mr. Ujwal Rambilas Lahoti, Executive Chairman / Executive Director	1. Brother of Mr. Umesh Rambilas Lahoti, Managing Director/Key Managerial Personnel 2. Father of Mr. Aadhitiya Ujwal Lahoti, Joint Executive Director	-	1. Son of Mr. Ujwal Rambilas Lahoti, Executive Chairman / Executive Director
Number of Board Meeting attended during the year	5	5	1	3

# LAHOTI OVERSEAS LIMITED



## Annex-I-

### Directorships held in other Companies – Mr. Ujwal Lahoti

Sl. No.	Names of the companies / bodies corporate / firms / association of individuals	Directorship
1.	HIND COMMERCE LIMITED	DIRECTOR
2.	BAUBLE INVESTMENT PRIVATE LIMITED	DIRECTOR
3.	KIRTI STOCKBROKERS PRIVATE LIMITED	DIRECTOR
4.	PSWARE INFORMATION PRIVATE LIMITED	DIRECTOR
5.	G VARADAN LIMITED	DIRECTOR
6.	WEBSOURCE TECHNOLOGIES LIMITED	DIRECTOR
7.	LAHOTI SPINTEX LIMITED	DIRECTOR
8.	THE COTTON TEXTILES EXPORT PROMOTION COUNCIL	DIRECTOR. DEPUTY CHAIRMAN
9.	JANAKSUTA TEXTILE AND YARNS PRIVATE LIMITED	DIRECTOR
10.	CRYSTAL TRADECOM LIMITED	DIRECTOR
11.	ELEMENTARY REALTORS PRIVATE LIMITED	DIRECTOR
12.	BHALCHANDRAM CLOTHING LIMITED	MANAGING DIRECTOR
13.	YASHODANANDAN TEXTILES PRIVATE LIMITED	ADDITIONAL DIRECTOR
14.	PAWANSOOT TEXTILES PRIVATE LIMITED	ADDITIONAL DIRECTOR

### Memberships / Chairmanships of committees of other public companies – Mr. Ujwal Lahoti

Sr. No.	Name of the Company	Type of Committee	Position
1.	HIND COMMERCE LIMITED	AUDIT COMMITTEE	MEMBER
2.	HIND COMMERCE LIMITED	SHAREHOLDER AND INVESTOR GRIEVANCES COMMITTEE	MEMBER

## Annex-II –

### Directorships held in other Companies – Mr. Umesh Lahoti

Sl. No.	Names of the companies / bodies corporate / firms / association of individuals	Directorship
1.	HIND COMMERCE LIMITED	MANAGING DIRECTOR
2.	KALYANI FORGE LIMITED	DIRECTOR
3.	KIRTI STOCKBROKERS PRIVATE LIMITED	DIRECTOR
4.	LAHOTI SPINTEX LIMITED	DIRECTOR
5.	BHALCHANDRAM CLOTHING LIMITED	DIRECTOR
6.	G VARADAN LIMITED	DIRECTOR
7.	MADHYA PRADESH STOCK EXCHANGE LIMITED	DIRECTOR
8.	INDRAYANI BIOTECH LIMITED	DIRECTOR
9.	JANAKSUTA TEXTILE AND YARNS PRIVATE LIMITED	DIRECTOR
10.	CRYSTAL TRADECOM LIMITED	DIRECTOR
11.	ELEMENTARY REALTORS PRIVATE LIMITED	DIRECTOR
12.	YASHODANANDAN TEXTILES PRIVATE LIMITED	ADDITIONAL DIRECTOR
13.	PAWANSOOT TEXTILES PRIVATE LIMITED	ADDITIONAL DIRECTOR

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## Memberships / Chairmanships of committees of other public companies – Mr. Umesh Lahoti

Sr. No.	Name of the Company	Type of Committee	Position
1.	HIND COMMERCE LIMITED	SHAREHOLDER AND INVESTOR GRIEVANCES COMMITTEE	MEMBER

## Annex-III –

### Directorships held in other Companies – Mrs. Meghna Vijay Panchal

Sl. No.	Names of the companies / bodies corporate / firms / association of individuals	Directorship
1.	HIND COMMERCE LIMITED	ADDITIONAL DIRECTOR

## Memberships / Chairmanships of committees of other public companies – Mrs. Meghna Vijay Panchal

Sr. No.	Name of the Company	Type of Committee	Position
1.	HIND COMMERCE LIMITED	SHAREHOLDER AND INVESTOR GRIEVANCES COMMITTEE	CHAIRMAN
2.	HIND COMMERCE LIMITED	NOMINATION AND REMUNERATION COMMITTEE	MEMBER

## Annex-IV–

### Directorships held in other Companies – Mr. Aadhitiya Ujwal Lahoti

Sl. No.	Names of the companies / bodies corporate / firms / association of individuals	Directorship
1.	THAKURJI TEXTILE TRADING PRIVATE LIMITED	DIRECTOR
2.	CHAKRADHARI EXPORTS PRIVATE LIMITED	DIRECTOR
3.	PARVATI TEXTILE PRIVATE LIMITED	DIRECTOR
4.	JAMVANT TEXTILES PRIVATE LIMITED	DIRECTOR
5.	PAWANSOOT TEXTILES PRIVATE LIMITED	DIRECTOR
6.	JANAKSUTA TEXTILE AND YARNS PRIVATE LIMITED	DIRECTOR
7.	CRYSTAL TRADECOM LIMITED	DIRECTOR

## Memberships / Chairmanships of committees of other public companies – Mr. Aadhitiya Ujwal Lahoti

Sr. No.	Name of the Company	Type of Committee	Position
	NIL		



**Annexure to Notice**  
**EXPLANATORY STATEMENT UNDER**  
**SECTION 102 OF THE COMPANIES ACT, 2013**

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned at Item Nos. 4 to 7 of the accompanying Notice dated 12<sup>TH</sup> August, 2015:

**Item No.4**

The Shareholders of the Company in the last Annual General Meeting held on 29<sup>th</sup> September, 2014 for the financial year 2013-2014 had approved the appointment of P C Ghadiali & Co. LLP (PCG) Chartered Accountants (ICAI Firm Registration No.103132W), Mumbai, as the Statutory Auditors of the Company for a period of three (3) Financial years 2014-2015, 2015-16 and 2016-17.

PCG LLP have been the Auditors of the Company since incorporation. As per the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

Rule 3(7) of Companies (Audit and Auditors) Rules, 2014, states that appointment of the auditor shall be subject to ratification by the members at every annual general meeting till the expiry of the term of the Auditor. In view of the above, the appointment of P C Ghadiali & Co. LLP (PCG) Chartered Accountants (ICAI Firm Registration No.103132W), Mumbai, as the Statutory Auditors of the Company from the conclusion of this Meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 is being placed for members' ratification.

The Board recommends the passing of the Ordinary Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

**Item No.5**

Mr. Umesh Lahoti (00361216), who has been appointed as the Managing Director of the Company as on 11<sup>th</sup> September, 2010 for a period of 5 years and whose term has been expired on 10<sup>th</sup> September, 2015, being proposed for re-appointment for a further period of 5 years as approved and recommended by the Board of Directors in consultation with Audit Committee and Nomination and Remuneration Committee of the Board in compliance with Section 196, 197 and 203 of the Companies Act, 2013 and Clause 49 of the Listing agreement.

The Board at its meeting held on 12<sup>th</sup> August, 2015, has, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members and the Central Government, re-appointed Mr. Umesh Lahoti as the Managing Director of the Company, for a period of Five (5) years commencing from 13<sup>th</sup> August, 2015. As per the requirement of section 196 and 197 of the Companies Act, 2013 read with Schedule V and the Companies (Appointment of Key Managerial Personnel) Rules, 2014, the above appointment shall be approved by the shareholders in their meeting.

A copy of the Agreement entered between Mr. Umesh Lahoti and the Company shall be kept open for inspection by the members of the Company at the Registered office of the Company during working hours from 10.a.m to 6.30.p.m. on Weekdays prior to the date of the Meeting and during the Meeting.

None of the Directors/ Key Managerial Personnels of the Company/their relatives is in anyway, concerned or interested, financially or otherwise in the said appointment except to the extent of their shareholding in the Company.

Your Directors therefore recommends the said resolution and your approval is sought by passing of an Ordinary resolution.

The principle terms and conditions of the appointed as entered into agreement between the Company and Mr. Umesh Lahoti is as follows:

1. Term of Appointment : 5 Years
2. Period : 13<sup>th</sup> August, 2015 – 12<sup>th</sup> August, 2020
3. Remuneration :

# LAHOTI OVERSEAS LIMITED



- 
- A. (i) Salary: In the range of ₹ 1,80,000 (Rupees One Lakh Eighty Thousand) per month (Basic salary and annual increase therein to be decided by the Board within the above ceiling).
- (ii) Special Allowance: As may be decided by the Board from time to time which shall not attract Provident fund, Gratuity, Superannuation fund etc.
- B. Perquisites:
- Perquisites applicable to the Managing Director in addition to salary, as follows:-
- a) Housing :
- i. The Expenditure by the Company on hiring/leasing furnished accommodation will be subject to 60% of the salary, over and above 10% payable by the Managing Director.
- ii. In case the accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.
- iii. In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing-i. mentioned above
- b) Medical Reimbursement:
- Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three month's salary over a period of three years.
- c) Leave Travel Concession:
- Leave Travel Concession for self and family subject to maximum of once in a year incurred in accordance with the Rules of the Company.
- d) Club Fees:
- Fees of clubs subject to a maximum to two clubs. No admission and life membership fees will be allowed.
- e) Personal Accident Insurance:
- Personal Accident Insurance of an amount, the annual premium of which does not exceed ₹ 5,000 per annum.
- f) Provident Fund / Superannuating Fund
- i. Company's contribution towards Provident Fund as per the Rules of the Company.
- ii. Company's contribution towards Superannuation Fund as per the Rules of the Company.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund will be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income Tax Act.
- g) Gratuity:
- As per the Rules of the Company.
- h) Earned Leave:
- On full pay and allowance as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- i) Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.
- Explanation: "Family" means the spouse, dependent children and dependent parents of Mr. Umesh Lahoti.
- The Remuneration last drawn by Umesh Rambilas Lahoti during the financial year 2014-2015 is ₹ 21.60 Lakhs.
-

# LAHOTI OVERSEAS LIMITED



## **Item No.6**

Mr. Ujwal Lahoti (00360785), who has been the Executive Director and Executive Chairman of the Company have been proposed for re-appointment for a term 5 years as approved and recommended by the Board of Directors in consultation with Audit Committee and Nomination and Remuneration Committee of the Board in compliance with Section 196 and 197 of the Companies Act, 2013 and as per Clause 49 of the Listing agreement.

The Board at its meeting held on 12<sup>th</sup> February, 2015, has, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members and any statutory or competent authority, if required, re-appointed Mr. Ujwal Lahoti as the Executive Director of the Company, for a period of Five (5) years commencing from 1<sup>st</sup> April, 2014.

A copy of the Agreement entered between Mr. Ujwal Lahoti and the Company shall be kept open for inspection by the members of the Company at the Registered office of the Company during working hours from 10.a.m to 6.30.p.m. on weekdays prior to the date of the Meeting and during the Meeting.

None of the Directors/ Key Managerial Personnel of the Company/their relatives is in anyway, concerned or interested, financially or otherwise in the said appointment except to the extent of their shareholding in the Company.

Your Directors therefore recommends the said resolution and your approval is sought by passing of an Ordinary resolution.

The principle terms and conditions of the appointed as entered into agreement between the Company and Mr. Ujwal Lahoti is as follows:

1. Term of Appointment : 5 Years
2. Period : 1<sup>st</sup> April, 2014 – 31<sup>st</sup> March, 2019
3. Remuneration :

- A. (i) Salary: In the range of ₹ 2,00,000 (Rupees Two Lakhs) per month (Basic salary and annual increase therein to be decided by the Board within the above ceiling).

- (ii) Special Allowance: As may be decided by the Board from time to time which shall not attract Provident fund, Gratuity, Superannuation fund etc.

B. Perquisites:

Perquisites applicable to the Director in addition to salary, as follows:-

a) Housing :

- i. The Expenditure by the Company on hiring/leasing furnished accommodation will be subject to 60% of the salary, over and above 10% payable by the Managing Director.
- ii. In case the accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.
- iii. In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing-i. mentioned above

b) Medical Reimbursement:

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three month's salary over a period of three years.

c) Leave Travel Concession:

Leave Travel Concession for self and family subject to maximum of once in a year incurred in accordance with the Rules of the Company.

d) Club Fees:

Fees of clubs subject to a maximum to two clubs. No admission and life membership fees will be allowed.

e) Personal Accident Insurance:

Personal Accident Insurance of an amount, the annual premium of which does not exceed ₹ 5,000 per annum.

# LAHOTI OVERSEAS LIMITED



g) Provident Fund / Superannuating Fund

iii. Company's contribution towards Provident Fund as per the Rules of the Company.

iv. Company's contribution towards Superannuation Fund as per the Rules of the Company.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income Tax Act.

h) Gratuity:

As per the Rules of the Company.

j) Earned Leave:

On full pay and allowance as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

k) Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

Explanation: "Family" means the spouse, dependent children and dependent parents of Mr. Ujwal Lahoti.

## **Item No.7**

As per the provisions of Section 149(1) of the Companies Act, 2013 read with rules thereunder and as per Clause 49 of the Listing Agreement, every listed Company is required to have atleast one Woman Director on the Board. Mrs. Meghna was appointed in the Board in February, 2015, wherein she shall hold office only upto the date of this Annual General Meeting. The Company has received a notice in writing alongwith the requisite deposit proposing her candidature for the office of

Director as per Section 160 of the Companies Act, 2013 and has also received a declaration from her that she meets the criteria for Independence as per Section 149 of the Act.

The Board of Directors are of the view that it will be in the interest of the Company to appoint her as the Independent Woman Director of the Company. Mrs. Meghna Vijay Panchal shall not be liable to retirement by rotation and shall hold office for a period of Five (5) years commencing from 29<sup>th</sup> September, 2015.

A copy of letter of appointment of Mrs. Meghna shall be kept open for inspection by the members of the Company at the Registered office of the Company during working hours from 10.a.m to 6.30.p.m. on weekdays prior to the date of the Meeting and during the Meeting.

None of the Directors/ Key Managerial Personnel of the Company/their relatives is in anyway, concerned or interested, financially or otherwise in the said appointment except to the extent of their shareholding in the Company.

Your Directors therefore recommends the said resolution and your approval is sought by passing of an Ordinary resolution.

## **The brief profile of the Directors to be appointed is given below:**

• **Mr. Umesh Rambilas Lahoti (DIN : 00361216)**

Being the promoter of the Company, he has been in charge of the day to day Operations and Management of the Company and has been a Director in the Company since incorporation.

Mr. Umesh Rambilas Lahoti is a graduate in Commerce from Shivaji University, Kolhapur. After completing his graduation, he joined the family business of wholesale cloth trading. He has to his credit more than 28 years of experience in the business of yarn and clothing trading and further has experience in the field of construction, textile, spinning and exports of cotton yarns.

He also serves in the Board of various public and private limited Companies.

# LAHOTI OVERSEAS LIMITED



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- **Mr. Ujwal Rambilas Lahoti (DIN : 00360785)**

Mr. Ujwal Rambilas Lahoti, being the Executive Chairman and Executive Director of the Company has served as Director of the Company since Incorporation. Starting his career in marketing of Textiles since 1978, he has played a pivotal role in shaping the Company and has predominantly been taking care of the core trading division of the Company and overall operations.

He is a graduate in Commerce from Pune University and has more than 32 years of experience in the business of yarn and cloth trading and exports. He is currently the Deputy Chairman of The Cotton Textiles Export Promotion Council, popularly known as TEXPROCIL which has been the international face of cotton textiles from India facilitating exports worldwide.

He also serves in the Board of various public and private limited Companies.

- **Mrs. Meghna Vijay Panchal (DIN : 07082835)**

Mrs. Meghna Vijay Panchal joined the Board in February, 2015 thereby fulfilling the requirement of a Woman Director in the Board and since then has been

providing valuable inputs. She has a Bachelors in Arts and has experience in Business Administration.

- **Mr. Aadhitiya U. Lahoti, (DIN: 01501504)**

Mr. Aadhitiya who is a B.Com & FMBA by qualification joined the Company in 2005 as Export Executive and now is looking after the Marketing in USA & European markets and also business development. His knowledge about modern business environment and management system will help the Company. Mr. Aadhitiya Lahoti is a part of core team that drives the growth and performance of Lahoti Overseas Limited. He envisioned new business platforms and is dedicated to building the innovation side of the business. He has nurtured new lines of business, helped to build a high-talent organization, and was instrumental in introducing best-in-class practices in corporate governance

**Place:** Mumbai

**Date:** 12<sup>th</sup> August, 2015

**By Order of the Board**

**Umesh Lahoti**  
**Managing Director**  
**(DIN00361216)**



## LAHOTI OVERSEAS LIMITED

Registered Office: 307 Arun Chambers, Tardeo Road, Mumbai – 400 034.  
CIN- L74999MH1995PLC087643 Website: www.lahotioverseas.in, Tel No - +91-22-4050 0100  
Email : investor@lahotioverseas.com

### PROXY FORM FORM NO. MGT - 11

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

CIN: L74999MH1995PLC087643

Name of the Company: LAHOTI OVERSEAS LIMITED

Registered Office: 307 Arun Chambers, Tardeo Road, Mumbai – 400 034. India

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 **LAHOTI OVERSEAS LIMITED**: hereby appoint

1. Name: .....

Address: .....

E-mail Id: .....

Signature: ....., or failing him/her

2. Name: .....

Address: .....

E-mail Id: .....

Signature: ....., or failing him/her

3. Name: .....

Address: .....

E-mail Id: .....

Signature: .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **20th Annual General Meeting** of the Company to be held on the Tuesday, 29<sup>th</sup> day of September, 2015 at 3.00 p.m. at 307, Arun Chambers, Tardeo Road, Mumbai-400 034 and at any adjournment thereof, in respect of such resolutions as indicated :

P.T.O.



## LAHOTI OVERSEAS LIMITED

Registered Office: 307 Arun Chambers, Tardeo Road, Mumbai – 400 034.  
CIN- L74999MH1995PLC087643 Website: www.lahotioverseas.in, Tel No - +91-22-4050 0100  
Email : investor@lahotioverseas.com

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution	Type of Resolution	For*	Against*
Consider and adopt: <ul style="list-style-type: none"><li>the Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2015 comprising of Balance Sheet as at 31<sup>st</sup> March, 2015, the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2015 and the reports of Directors and the Auditors thereon</li><li>the Audited Consolidated statements of the Company for the financial year 31<sup>st</sup> March, 2015</li></ul>	Ordinary		
To declare a Dividend on Equity Shares of the Company for the Financial Year ended on 31 <sup>st</sup> March, 2015	Ordinary		
To appoint a Director in place of Mr. Aadhitiya Ujwal Lahoti (holding DIN 01501504), who retires by rotation and being eligible offers himself for re-appointment	Ordinary		
The ratify the appointment of M/s. P C Ghaidali and Co. LLP Chartered Accountants, Mumbai (ICAI Registration No. 103132W) as the Statutory Auditors of the Company	Ordinary		
Re-appointment of Mr. Umesh Rambilas Lahoti (00361216) as Managing Director and Key Managerial Personnel and fix his remuneration.	Ordinary		
Re-appointment of Mr. Ujwal Rambilas Lahoti (00360785) as Whole time Director and fix his remuneration	Ordinary		
Regularization of the appointment of Mrs. Meghna Vijay Panchal (07082835) as an Independent Director	Ordinary		

Signed this ..... day of ....., 2015

Signature of Shareholder (s)

Signature of Proxy Holder (s)

Affix a  
1 Rupee  
Revenue  
Stamp

**Note:**

- This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting
- For the resolutions, explanatory statement and notes, please refer to the notice of the 20th Annual General Meeting.
- A Proxy need not be a member of the Company
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy such person shall not act as a proxy for any other person or shareholder
- \*This is optional. Please put tick mark (3) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated



## LAHOTI OVERSEAS LIMITED

Registered Office: 307 Arun Chambers, Tardeo Road, Mumbai – 400 034.  
CIN- L74999MH1995PLC087643 Website: www.lahotioverseas.in, Tel No - +91-22-4050 0100  
Email : investor@lahotioverseas.com

### ATTENDANCE SLIP

(Please fill attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional slip at the venue of the meeting.)

Regd. Folio No.: \_\_\_\_\_

DP ID\*: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Client ID\*: \_\_\_\_\_

Full Name of the Member (in Block Letters): \_\_\_\_\_

Name of the Proxy: \_\_\_\_\_

(To be filled-in if the Proxy Form has been duly deposited with the Company)

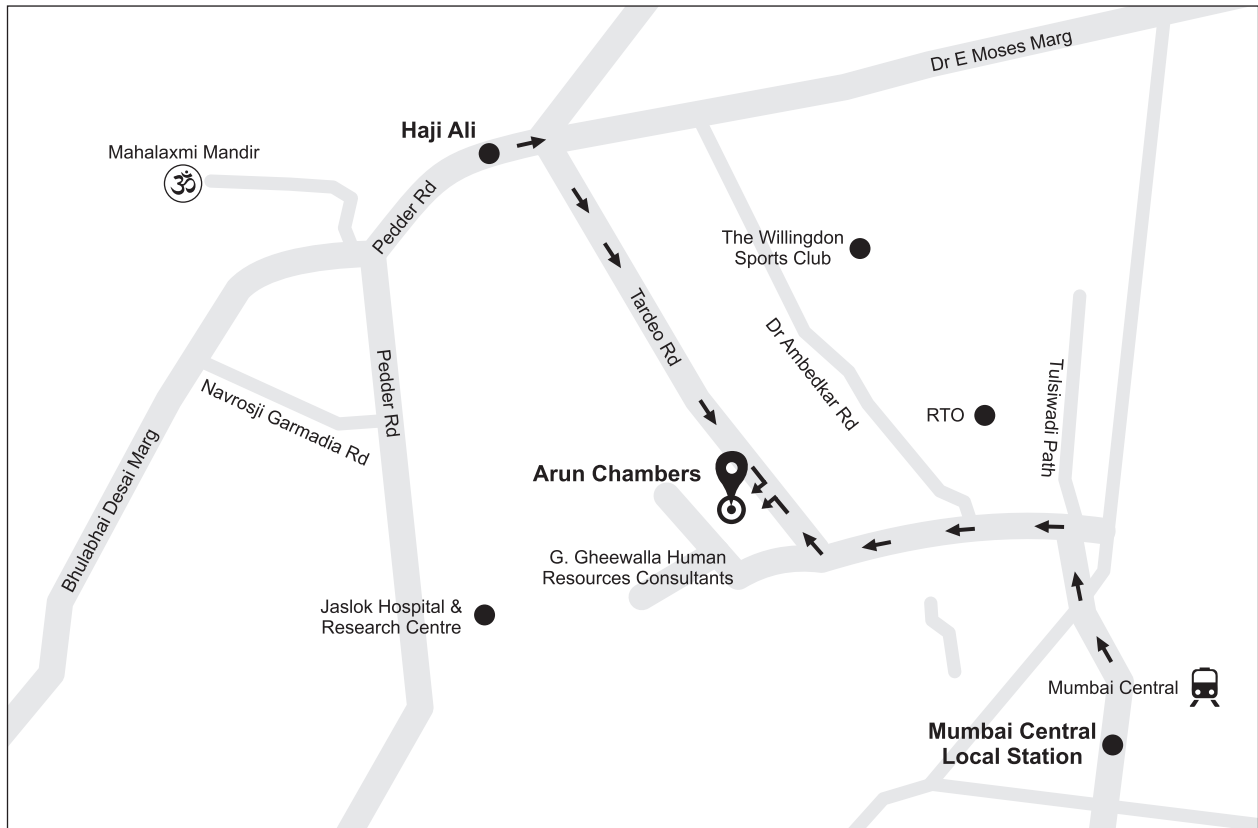
I hereby record my presence at the **20th ANNUAL GENERAL MEETING** of the Company on **Tuesday, September 29, 2015 at 3:00 P.M.** at the Registered Office of the Company at 307, Arun Chambers, Tardeo Road, Mumbai-400 034.

Members / Proxy's Signature  
(To be signed at the time of handing over this slip)

\* Applicable for members holding shares in electronic form.

**Note:** Members are requested to bring their copies of the Annual Report to the meeting

## Road map to the Venue of AGM



### Landmark –

- Tardeo AC Market

- Haji Ali

Nearest Railway Station – Mumbai Central

Nearest Bus Station – AC Market

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This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



**20<sup>TH</sup> ANNUAL REPORT  
OF  
LAHOTI OVERSEAS LIMITED  
2014-2015**

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## CORPORATE INFORMATION

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**CIN: L74999MH1995PLC087643**

### BOARD OF DIRECTORS

Mr. Ujwal R. Lahoti (DIN 00360785)	-	Executive Chairman / Executive Director
Mr. Umesh R. Lahoti (DIN 00361216)	-	Managing Director
Mr. Aadhitiya U. Lahoti (DIN 01501504)	-	Jt. Executive Director
Mr. Prakash R. Bang (DIN 00088837)	-	Independent Non-Executive Director
Mr. Vijay D. Ajgaonkar (DIN 00065102)	-	Independent Non-Executive Director
Mr. Prem S. Malik (DIN 00023051)	-	Independent Non-Executive Director
Mrs. Meghna Vijay Panchal (DIN 07082835)	-	Additional Director – Woman Director

### KEY MANAGERIAL PERSONNEL

Mr. Umesh R. Lahoti	-	Managing Director
Mr. Pradeep Bachhuka	-	Chief Financial Officer
Ms. Gayathri S Iyer	-	Company Secretary

### AUDIT COMMITTEE

Mr. Prakash R. Bang	-	Chairman
Mr. Vijay D. Ajgaonkar	-	Member
Mr. Prem S. Malik	-	Member

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Vijay D. Ajgaonkar	-	Chairman
Mr. Prakash R. Bang	-	Member
Mr. Prem S. Malik	-	Member

### SHAREHOLDERS RELATIONSHIP COMMITTEE

Mrs. Meghna Vijay Panchal	-	Chairman
Mr. Ujwal R. Lahoti	-	Member
Mr. Umesh R. Lahoti	-	Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ujwal R. Lahoti	-	Chairman
Mr. Umesh R. Lahoti	-	Member
Mr. Prakash R. Bang	-	Member



## CORPORATE INFORMATION

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### SECRETARIAL AUDITORS

M/s. Kothari H. & Associates  
208, P. J. Towers, Dalal Street, Fort,  
Mumbai - 400 001.

### INDEPENDENT AUDITORS

M/s. P C Ghadiali and Co. LLP  
207, Arun Chamber, Tardeo Main Road,  
Janata Nagar, Tardeo, Mumbai 400034

### INTERNAL AUDITORS

M/s. Lahoti Navneet & Co.  
A 101, Ganga, Vasant Sagar,  
Thakur Village, Kandivali East,  
Mumbai - 400101

### BANKERS

State Bank of India  
Citibank N.A.  
DBS Bank Limited  
HSBC Limited  
ICICI Bank Limited  
HDFC Bank Limited  
Ratnakar Bank Limited

### REGISTERED OFFICE

207, Arun Chambers,  
Tardeo Road, Mumbai - 400 034.  
Tel.: +91-22-4050 0100, Fax: +91-22-4050 0150  
e-mail: [investor@lahotioverseas.com](mailto:investor@lahotioverseas.com)  
Web: [www.lahotioverseas.in](http://www.lahotioverseas.in)  
CIN: L74999MH1995PLC087643

### LISTED IN STOCK EXCHANGES

Bombay Stock Exchange, Mumbai

### REGISTRAR & TRANSFER AGENTS

#### SHAREPRO SERVICES (INDIA) PRIVATE LIMITED

Samhita Complex, Gala No. 52-56, Bldg. No.13 A-B,  
Near Sakinaka Telephone Exchange, Andheri - Kurla Road,  
Sakinaka, Mumbai - 400 072.  
Tel No.: +91-22-6772 0300, 6772 0400, Fax No.: +91-22-2859 1568  
e-mail: [indira@shareproservices.com](mailto:indira@shareproservices.com) Web: [www.shareproservices.com](http://www.shareproservices.com)



## Directors' Report

### TO THE MEMBERS OF M/S. LAHOTI OVERSEAS LIMITED

The Directors take pleasure in presenting the Twentieth Annual Report along with Audited Financial Statements

of your Company and its subsidiaries for the Financial Year ended 31<sup>st</sup> March, 2015.

### Financial Highlights

The financial performance of the Company, for the year ended 31<sup>st</sup> March, 2015 is summarised below:

(₹ in Lakhs)

Particulars	Standalone For the Financial Year Ended		Consolidated For the Financial Year Ended	
	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Gross Income	59,845.14	72372.81	59,849.94	72,377.36
Gross Profit before, Depreciation and Tax	1304.52	2221.27	1309.18	2225.73
Less: Depreciation	265.51	396.36	265.51	396.36
Profit Before Tax	1039.01	1824.92	1043.67	1829.37
Provision for Tax	0.00	0.00	0.00	0.00
Current Tax	220.00	394.66	220.00	395.62
Deferred Tax	67.44	106.91	67.44	106.91
Profit after Tax before period items	751.56	1323.35	756.22	1326.86
Prior period adjustment	(11.57)	0.00	(11.57)	0.00
Add: Excess Provision written Back	0.00	0.00	0.00	0.00
Balance b/f from previous year	6408.65	5321.04	6410.56	5322.96
Amount available for appropriation	7148.64	6644.39	7155.21	6648.96
Less: Proposed Dividend	116.69	116.69	116.69	116.69
Corporate Dividend Tax	23.33	19.83	23.33	19.83
Transferred to General Reserves	56.37	99.25	56.37	99.25
Add: Excess provision for Dividend		----		
Balance carried to Balance Sheet	6952.25	6408.64	6958.81	6410.56

### Results of Operations

During the year under review your Company has reported a total income of ₹ 59845.14 Lakhs out of which the sale realization has decreased by 21.4% at ₹56,559.06 Lakhs when compared to previous years proceeds of ₹ 68,679 Lakhs from the textile division and a decrease of 9.6% at ₹ 411.23 Lakhs when compared to previous year proceeds of ₹ 450.77 Lakhs in the Power division. The Cotton textile Industry has had a general slow down due to unfavorable market conditions as a result of fall in market prices.

The market scenario of the Cotton textile Industry has been such that the unit price of Cotton Yarns have been under pressure which has shown a decline in price of 13.5% when compared to previous financial year and the demand in kgs has reduced by 4.33%. This year exports of cotton yarn from India to China has dropped by 23%.

(Source: Statistics of the World Market from Texprocil - The Cotton Textiles Export Promotion Council)

Further the non-operating income amounts to ₹ 1040.36 Lakhs which has increased by ₹ 708.82 Lakhs i.e by



213.79% as compared to the previous year due to Gain from Sale of One Wind Power Machine for ₹ 273.87 Lakhs and gain from foreign exchange.

## Dividend

Your Directors are pleased to recommend a final dividend @ 20% (i.e. ₹ 0.40) per equity share on 2,91,71,500 Equity shares of ₹ 2 each amounting to ₹1,16,68,600.

During the year, the unclaimed dividend amount of ₹86,361 pertaining to the Interim dividend for the financial year ended 31<sup>st</sup> March, 2007 were transferred to the Investor Education & Protection Fund after giving due notice to its Members.

The Final Dividend, subject to approval of the Members will be paid within statutory period, to the Members whose name appear in the Register of Members as on the record date, i.e. 22<sup>nd</sup> September, 2015.

The Dividend payout for the year under review has been formulated in accordance with the shareholder's aspirations and the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

## Transfer to Reserves

The Company proposes to transfer ₹ 56.37 Lakhs to the General Reserve. An amount of ₹ 543.59 Lakhs will be retained in the Surplus.

## Nature of Business and Changes therein

The Company is engaged in the business of trading of Cotton textiles and to specialize in the export of quality Cotton Yarns and fabrics. Lahoti's range today covers a wide variety of Cotton Yarns including carded & combed ring spun yarns of coarse & fine counts, ply yarns, special yarns and grey fabrics.

The Company is also engaged in the business of setting up of Power projects and to generate, supply, distribute, transmit and transform electric or other sources of power. During the year under review, there has been no change in the nature of business of the Company.

## Management Discussion and Analysis Report

As required under Clause 49 of the Listing Agreement with the Stock Exchange, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report.

## Material changes and commitments affecting financial position between the end of the financial year and date of report

There have been no material changes or commitments, if any, affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of report.

## Subsidiary Companies

The Company as on March 31, 2015 have 2 (Two) Wholly Owned Subsidiaries, viz. **Lahoti Spintex and Energy Limited (Formerly known as Lahoti Spintex Limited, name changed with effect from 30<sup>th</sup> June, 2015)** and **G. Varadan Limited**.

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as **Annexure 1** to the Board's report. The statement also provides the details of performance, financial positions of each of the subsidiaries. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries will be available for inspection during business hours at the Registered office of the Company.

No Independent Director on the Board of the Company is required to be inducted on the Board of its subsidiaries as none of the subsidiary is a material non-listed subsidiary Company as defined under revised Clause 49 of the listing agreement. The Audit Committee of the Company



reviews the financial statements of the unlisted subsidiary companies. The minutes of the Board meetings of unlisted subsidiary companies are regularly placed at the Board meetings of the Company.

## Deposit

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014. As on April 1, 2014, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Companies Act, 1956 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

## Particulars of Contracts or Arrangements with Related Parties

The Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 specifies the requirement for approval of the Board and/or the Members, as and when applicable in related party transactions in relation to contracts/arrangements.

During the year under review, the Company has not entered into related party transactions as per the provisions of Section 188 of the Companies Act, 2013. Thus disclosure in Form AOC-2 is not required. Further there are no materially significant related party transactions during the year under review made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

The Company has formulated a related party transactions policy and the same is displayed on the website of the company viz.

<http://www.lahotioverseas.in/PDFs/policies/related-party-transactions-policy.pdf>

## Particulars of Loans, Guarantees and Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

However the Company was not required to pass special resolution as the Loans advanced and investments made in accordance with the said provisions has not exceeded the limits as specified in the provision.

## Board of Directors

As per the requirements of Section 149, 152 of the Companies Act, 2013 (the Act) and such other applicable provisions of the Act and as per Clause 49 of the Listing agreement which defines the composition of the Board, the Board of Directors of the Company have been constituted in compliance with the said Sections.

Further at the time of appointment of an Independent Director, the Company issues a formal letter of appointment detailing their role and function in the Company, the format of the draft letter of appointment whereof is available on the website of the Company at: <http://lahotioverseas.in/PDFS/terms-and-conditions-of-appointment-of-independent-directors.pdf>

As on the date of this report, the Company's Board consists of the following Independent Directors:

1. Mr. Prakash Ramchandra Bang
2. Mr. Vijay Dattatraya Ajgaonkar
3. Mr. Prem Sardarilal Malik

The aforementioned Directors who have been acting as Independent Directors prior to commencement of the Companies Act, 2013 have been appointed in compliance with Section 149 of the Companies Act, 2013, wherein their tenure of 5 years is effected from 1<sup>st</sup> April, 2014 till 31<sup>st</sup> March, 2019 through a formal letter of appointment.

### 1. Appointments

The Board in consultation with the Nomination and Remuneration Committee have appointed Mrs. Meghna Vijay Panchal (07082835) as the Additional Director of the Company with effect from 13<sup>th</sup> February, 2015 to comply with the provisions of Section 149 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 of having one Woman Director on the Board.

Brief profile of Mrs. Meghna Vijay Panchal (07082835) together with other disclosures in terms of Clause 49 of



the Listing Agreement, who shall be proposed to be appointed as Independent Director of the Company subject to the approval of the Members is annexed as a part of the Notice of the 20<sup>th</sup> Annual General Meeting.

## 2. Re-appointments

As per the provisions of the Companies Act 2013, Mr. Aadhitiya Ujwal Lahoti (DIN: 01501504) retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

Mr. Umesh Lahoti (00361216), who has been the Managing Director of the Company have been proposed for re-appointment for a term of 5 years as approved and recommended by the Board of Directors in consultation with Audit Committee and Nomination and Remuneration Committee of the Board in compliance with Section 196, 197 and 203 of the Companies Act, 2013 and as per Clause 49 of the Listing agreement.

Mr. Ujwal Lahoti (00360785), who has been the Executive Chairman/Executive Director of the Company have been proposed for re-appointment for a term of 5 years as approved and recommended by the Board of Directors in consultation with Audit Committee and Nomination and Remuneration Committee of the Board as per the provisions of Section 196 and 197 of the Companies Act, 2013 and as per Clause 49 of the Listing agreement.

The Companies Act, 2013, provides for the appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that independent directors shall hold office for a term of up to five consecutive years on the board of a company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company.

Accordingly, all the independent directors were appointed by the shareholders at the general meeting as required under Section 149(10). Further, according to Sub-section (11) of Section 149, no independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in Sub-sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

None of the independent directors will retire at the ensuing Annual General Meeting.

## 3. Retirements and Resignations

Mr. Aadhitiya Ujwal Lahoti (DIN: 01501504) retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

There have been no other Directors who have retired or resigned the office of Directorship during the year under review.

## Committees of Board

The Board has 4 Committees: Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee and the Corporate Social Responsibility Committee. A detailed note on the functions of the Board and Committee are provided in the Corporate Governance Report. The Composition of the Committees are as follows:

### 1. Audit Committee

The Audit Committee comprises of the following members:

Name of the Director	Designation in the Committee
Mr. Prakash Ramchandra Bang (Independent Director)	Chairman
Mr. Vijay Dattatraya Ajgaonkar (Independent Director)	Member
Mr. Prem S Malik (Independent Director)	Member
Ms. Gayathri S Iyer (Company Secretary)	Secretary

Kindly refer to the section on Corporate Governance under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

## 2. Stakeholder's Relationship Committee

Name of the Director	Designation in the Committee
Mrs. Meghna Vijay Panchal (Non-Executive Director)	Chairperson
Mr. Umesh Lahoti (Managing Director)	Member
Mr. Ujwal Lahoti (Executive Director)	Member

Kindly refer to the section on Corporate Governance under the head, 'Stakeholders Relationship Committee' for matters relating to constitution, meetings and functions of the Committee.

## 3. Nomination and Remuneration Committee

Name of the Director	Designation in the Committee
Mr. Vijay Dattatraya Ajgaonkar (Independent Director)	Chairman
Mr. Prakash Ramchandra Bang (Independent Director)	Member
Mr. Prem S Malik (Independent Director)	Member

Kindly refer section on Corporate Governance, under the head, 'Nomination & Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

## 4. Corporate Social Responsibility Committee

Name of the Director	Designation in the Committee
Mr. Prakash Ramchandra Bang (Independent Director)	Chairman
Mr. Ujwal Lahoti (Executive Director)	Member
Mr. Umesh Lahoti (Managing Director)	Member

## Declaration by Independent Directors

Mr. Prakash Ramchandra Bang, Mr. Prem Malik and Mr. Vijay Ajgaonkar are the Independent Directors on the Board of the Company. The Company has received the declaration from all the Independent Directors confirming that they meet the criteria as set out in the provisions of Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

## Companies Policy on Director's Appointment and Remuneration

In Compliance with Section 178 of the Companies Act, 2013 and as per Clause 49 of the amended Listing Agreement being effective from 1<sup>st</sup> October, 2014, the Board constituted the Nomination and Remuneration Committee comprising of Three (3) Non-Executive Independent Directors of the Company and further the Board in consultation with the Nomination and Remuneration Committee formulated the Nomination and Remuneration Policy.

The Remuneration policy of the Company comprises inter alia the aims and objectives, principles of remuneration, guidelines for remuneration to Executive and Non-Executive Directors and Key Managerial Personnel and criteria for identification of the Board Members and appointment of Senior Management.

The Criteria set out identification of the Board members are given hereunder:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time



Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

The Nomination and Remuneration Policy has been posted on the website of the Company <http://lahotioverseas.in/PDFs/policies/nomination-and-remuneration-committee-policy.pdf>

## Annual Evaluation of the Board

As per the provisions of the Companies Act, 2013 and Clause 49 of the Listing agreement, the Board conducted the Annual Evaluation of the Board, on its own performance and of the Directors, individually as well as the evaluation of the working of the Committees of the Board.

A structured questionnaire was prepared after taking into consideration various aspects of Board's functioning, composition of Board and Committees, culture, execution and performance of specific duties, obligations and governance.

The Independent Directors at a separate meeting held for this purpose, carried out the evaluation of the Non-Independent Directors and the Chairman of the Company.

The Board of Directors expressed their satisfaction.

## Corporate Social Responsibility (CSR)

As per the Companies Act, 2013, all Companies having net worth of ₹ 500 Crore or more, or turnover of ₹1,000 Crore or more or a net profit of ₹ 5 Crore or more during any financial year will be required to constitute a CSR Committee of the Board of Directors comprising three or more directors, at least one of whom will be an Independent Director.

Aligning with the guidelines, the Board had constituted a CSR Committee comprising of Mr. Prakash R. Bang as

Chairman and Mr. Ujwal R. Lahoti & Mr. Umesh R. Lahoti as its members. The Committee is responsible for formulating and monitoring the CSR policy of the Company.

CSR activities, as per the provisions of the Companies Act, 2013, may be undertaken by the Company through a registered trust or a registered society.

The CSR policy as adopted by the Company can be viewed on the website of the Company at: <http://lahotioverseas.in/PDFs/policies/corporate-social-responsibility-policy.pdf>. The Annual report on the CSR activities undertaken by the Company is appended to this report as Annexure -2.

## Number of Meetings of the Board of Directors

The details of number of meetings of the Board during the financial year 2014-2015 forms part of the Corporate Governance Report.

## Vigil Mechanism/Whistle Blower

As per the provisions of Section 177(9) and 177(10) of the Companies Act, 2013 and as per Clause 49 of the Listing Agreement, the Company has adopted a Whistle Blower Policy to report genuine concerns or grievances and to deal with the instances of fraud and mismanagement. The Whistle Blower Policy has been posted on the website of the Company <http://lahotioverseas.in/PDFs/policies/whistle-blower-policy.pdf>

## Directors' Responsibility Statement

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and

estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the directors had 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;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Auditors and Auditors' Report

In accordance with Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. P C Ghadiali and Co. LLP, Chartered Accountants, Mumbai (Registration No. 103132W) Statutory Auditors of the Company hold office upto the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company. However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

The notes on accounts referred to the Auditor's Report are self – explanatory and there has been no qualification/ remark made thereunder and therefore the same does not call for any further comments/explanation from the Directors.

## Secretarial Auditor

Your Company has appointed M/s. Kothari H. & Associates, a firm of Practicing Company Secretaries as a Secretarial Auditor of the Company, according to the

provision of Section 204 of the Companies, Act 2013 for conducting secretarial audit of Company for the financial year 2014 – 15.

The report in respect of the Secretarial Audit carried out by M/s. Kothari H. & Associates, Practicing Company Secretaries in Form MR-3 for the FY 2014-15 forms part to this report as **Annexure 3**. The said report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

## Equity Shares with Differential Rights

The Company has not issued any equity shares with differential rights / sweat equity shares/ employee stock options or not made any provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2014-2015

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2014-2015.

## Listing

At present the Company's Equity Shares are listed at BSE Limited and the Company has paid Listing Fees to the above Stock Exchanges for the year 2015-16.

## Disclosure of Remuneration paid to Director and Key managerial personal

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure 4** to the Board's report.

## Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations for future.

## Internal Financial Control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the



safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

## Risk Management

Risk management is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. Risk management's objective is to assure uncertainty does not deflect the endeavor from the business goals.

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. A risk management committee consisting of senior executives of the Company periodically reviews these procedures to ensure that executives' management controls risk through means of a properly defined framework. A senior independent director is associated with the committee. The Company has framed the risk assessment and minimization procedure which is periodically reviewed by the Board. The risk management policy is displayed on the website of the Company viz. <http://lahotioverseas.in/PDFs/policies/risk-management-policy.pdf>

## Extracts of Annual Return

As per the provisions of Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format in Form MGT-9 is annexed to this Board's Report as **Annexure – 5**.

## Energy Conservation Measures, Technology Absorption and R & D Efforts and Foreign Exchange Earnings and Outgo

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy. The Company has installed energy conservative equipment's like LED (Light Emitting Diode) lights instead of CFL (Compact Fluorescent Lamp).

The Company has maintained a technology friendly environment for its employees to work in. Your Company uses latest technology and equipment's. However since the Company is not engaged in any manufacturing, the information in connection with technology absorption is NIL.

During the period under review the Company has earned Foreign Exchange of **₹ 55,399.12 Lakhs** and incurred the Foreign Exchange outgo of **₹ 481.87 Lakhs**.

## Report on Corporate Governance

The Report on Corporate Governance for the year under review together with the certificate from the Auditor of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

## Acknowledgement

Your Directors wish to express their grateful appreciation for co-operation and support received from customers, financial institutions, Banks, regulatory authorities, customers, vendors and members and the society at large.

Deep sense of appreciation is also recorded for the dedicated efforts and contribution of the employees at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

**For and on behalf of the Board**

Sd/-	Sd/-
<b>Ujwal R. Lahoti</b>	<b>Umesh R. Lahot</b>
<b>(Executive Chairman)</b>	<b>(Managing Director)</b>
<b>(DIN 00360785)</b>	<b>(DIN 00361216)</b>

Place: Mumbai

Date: 12<sup>th</sup> August, 2015

## Annexures to Board's Report

### Annexure-1

#### **Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

#### **Part "A": Subsidiaries**

(in ₹)

Particulars	Details	
Name of the subsidiary	*Lahoti Spintex and Energy Limited ( <i>Formerly known as Lahoti Spintex Limited, name changed with effect from 30<sup>th</sup> June, 2015</i> )	G Varadan Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
Share capital	5,00,000 (50,000 Equity Shares of ₹ 10/- each)	5,00,000 (5,000 Equity Shares of ₹ 100/- each)
Reserves & surplus	NIL	8.47 Lakhs
Total Assets	5.06 Lakhs	13.59 Lakhs
Total Liabilities	5.06 Lakhs	13.59 Lakhs
Investments	NIL	12.91 Lakhs
Turnover	NIL	NIL
Profit before taxation	NIL	4.65 Lakhs
Provision for taxation	NIL	1.00 Lakhs
Profit after taxation	NIL	3.65 Lakhs
Proposed Dividend	NIL	NIL
% of shareholding	100% (Wholly owned Subsidiary)	100% (Wholly owned Subsidiary)

#### Details of New Subsidiary/ Joint ventures/Associate Companies

Sr. No.	Name of Company	Subsidiary / Joint ventures/ Associate Company	Date of becoming of Subsidiary / Joint ventures / Associate Company
	NIL		



There have been no Companies which have become Subsidiaries, Joint Ventures or Associate Companies during the year under review.

Details of the Company who ceased to be its Subsidiary/ Joint ventures/Associate Companies

Sr. No	Name of Company	Subsidiary / Joint ventures/ Associate Company	Date of cession of Subsidiary / Joint ventures/ Associate Company
	NIL		

There have been no Companies which have been ceased to be its Subsidiary, Joint Venture or Associate Company during the year under review.

***\*Note: Lahoti Spintex Energy bearing CIN : U17299MH2007PLC168316, being one of the Whole-time Subsidiary Company of Lahoti Overseas Limited changed its name and object clause with effect from 30<sup>th</sup> June, 2015 by issuance of a fresh Certificate of Incorporation pursuant to name change. Currently the name of the Company is "Lahoti Spintex and Energy Limited" bearing a new CIN: U40102MH2007PLC168316***

## **Annexure -2**

### **REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES [PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH RULES THEREUNDER]**

- (1) A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes:**

As per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, a Committee was formed by the Board for this purpose wherein the Company has framed its CSR policy for the development of programmes to benefit the weaker sections of the Society as approved by the CSR Committee and the Board. Though the Company intends to give preference to the development of local area and areas surrounding the registered office of the Company, it would also work towards upliftment of the underprivileged at large. For the financial year under review, the Company has directed its thrust areas of promoting health care among rural people.

The Activities have been undertaken through M/s. Karad Lions Charitable Trust, a Trust registered under Bombay Public Trust Act, 1950 which has an established track record of 3 (Three) years in compliance with the said provision.

The CSR Policy as adopted by the Company in consultation with the Board and CSR Committee, is available on the website of the Company: <http://lahotioverseas.in/PDFs/policies/corporate-social-responsibility-policy.pdf>

#### **(2) The Composition of the CSR Committee**

<b>Name of the Director</b>	<b>Designation in the Committee</b>
Mr. Prakash Ramchandra Bang (Independent Director)	Chairman

Mr. Ujwal Lahoti (Executive Director)	Member
Mr. Umesh Lahoti (Managing Director)	Member

#### **(3) Average net profit of the company for last three financial years**

(₹ in Lakhs)

<b>Financial Year</b>	<b>Average Net Profit</b>
2011-2012	696.78
2012-2013	1343.12
2013-2014	1824.92
Total	3864.82
Average total	1288.27

#### **(4) Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

**₹ 25.76 Lakhs**

#### **(5) Details of CSR spent during the financial year**

(a) Total amount to be spent for the financial year:  
**₹ 25.76 Lakhs**

(b) Amount unspent, if any: **₹ 18.76 Lakhs**

(c) Manner in which the amount spent during the financial year is detailed below

S.No	CSR project/activity identified	Projects/programmes 1. Local area/others 2. State/District (Name of the District/Area where the programme or project was conducted)	Amount Outlay (budget) project/programme	Amount spent on Project / Programme (Direct and Overhead)	Cummulative spend upto the Accounting period in 2014-2015	Amount spent directly/or through implementing agencies
1.	funding advanced equipments and machineries to eye hospital for eye related surgery to treat and provide quality treatment to the rural and needy patients  <b>Sector in which the project is covered –</b> Promoting health care including preventive health care	Karad, Maharashtra	₹10,00,000	<b>Director Expenditure:</b> ₹ 700,000 paid to M/s. Karad Lions Charitable Trust wherein as on 31 <sup>st</sup> March, 2015, an amount of ₹ 4,04,250 has been utilized by the Trust  <b>Overheads: NIL</b>	₹7,00,000 paid to M/s. Karad Lions Charitable Trust wherein as on 31 <sup>st</sup> March, 2015, an amount of ₹ 4,04,250 has been utilized by the Trust	Karad Lions Charitable Trust

**Note:** An amount of ₹4,04,250 were expended towards purchase of equipment for Eye related surgeries as on 31<sup>st</sup> March, 2015. Further an amount ₹1,50,255 has been spent on the same project during April, 2015. The balance unspent amount of ₹1,45,495 will be expended by the Trust within 1 month from the date of this report.

## Brief profile of the Trust:

Karad Lion Charitable Trust, a Trust registered under Bombay Public Trust Act, 1950 since 24<sup>th</sup> October, 2001

which is an associate of the Lion Club International Foundation. The Objective of the Trust has been in the following thrust areas:

- Finding and maintaining hospitals, medical investigation and research establishments or institutions, in India for affording facilities of medical relief to the poor, the sick and the suffering;

- ii. Establishing institutions and colleges for imparting education in medicine and other allied subjects;
- iii. Dissemination of useful knowledge in medicine and of providing facilities for research in the field of medicine with a view to assist deserving persons with opportunities of furthering their studies

In relation to the project expended by the Company in the said Trust, the Trust has been engaged in providing free Cataract Surgeries and other related eye treatments to the poor and needy through Late R.K. Lahoti Lions Eye Hospital, dental care through Lions Dental Hospital, preventive health care and check up services through Lions Dharmadaya Davakhana and Mobile van services for Cataract surgeries. The Trust has an established track record of 3 years relating to the said programme in compliance with the provisions of Section 135 read with CSR Rules thereunder.

**(6) In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:**

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which has been effective from 1st April, 2014, the Company had constituted the CSR Committee and adopted the policy in February, 2015.

The Company through trusted sources expended a fraction of the CSR fund (ie. 2% of Average net profit of the company for last three financial year) towards purchase of medical surgical equipment for eye related surgeries through M/s. Karad Lions Charitable Trust.

The Company has been on search for the right proposal/opportunity to channelize the CSR fund through a trusted forum which shall match the ideologies and motive of the CSR Committee and the Board and Management of the Company at large.

Since the Committee was formed in February, 2015 and due to posterity of time in finding the right proposal, the Management was unable to fulfill the complete spending of the CSR fund leaving a balance of ₹ 18.76 Lakhs.

**(7) A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company**

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

For Lahoti  
Overseas Limited

Sd/-  
Prakash R. Bang  
DIN : 00088837  
Chairman of the  
CSR Committee

For Lahoti  
Overseas Limited

Sd/-  
Umesh R. Lahoti  
DIN : 00361216  
Managing Director



## Annexure - 3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Lahoti Overseas Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lahoti Overseas Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 ('Audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Lahoti Overseas Limited for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

Regulations, 2009; ( Not applicable to the company during the Audit Period) and

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ( Not applicable to the company during the Audit Period)

- 2. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not notified as not applicable to the Company during the Audit Period)**
- ii. The Listing Agreements entered into by the Company with BSE limited.

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

#### **We further report that**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company has passed the resolution under Section 180 of the Companies Act, 2013

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**

Sd/-  
Hitesh Kothari  
Membership No. 6038  
Certificate of Practice No. 5502  
Date: 12.08.2015  
Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



## ANNEXURE- A TO THE SECRETARIAL AUDIT REPORT

To,  
The Members  
**Lahoti Overseas Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**

Sd/-  
**Hitesh Kothari**  
Membership No. 6038  
Certificate of Practice No. 5502

## Annexure-4

### REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-2015, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-2015 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S.No	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2014-2015 (₹ in Lakhs)	% increase in Remuneration in the Financial year 2014-2015	Ratio of Remuneration of each Director/to median remuneration of employees	Comparison of the Remuneration of KMP/Director against the performance of the Company
1.	Mr. Umesh Lahoti – Managing Director	21.60	0.00	10:1	Remuneration of K M P / D i r e c t o r increased by 7.90% and profit before tax decreased by 43.07%
2.	Mr. Ujwal Lahoti – Executive Director	28.32	0.00	12:1	
3.	Mr. Aadhitiya Lahoti Executive Director	3.60	0.00	2:1	
4.	Mr. Pradeep Bachhuka – Chief Financial Officer	9.42	15%	4:1	
5.	Ms. Gayathri S Iyer Company Secretary	1.13	0.00	0.49:1	

**Note:** No other Director other than Managing Director and Whole time Director received any remuneration other than sitting fees for the financial year 2014-2015.

- ii. The Median remuneration of the employees during the financial year was ₹ **2.27 Lakhs**
- iii. In the financial year 2014-2015, there was an increase of **15.05%** in the median remuneration of the employees
- iv. There were **48** permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2015

- v. Relationship between average increase in remuneration and company performance:-

The Profit before tax of the Company for the financial year 2014-2015 decreased by **43.07%** and the increase in median remuneration by **15.05%**. Though there has been a decrease in the performance of the Company due to unfavourable market conditions, the average increase in median remuneration has been on the individual employee's performance, growth factor and inflationary factors.



- vi. Comparison of remuneration of the Key Managerial Personnel against the performance of the Company:-

The total remuneration of Key Managerial Personnel increased by 7.91% from ₹ **29.78 Lakhs** in 2013-2014 to ₹ **32.15 Lakhs** in 2014-2015 and the profit before tax of the Company stands at ₹ 1039.01 Lakhs for 2014-2015 with a

decrease of **43.07%** in comparison to 2013-2014.

- vii. Variations in the Market Capitalization of the Company, price earning ratio as at the closing date of 2014-2015 and 2013-2014 and percentage increase or decrease in market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

	Closing Market Price per Share (in ₹)		Percentage Increase	Price Earnings Ratio		Market Capitalization (in ₹)	
	As on 31.03.2014	As on 31.03.2015		As on 31.03.2014	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015
<b>BSE</b>	<b>9.02</b>	<b>8.39</b>	<b>(6.98)</b>	<b>1.99</b>	<b>3.25</b>	<b>26,31,26,930</b>	<b>24,47,48,885</b>

*The Company's Shares are listed on the Bombay Stock Exchange.*

- viii. Average percentage increase in the salaries of the employees other than the managerial personnel in the financial year 2014-2015 has been **16.9%** and the increase in managerial remuneration for the financial year **7.91%**.
- ix. The key parameters for the variable component of the remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee and as per the Remuneration policy for Directors and Senior Management.

- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year under review – Mr. Ujwal Lahoti, Executive Chairman is the highest paid Director and no employee draws a remuneration above the said Director.
- xi. It is hereby affirmed that the remuneration paid during the year under review is as per the Remuneration policy of the Company

## Annexure - 5

### FORM MGT-9

#### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2015

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i	CIN:-	L74999MH1995PLC087643
ii	Registration Date –	24.04.1995
iii	Name of the Company -	Lahoti Overseas Limited
iv	Category / Sub-Category of the Company	Merchant Exporters
v	Address of the Registered office and contact details	307, Arun chambers, Tardeo Road, Mumbai – 400034 Ph: 022-40500100 Fax: 022-40500150 Website: <a href="http://www.lahotioverseas.in">www.lahotioverseas.in</a> email: <a href="mailto:investor@lahotioverseas.com">investor@lahotioverseas.com</a>
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>SHAREPRO SERVICES (INDIA) PRIVATE LIMITED</b> Samhita Complex, Gala No-52 to 56, Bldg No.13 A-B, Near Sakinaka Telephone Exchange Lane, Off Andheri – Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072. Tel No.: +91-22-6772 0300/400 I Fax No.:+91-22-2859 1568. E-mail: <a href="mailto:indira@shareproservices.com">indira@shareproservices.com</a> Web: <a href="http://www.shareproservices.com">www.shareproservices.com</a> Contact Person: Ms. Indira Karkera

#### II. PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	100% Cotton Yarn	520300	99%



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Lahoti Spintex and Energy Limited <i>(Formerly known as Lahoti Spintex Limited, name changed with effect from 30<sup>th</sup> June, 2015)</i> 307, Arun Chambers, Tardeo Road, Mumbai – 400034	U40102MH2007PLC168316 (Former CIN of the Company before name change U17299MH2007PLC168316)	Wholly owned Subsidiary	100%	2(87)
2.	G Varadan Limited 306, Arun Chambers, Tardeo Road, Mumbai – 400034	U29299MH1960PLC011656	Wholly owned Subsidiary	100%	2(87)

### IV. A. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF	15133925	0	15133925	51.88	15128925	0	15128925	51.86	-0.03
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2317500	0	2317500	7.94	2317500	0	2317500	7.94	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>17451425</b>	<b>0</b>	<b>17451425</b>	<b>59.82</b>	<b>17446425</b>	<b>0</b>	<b>17446425</b>	<b>59.81</b>	<b>-0.03</b>
(2) <b>Foreign</b>									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other– Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):- 0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>17451425</b>	<b>0</b>	<b>17451425</b>	<b>59.82</b>	<b>17446425</b>	<b>0</b>	<b>17446425</b>	<b>59.81</b>	<b>-0.03</b>



<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1621304	30500	1651804	5.66	1784218	30500	1814718	6.22	9.86
ii) Overseas	4250000	0	4250000	14.57	4250000	0	4250000	14.57	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4238606	275685	4514291	15.47	4330003	275685	4605688	15.79	2.02
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	616004	0	616004	2.11	402528	0	402528	1.38	-34.65
c) Others (specify)									
I) Non-Residence (Non- Repatriable)	6815	0	6815	0.02	8339	0	8339	0.03	22.36
ii) Non-Residence (Repatriable)	681161	0	681161	2.33	643802	0	643802	2.21	-5.48
<b>Sub-total (B)(2):-</b>	<b>11413890</b>	<b>306185</b>	<b>11720075</b>	<b>40.18</b>	<b>11418890</b>	<b>306185</b>	<b>11725075</b>	<b>40.19</b>	<b>0.04</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	<b>11413890</b>	<b>306185</b>	<b>11720075</b>	<b>40.18</b>	<b>11418890</b>	<b>306185</b>	<b>11725075</b>	<b>40.19</b>	<b>0.04</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>28865315</b>	<b>306185</b>	<b>29171500</b>	<b>100</b>	<b>28865315</b>	<b>306185</b>	<b>29171500</b>	<b>100</b>	<b>0</b>



## B. SHARE HOLDING PATTERN OF PROMOTERS

Sr No	Shareholders Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% change in share holding during the year
		No of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	No of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	
1	UMESH R LAHOTI	4484000	15.37	7.48	4484000	15.37	7.48	0
2	UJWAL R LAHOTI	3823000	13.11	7.39	3823000	13.11	7.39	0
3	JAYASHRI U LAHOTI	2375500	8.14	0	2375500	8.14	0	0
4	MANJUSHRI UMESH LAHOTI	1934500	6.63	0	1934500	6.63	0	0
5	RUKMINI R LAHOTI	1522000	5.22	0	1522000	5.22	0	0
6	AADHITIYA UJWAL LAHOTI	340500	1.17	0	340500	1.17	0	0
7	SHASHWAT UMESH LAHOTI	208500	0.71	0	208500	0.71	0	0
8	UJWAL R LAHOTI (HUF)	188500	0.65	0	188500	0.65	0	0
9	SAURABH UMESH LAHOTI	140425	0.48	0	140425	0.48	0	0
10	AMRITA UJWAL LAHOTI	65000	0.22	0	65000	0.22	0	0
11	R.K.LAHOTI (HUF)	47000	0.16	0	47000	0.16	0	0
12	KIRTI STOCK BROKERS (P) LTD	1610000	5.52	0	1610000	5.52	0	0
13	HIND COMMERCE LIMITED	707500	2.43	0	707500	2.43	0	0
14	PRAKASH RAMCHANDRA BANG	5000	0.02	0	0	0	0	-0.02
	<b>Total</b>	<b>17451425</b>	<b>59.82</b>	<b>14.88</b>	<b>17446425</b>	<b>59.81</b>	<b>14.88</b>	<b>-0.01</b>



## C. CHANGE IN PROMOTERS SHAREHOLDING

S.No	Period	Shareholding at the beginning of the year (as on 01.04.2014)		Cumulative Shareholding during the year (as on 01.04.2014 to 31.03.2015)	
		No. of Shares	% total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	17451425	59.82	17451425	59.82
1.	Date of Decrease in promoter's shareholding during the year under review: 24.12.2014 Reason for decrease : Transfer of Shares	17451425	59.82	17446425	59.81
	At the end of the Year	17451425	59.82	17446425	59.81

## D. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs):

S.No	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (as on 01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) /at the end (31.03.2015)	% total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Billion Way Garment Limited	425000	14.57	01.04.2014	Nil movement during the year		425000	14.57
		425000	14.57	31.03.2015				
2.	Rashyap Impex Limited	1246244	4.27	01.04.2014	Nil movement during the year		1246244	4.27
		1246244	4.27	31.03.2015				
3.	Anil Gurmukh Bhagwani	592675	2.03	01.04.2014	Nil movement during the year		592675	2.03
		592675	2.03	31.03.2015				



## E. SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

S.No	Name	Shareholding at the beginning of the year (as on 01.04.2014)		Cumulative Shareholding during the year (as on 01.04.2014 to 31.03.2015)	
		No. of Shares	% total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>A</b>	<b>DIRECTORS:</b>				
1	UMESH R LAHOTI (MD/KMP)	4484000	15.37	4484000	15.37
2	UJWAL R LAHOTI	3823000	13.11	3823000	13.11
3	AADHITIYA UJWAL LAHOTI	340500	1.17	340500	1.17
4	PRAKASH RAMCHANDRA BANG	5000	0.02	0	0
5	PREM S MALIK	0	0	0	0
6	VIJAY AJGAONKAR	0	0	0	0
7	MEGHNA V PANCHAL	0	0	0	0
<b>B</b>	<b>KEY MANAGERIAL PERSONNEL:</b>				
8	PRADEEP BACHHUKA	0	0	0	0
9	GAYATHRI S IYER	0	0	0	0

## V. INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i.e. 01.04.2014				
i) Principal Amount	835.72	971.00	0	1806.72
ii) Interest due but not paid	9.98	55.04	0	65.02
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	845.70	1026.04	0	1871.74
Change in Indebtedness during the financial year 2014-2015	0	0	0	0
Addition	401.02	1265.00	0	1666.02
Reduction	338.54	749.96	0	1088.50
Net Change	62.47	515.04	0	577.52
Indebtedness at the end of the financial year				
i) Principal Amount	899.01	1495.00	0	2394.04
ii) Interest due but not paid	9.16	46.08	0	55.24
iii) Interest accrued but not due	0.00	0	0	0.00
Total (i+ii+iii)	916.17	1541.08	0	2449.28

## VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in Lakhs)

Sr No.	Particulars of Remuneration	Name of MD/WT/ Manager			Total Amount
		Umesh Lahoti	Ujwal Lahoti	Aadhitiya Lahoti	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.60	24.00	3.60	49.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	4.20	0	4.20
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A)</b>	21.60	28.20	3.60	53.40
	Ceiling as per the Act	The remuneration is well within the ceiling limit prescribed under the Companies Act, 2013			

### B. Remuneration to other Directors:

#### Independent Directors:

( in ₹)

Particulars of Remuneration	Name of Directors			Total Amount
	Prem S Malik	Vijay Ajgaonkar	Prakash R Bang	
Fee for Attending Board/ Committee Meetings	12000.00	21000.00	13000.00	46000
Commission	0	0	0	0
Others	0	0	0	0
<b>Total (B1)</b>	12000	21000	13000	46000

## Other Non-Executive Directors:

(in ₹)

Particulars of Remuneration	Name of the Director	Total Amount
	<b>Mrs. Meghna Vijay Panchal</b>	
Fee for Attending Board/ Committee Meetings	2000	2000
Commission	0	0
Others	0	0
<b>Total (B2)</b>	2000	2000

**Total (B1) + Total (B2) = ₹ 48,000/-**

## A. Remuneration to Key Managerial Personnel:

(₹ in Lakhs)

Sr No.	Particulars of Remuneration	Name of KMP			Total Amount
		Umesh Lahoti	Pradeep Bachhuka	Gayathri S Iyer	
	Gross salary				
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.60	9.42	1.13	32.15
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	21.60	9.42	1.13	32.15



## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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



## REPORT ON CORPORATE GOVERNANCE

**In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India (Clause 49) and some of the best practices followed internationally on Corporate Governance System and processes at Lahoti Overseas Limited is as follows:**

### 1. Our Corporate Governance Philosophy

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve to the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understandable manner, and by being fair to all stakeholders, by ensuring that the organization is managed and monitored in a responsible manner for creating and sharing stakeholder's value and the Company's activities are managed by a professionally competent and independent Board of Directors. The performance of the Company is driven by integrity which is vital to gain the trust of the stakeholders.

Our Governance practices seek to go beyond the statutory and regulatory requirements. Our Endeavour is to follow the spirit of good governance rather than the mere letter of the conditions specified by regulatory authorities.

The amended Listing Agreement being effective from 1<sup>st</sup> October, 2014 has brought in additional compliance, transparency and corporate governance norms for listed entities such as requirement of one woman director on the Board, Whistle blower system, elaboration on remuneration to Directors and shareholder's approval for related party transactions wherein the amended agreement has been brought in conformity with the Companies Act, 2013. These norms have aimed at better corporate governance and to provide for stricter disclosures and protection of investor rights, including equitable treatment for minority and foreign shareholders.

The Company has strived to adopt a corporate governance framework to align itself with the new guidelines of the Companies Act, 2013 and the amended Listing Agreement. The Company ensures timely disclosures and sharing of accurate information about

financials and performance as well as leadership and governance of the Company.

The Corporate Governance philosophy of the Company rests on five basic tenets viz., Board's accountability, value creation, strategic guidance, transparency and equitable treatment to all stakeholders.

### 2. Board of Directors (Board)

#### (a) Board composition:

The Company maintains optimum number of Directors in compliance with the Companies Act, 2013, Listing Agreement entered with the stock exchange(s) and in accordance with the best practices of Corporate Governance. The Board has the optimum combination of executive and non-executive/ independent directors and thereby bringing objectivity and transparency in the Management and in dealings of the Company.

As of March 31, 2015, the Board consisted of Seven Members of which 3 are Executive Directors and 4 are Non-Executive Directors. All members of the Board are persons with considerable experience and expertise in Industry.

The Chairman and Managing Director along with the Board of Directors provide leadership to the Board and to the Management in strategizing and realizing business objectives and are supported by the Executive Directors. The Independent Directors contribute by giving their valuable guidance and inputs with their independent judgment on the overall business strategies and performance.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee & Stakeholders Relationship Committees, as per Clause 49 II (D) (2) of the Listing Agreement), across all the companies in which he/she is Director. The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors holds office in more than 20 companies and in more than 10 public companies.

The Disclosures about the Category of the Directors along with their directorship & Committee Membership are given below as on 31<sup>st</sup> March, 2015:

Name of the Director	Executive/ Non-Executive/ Independent	*No. of Outside Directorships held in Indian Public Limited Companies	Number of Outside Committee positions held		Number of Board Meetings		Attended Last AGM
			Member	Chairman	Held	Attended	
Umesh Lahoti	Executive	8	1	0	5	5	Yes
Ujwal Lahoti	Executive	6	2	0	5	5	Yes
Aadhitiya Lahoti	Executive	1	0	0	5	3	Yes
Prem S Malik	Independent	6	6	1	5	2	No
Vijay Dattatraya Ajaonkar	Independent	5	0	4	5	4	No
Prakash R Bang	Independent	5	2	1	5	4	No
Meghna V Panchal	Non-Executive	1	1	1	0	0	No

\*Excludes Directorships in Associations, Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Companies Act, 2013. Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for committee positions. The above Directorships & Committee Positions are excluding Directorships & Committee Positions in your company. Mrs. Meghna Vijay Panchal has been appointed as an Additional Director with effect from 13<sup>th</sup> February, 2015.

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act, 2013 and the Listing Agreement as on 31<sup>st</sup> March, 2015. Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement.

## (b) Board Meetings held and attendance:

The Board meets at least once in each quarter inter alia to review the quarterly results. In addition the Board also meets whenever necessary. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliances, if any.

The Board of Directors (hereinafter referred to as “the Board”) met for Five (5) number of times during the Year under review:

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
1.	01/04/2014	Venue: Regd office - 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 03.00.p.m.	1. Mr. Ujwal R Lahoti 2. Mr. Umesh R Lahoti 3. Mr. Aadhitiya Lahoti 4. Mr. Prakash R Bang	1. Mr. Vijay Ajaonkar 2. Mr. Prem S Malik

2.	26/05/2014	Venue: Regd office - 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 03.00.p.m.	1. Mr. Ujwal R Lahoti 2. Mr. Umesh R Lahoti 3. Mr. Aadhitiya Lahoti 4. Mr. Vijay D. Ajgaonkar 5. Mr. Prakash R Bang	1. Mr. Prem S Malik
3.	12/08/2014	Venue: Hotel Inter Continental, 135, Marine Drive, Mumbai-400 020 Time: 03.30.p.m.	1. Mr. Ujwal R Lahoti 2. Mr. Umesh R Lahoti 3. Mr. Aadhitiya Lahoti 4. Mr. Vijay D. Ajgaonkar 5. Mr. Prem S. Malik	1. Mr. Prakash R Bang
4.	10/11/2014	Venue: 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 03.30.p.m.	1. Mr. Ujwal R Lahoti 2. Mr. Umesh R Lahoti 3. Mr. Prakash R Bang 4. Mr. Vijay D. Ajgaonkar	1. Mr. Aadhitiya Lahoti 2. Mr. Prem S Malik
5.	12/02/2015	Venue: Regd office - 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 04.00.p.m.	1. Mr. Ujwal R Lahoti 2. Mr. Umesh R Lahoti 3. Mr. Prakash R Bang 4. Mr. Vijay D. Ajgaonkar 5. Mr. Prem S. Malik	1. Mr. Aadhitiya Lahoti

The Company held 5 Board Meeting during 2014-15 and the gap between two meetings did not exceed 120 days.

Additionally a separate meeting of Independent Directors was held on 18<sup>th</sup> March, 2015.

## Procedure of Board/ Committee Meeting

The agenda papers with relevant explanatory notes and material documents relating to matters for perusal of the Board/ Committee are circulated in advance, so as to facilitate discussion and informed decision-making in the meeting.

## The information placed / required to be placed before the board of directors inter alia, includes:

- Annual operating plans and budgets and any updates
- Capital budgets and any updates
- Quarterly results of the Company and its operating divisions or business segments
- Minutes of meetings of audit committee and other committees of the board

- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial nonpayment for goods sold by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.



- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature of investments, subsidiaries, assets which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

## (c) Independent Directors:

All the Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Rules made thereunder and meet the requirement of Clause 49 of the Listing Agreement entered with the Stock Exchanges.

Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website viz <http://lahotioverseas.in/PDFs/terms-and-conditions-of-appointment-of-independent-directors.pdf>

## (d) Familiarization programme for Directors

As per Clause 49 of the Listing Agreement, the Company shall provide suitable training to the Independent Directors to familiarize them with the Company, their roles and responsibilities, Code of Conduct and other business ethics, nature and industry of the Company and the business model of the Company.

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility.

Directors are regularly briefed about the Industry's specific issues to enable them to understand the business environment in which the Company Operates. Efforts are also made to familiarize the Directors about their roles, rights, responsibility in the Company, its business model and the environment in which the Company operates.

## (e) Code of Conduct:

### Code of Conduct Policy for the Board Members and Senior Management of the Company

The Company has adopted **Code of Conduct Policy for the Board Members and Senior Management of the Company** which is applicable to the Board of Directors including Independent Directors and Senior Management Personnel as defined in the Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the website of the Company viz <http://lahotioverseas.in/PDFs/policies/code-of-conduct.pdf>

All Board members and senior management have confirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2015. The Annual Report contains a declaration to this effect signed by the Managing Director.

### Code of Conduct for Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading, 2015 in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the website of the Company viz <http://lahotioverseas.in/PDFs/policies/code-of-conduct-policy-for-prevention-of-insider-trading.pdf>

The Company has adopted the Code of practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in compliance with Regulation 8(1) and other applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI Circular No. CIR/ISD/01/2015 dated 11th May, 2015. The Code is displayed on the website of the Company viz <http://lahotioverseas.in/PDFs/policies/code-for-fair-disclosure-of-upsi.pdf>

## Other Committees of the Board

### 3. Audit Committee

The Chairman of the Committee is Mr. Prakash R. Bang and Mr. Vijay Ajgaonkar and Mr. Prem S. Malik are the members. The Committee held 4 (Four) meetings during the year. All the members of the Audit Committee are Non-Executive and Independent Directors. All the members are financially literate and have accounting / related financial management expertise.

The Audit Committee advises the Management on the areas where internal control system can be improved. The Company has appointed M/s. Lahoti Navneet and Co., Chartered Accountants as Internal Auditors to review and report on the internal control system. The report of the internal auditors is reviewed by the Audit Committee. The Internal Auditors submit their recommendations for the Audit Committee and provides their road map for future action.

The Role, function, responsibility and constitution of the Audit Committee is in accordance to the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, includes the following function:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board of Directors, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management the annual financial statements before submission to the Board of Directors for approval;
- Matters required to be included in the director's responsibility statement to be included in the Board of Directors' report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Qualifications in the draft audit report;
- Reviewing with the management the quarterly financial statements before submission to the Board of Directors for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing with the management the performance of statutory and internal auditors and the adequacy of internal control systems;
- 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;

- Discussion with internal auditors any significant findings and follow up there on;
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
  - Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
  - To look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - To review the functioning of the whistle blowing mechanism;
  - Approval of appointment of the chief financial officer (i.e. the whole time finance director or any other person heading the finance function or discharging that function) after assessing, amongst others, the qualifications, experience and background of the candidate;
  - Review & monitor the auditor's independence and performance and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the company with related parties;
  - Scrutiny of inter-corporate loans & investments;
  - Valuation of undertakings or assets of the company;
  - Evaluation of internal financial controls and risk management systems;
  - Examination of the financial statement and the auditor's report thereon;
  - Monitoring the end use of funds raised through public offers and related matters;
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
  - To investigate any activity within its terms of reference;
  - To have full access to information contained in the records of the Company;
  - To seek information from any employee;
  - To obtain outside legal or other professional advice; and
  - To secure attendance of outsiders with relevant expertise, if it considers necessary.
- (a) Composition and Audit Committee Meetings**
- There were 4 (four) meetings of the Audit Committee held during the year ended 31<sup>st</sup> March, 2015, i.e. on 26<sup>th</sup> May, 2014, 12<sup>th</sup> August, 2014, 10<sup>th</sup> November, 2014 and 12<sup>th</sup> February, 2015. Necessary quorum was present at all the meetings.

Name of Committee Members	Category	No. of Meetings attended
Mr. Prakash R. Bang	Chairman of the Committee & Independent Director	3
Mr. Vijay D. Ajgaonkar	Independent Director having Accounting and Financial knowledge	4
Mr. Prem S. Malik	Independent Director having textile industry knowledge	2

The meetings of the Audit Committee are usually attended by the Managing Director, Chief Financial Officer, the Company Secretary and a representative of the Internal Auditors and Statutory Auditors. The Business Operation Heads are invited to the Meetings, as and when required. The Company Secretary acts as the secretary to the Committee.

#### 4. Nomination and Remuneration Committee

In Compliance with Section 178 of the Companies Act, 2013 and as specified in the amended Listing Agreement being effective from 1st October, 2014, the Board constituted the Nomination and Remuneration Committee comprising of Three (3) Non-Executive Independent Directors of the Company with the following role and function:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration;
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies;
- To formulate criteria for evaluation and carry out evaluation of the performance of Directors, as well as Key Managerial, Independent Directors and Senior Management Personnel;
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To ensure no violation, by an employee of any applicable laws in India or overseas, including:
  - i. The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or

- ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995;

- To formulate detailed terms and conditions of employee stock option schemes including details pertaining to quantum of options to be granted, conditions for lapsing of vested options, exercise period, adjustments for corporate actions and procedure for cashless exercise and perform such other functions as are required to be performed by the Remuneration Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended ("ESOP Guidelines"), in particular, those stated in Clause 5 of the ESOP Guidelines; as and when required;
- To devise a policy on Board diversity;
- To develop a succession plan for the Board and to regularly review the plan.

#### (a) Composition and Meetings of Nomination and Remuneration Committee

As per the provisions of Section 178 of the Companies Act, 2013 read with Clause 49 of the amended Listing Agreement, the Committee was constituted at the Board Meeting held on 10<sup>th</sup> November, 2014.

Thereafter the Committee met once during the financial year under review as on 12<sup>th</sup> February, 2015 wherein the appointment, remuneration and terms of service of Mrs. Meghna Vijay Panchal, Additional Director, Mr. Pradeep Bachhuka, Chief Financial Officer/KMP, Ms. Gayathri S Iyer, Company Secretary/KMP and regularization of appointment of Mr. Ujwal Lahoti as Whole time Director/Executive Director subject to approval of members were discussed, approved and recommended by the Committee to the Board. The meeting was conducted with full quorum.



Name of Committee Members	Category	No. of Meetings Conducted	No. of Meetings attended
Mr. Vijay D. Ajgaonkar	Chairman of the Committee & Independent Director	1	1
Mr. Prakash R. Bang	Independent Director	1	1
Mr. Prem S. Malik	Independent Director	1	1

## (b) Remuneration Policy:

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors in consultation with the Nomination and Remuneration Committee has formulated the Nomination and Remuneration Policy. The Policy has been divided into three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and Part – C covers remuneration and perquisites etc.

Briefly the formulated policy comprises of the following:

- Appointment criteria and qualification - setting up of criteria and positive attributes and independence for identification and selection of directors, KMP and Senior Management positions
- Recommendation to the Board on appointment and removal of Directors, KMP and Senior Management Personnel
- Specifying the term and tenure of the Director
- Procedure and criteria for evaluation of Performance of every Director

- Removal and Retirement of Directors
- Remuneration Structure of Whole-time Director, KMP and Senior Management Personnel
- Remuneration structure of Non- Executive / Independent Director

**The Nomination and Remuneration Policy has been posted on the website of the Company <http://lahotioverseas.in/PDFs/policies/nomination-and-remuneration-committee-policy.pdf>**

## (c) Remuneration of Directors:

All Executive Directors receive salary, allowances, perquisites and commission while Non-Executive Independent Directors receive sitting fees for attending Board and Committee meetings. Payment of remuneration to the Chairman & Managing Director and the Executive Directors is governed by an Agreement entered into between the Company and the Managerial Personnel, the terms and conditions of which have been duly approved by the Board and the shareholders of the Company.

Salary paid to the Executive Directors including Commission is as follows:

(₹ in Lakhs)

Particulars	Name of the Executive Director		
	Mr. Ujwal R Lahoti	Mr. Umesh R Lahoti	Mr. Aadhitiya Ujwal Lahoti
Gross Salary	24.00	21.60	3.60
Commission and Perquisites	4.20	NIL	NIL
Date of Agreement	12 <sup>th</sup> February, 2015	11 <sup>th</sup> September, 2010	1 <sup>st</sup> September, 2012
No. of Years	5 years	5 years	5 years
Period of Agreement	Up to 31 <sup>st</sup> March, 2019	Up to 10 <sup>th</sup> September, 2015	Up to 31 <sup>st</sup> August, 2017
Notice Period	3 months	3 months	3 months
Stock Options	Nil	Nil	Nil

Details of Sitting Fees paid to the Independent Directors for 2014-15

Name of the Director	Sitting Fees (in ₹)
Mr. Prem S Malik	12000.00
Mr. Prakash R Bang	13000.00
Mr. Vijay Ajgaonkar	21000.00
Mrs. Meghna Vijay Panchal	2000.00

**Note:**

- None of the Directors received any loans or advances from the Company during the year.
- No remuneration other than the sitting fees for attending Board & Committee Meetings was paid to the Independent Directors.

## 5. Stakeholder's Relationship Committee

In order to comply with the provisions of Section 178 of the Companies Act, 2013, the nomenclature of Shareholders' / Investors' Grievance Committee was changed to Stakeholders Relationship Committee with revised role which also includes to consider and resolve the grievances of all stakeholders of the Company.

The terms of reference of Stakeholders Relationship Committee inter alia includes the following:

- Redressal of Shareholders', debenture holders' and other security holders' investors complaints including complaints related to transfer of shares;

- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed in the Listing Agreement.

### (a) Composition and Meetings of Stakeholder's Relationship Committee

The Composition of Stakeholder Grievance Committee as under was re-constituted during the year under review to comply with the provisions of Clause 49 of the Listing Agreement:

Name of the Director	Position	Category
Mrs. Meghna Vijay Panchal	Chairman	Non-Executive Director
Mr. Umesh Lahoti	Member	Managing Director
Mr. Ujwal Lahoti	Member	Executive Director

The Stakeholders Relationship Committee did not meet during the year, as there was no specific requirement for the same.

No queries/ complaints were received by the Company from shareholders. There were no pending letters/ complaints. The status of Shareholders' complaints received upto 31<sup>st</sup> March, 2015 is as stated below:

No. of Complaints received during the 12 (twelve) months period ended 31 <sup>st</sup> March, 2015	0
No. of Complaints resolved as on 31 <sup>st</sup> March, 2015	0
No of Complaints pending as on 31 <sup>st</sup> March, 2015	0
No. of pending share transfers as on 31 <sup>st</sup> March, 2015	0

No request for transfer or dematerialization of shares were pending as on 31<sup>st</sup> March, 2015.

## **Name, Designation and Address of the Compliance Officer:**

Ms. Gayathri S Iyer  
Company Secretary  
Lahoti Overseas Limited  
307, Arun Chambers, Tardeo Road,  
Mumbai – 400 034.  
Tel No.: +91-22-4050 0100  
Fax No.: +91-22-4050 0150  
E-mail: [gayathri@lahotioverseas.com](mailto:gayathri@lahotioverseas.com)

## **6. Corporate Social Responsibility Committee**

The terms of reference of the Corporate Social Responsibility (CSR) Committee inter alia includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy (Policy) indicating activities to be undertaken by the company in Compliance with the provisions of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the implementation of the framework of the CSR Policy;
- To collaborate with other companies for undertaking projects or programs or CSR

activities in such a manner that the Committees of respective companies are in a position to report separately on such projects or programs in accordance with CSR rules;

- The CSR initiatives / activities of the Company will be identified and initiated by the CSR Committee;
- The CSR Committee may delegate its responsibility to any senior or key managerial person as and when deemed fit;
- The CSR activities shall be undertaken within India.

## **(a) Composition and Meetings of the members of CSR Committee**

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder, the Board at its meeting held on 12<sup>th</sup> February, 2015 constituted CSR Committee to provide guidance on various CSR activities to be undertaken by the Company.

The Composition of CSR Committee and details of attendance of the members at the Meeting during the year is as under:



Name of the Director	Position	Category	No. of Meetings Conducted	No. of Meetings attended
Mr. Ujwal Rambilas Lahoti	Chairman	Executive Director	1	1
Mr. Umesh Rambilas Lahoti	Member	Managing Director	1	1
Mr. Prakash R Bang	Member	Independent Director	1	1

The Committee met once during the financial year 2014-15, on one (1) CSR Meetings was held on 12<sup>th</sup> February, 2015.

## 8. Independent Directors Meeting

During the year under review the Independent Directors met on 18<sup>th</sup> March, 2015, inter-alia to discuss the following matters:

- To review the performance of the Non-Independent Directors and the Board as a whole

- To review the performance of the Chairman of the Company;
- To assess the quality, quantity and timeliness flow of information between the Company management and the Board;
- To familiarize to the Independent Directors roles, rights and responsibilities and the nature of business of the Company.

A structured questionnaire was prepared in this regard for the Independent Directors to evaluate and discuss the performance of the Non-Independent Directors and Chairman of the Company.

Details of attendance of the members at the Meeting during the year is as under:

Name of the Independent Director	No. of Meetings Conducted	No. of Meetings attended
Mr. Prem S Malik	1	1
Mr. Vijay Dattatraya Ajgaonkar	1	1
Mrs. Meghna Vijay Panchal	1	1

Mr. Prem S Malik was unanimously elected as the Chairman of the Meeting

## 9. Details on General Body Meetings

### a. Date, Time and Venue for the last three Annual General Meetings held

Financial years	Dates	Time	Venues
2011-2012	28/09/2012	3.00 P.M.	307, Arun Chambers, Tardeo, Mumbai – 400 034.
2012-2013	29/09/2013	3.00 P.M.	307, Arun Chambers, Tardeo, Mumbai – 400 034.
2013-2014	29/09/2014	3.00 P.M.	307, Arun Chambers, Tardeo, Mumbai – 400 034.



## **b. Details of the Special Resolutions passed in the previous three AGM**

### **1. At the AGM held on 28<sup>th</sup> September, 2012 :**

Re-appointment of Mr. Aadhitiya Lahoti as a Whole Time Director designated as Jt. Executive Director for the period of 5 (Five) years from 1<sup>st</sup> September, 2012 to 31<sup>st</sup> August, 2017 to avail his expertise services in the Area of Business Management and Business Development.

### **2. At the AGM held on 29<sup>th</sup> September, 2013 – NIL**

### **3. At the AGM held on 29<sup>th</sup> September, 2014**

Consent of the shareholders authorizing the Board with borrowing powers as per provisions of Section 180(1)(c) of the Companies Act, 2013 to borrow money together with the money already borrowed by the Company and remaining undischarged at any given time, which will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, that the total amount upto which money may be borrowed by the Board shall not exceed in aggregate a sum of ₹ 300 crores and/ or in equivalent foreign currency.

## **c. E-Voting**

In accordance with the law, a poll (electronically and by physical ballot) was conducted on all the resolutions of the Notice, all the members were given on option to vote through electronic means using the CDSL platform.

***Note: During the year under review, the Company has not passed any special resolution through postal ballot. At present there are no proposal for passing any Special Resolution by postal ballot.***

## **10. Subsidiary Companies**

The Company does not have any material non-listed Indian subsidiary as defined under Clause 49 of the

Listing Agreement, viz an unlisted subsidiary incorporated in India, whose income or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

The Company's Audit Committee reviews the consolidated financial statements of the Company as well as the financial statements of the subsidiaries, including the investments made by the subsidiaries, if any.

The Company has formulated a policy for determining material subsidiaries and the policy is disclosed on the website of the company viz. <http://lahotioverseas.in/PDFs/policies/material-subsiidiary-policy.pdf>

## **11. Disclosures**

### **11.1 Materially significant Related Party Transaction**

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the year under review the Company has not entered into related party transactions as per the provisions of Section 188 of the Companies Act, 2013. Thus disclosure in Form AOC-2 is not required. Further there are no materially significant related party transactions during the year under review made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Suitable disclosure as required under AS-18 has been mentioned in the Notes to Accounts.

The Company has formulated a related party transactions policy and the same is displayed on the website of the company viz. <http://lahotioverseas.in/PDFs/policies/related-party-transactions-policy.pdf>



## 11.2 Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI / and Statutory Authority on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the companies by these authorities.

## 11.3 Whistle Blower Mechanism

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code or ethics. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy is displayed on the website of the Company viz. <http://lahotioverseas.in/PDFs/policies/whistle-blower-policy.pdf>

## 11.4 Disclosure of Accounting Treatment

The Company has followed the Accounting Standards laid down by the Companies (Accounting Standards) Rules, 2006 in the preparation of its financial statements.

## 11.5 Disclosure on risk management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. A risk management committee consisting of senior executives of the Company periodically reviews these procedures to ensure that executives' management controls risk through means of a properly defined framework. A senior independent director is associated with the committee. The Company has framed the risk assessment and minimization procedure which is periodically reviewed by the Board. The risk management policy is displayed on the

website of the Company viz. <http://lahotioverseas.in/PDFs/policies/risk-management-policy.pdf>

## 11.6 Compliance with Clause 49 of the Listing Agreement

The Company has adhered to all the mandatory and non-mandatory requirements of Clause 49 of the Listing Agreement relating to the Corporate Governance.

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Clause 49 (VIII) (D) of the Listing Agreement.

## 11.7 Prevention of Insider Trading

The Company has adopted a Code of Conduct policy for Prevention of Insider trading with a view to regulate the trading of securities by the Directors and Designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's Shares and prohibits the purchase of Company shares by the Directors and Designated employees while in possession of Unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. All Board of Directors and designated employees have confirmed compliance with the code.

## 11.8 CEO / CFO Certification

The Managing Director of the Company has been certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO Certification for the Financial Year ended March 31, 2015.

## 12. Means of Communication

12.1 The Unaudited quarterly and half yearly financial results are announced within 45 days of the closure of the relevant quarter and the audited annual results are announced within 60 days from the closure of the financial year as per the requirements of Clause 41 of the Listing



Agreement. The approved results are forthwith sent to the Stock Exchanges where the Company's shares are listed and also published in English & Vernacular newspapers.

12.2 The financial results as per Clause 41 of the Listing Agreement are published within 48 hours from the Board Meeting where they are approved in Free Press Journal (in English) and Navshakthi (in Marathi). The results are also displayed on the website of the company ([www.lahotioverseas.in](http://www.lahotioverseas.in)).

12.3 The financial results are reported to the Stock Exchanges where the Company is listed ie. Bombay Stock Exchange (BSE) through hand delivery and courier respectively. Further the results are filed online on the web at BSE Online Portal.

12.4 The quarterly Shareholding Pattern and the Corporate Governance Report of the Company are filed with BSE Ltd. through BSE Online Portal. Hard copies of the same are also filed with the Stock Exchanges where the Company's shares are listed. They are also displayed on the Company's website under the "Investor Relations" section.

## 13. Compliance with Non- Mandatory Requirements

### 13.1 Shareholders Rights

The quarterly financial results including summary of significant events of relevant period of three months are published in newspaper.

### 13.2 Audit Qualification

Strategic decisions were taken during the year resulting in unqualified financial statements of the Company.

### 13.3 Training of Board Members

For Orientation and to get familiar with the Company's business operations, governance

procedures and practices, detailed presentations are periodically made to the Board members on the business model of the Company, risk profile of the business parameters and their responsibilities as Directors.

### 13.4 Auditors Certificate on Corporate Governance

The Auditors Certificate on compliance of Clause 49 of the listing agreement relating to Corporate Governance is forming part of this Report.

### 13.5 Review of Governance practices

We have in this report attempted to present the governance practices and principles being followed at Lahoti Overseas Limited as evolved over the years, and as best suited to the needs of our Business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognized practices of governance so as to meet the expectations of our stakeholders.

## 14. General Shareholder Information

The Company is a Listed Public Limited Company registered with Registrar of Companies, Mumbai, Maharashtra having its registered office at 307, Arun Chambers, Tardeo Road, Mumbai – 400034 bearing CIN: L74999MH1995PLC087643.



Annual General Meeting	
<b>Day, Date &amp; Time</b>	Tuesday, 29 <sup>th</sup> September, 2015 at 3:00 P.M.
<b>Venue</b>	307, Arun Chambers, Tardeo Road, Mumbai – 400 034.
<b>Financial year</b>	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015
<b>Book Closure Date</b>	Wednesday, 23 <sup>rd</sup> September, 2015 to Tuesday, 29 <sup>th</sup> September, 2015 (both days inclusive) for the purpose of Annual General Meeting and declaration of Final Dividend for the financial year ended 31 <sup>st</sup> March, 2015.
<b>Dividend Payment date</b>	Tuesday, 6 <sup>th</sup> October, 2015
<b>Listed on Stock Exchanges</b>	<b>1. BSE Limited (BSE)</b> P. J. Tower, Dalal Street, Fort, Mumbai – 400 001.
<b>Stock Code / Symbol</b>	BSE : 531842 / LAHOTIOV MPSE : N.A.
<b>Demat International Security Identification Number (ISIN)</b> <i>In NSDL and CDSL for Equity Shares</i>	INE515C01023

## Share Transfer Agents and Share transfer system:

Lahoti Overseas Limited has appointed SHAREPRO SERVICES (INDIA) PRIVATE LIMITED as Registrars and Transfer Agents (RTA) to handle the physical Share Transfer related work and for Electronic connectivity as per the directives of SEBI. The Company's equity shares are traded in the Stock Exchanges compulsorily in Demat mode. The Stakeholders Relationship Committee meets periodically for dealing with matters concerning securities of the Company.

For transfer of shares in physical form, the Company has introduced transfer cum Demat facility to avoid

unnecessary mailing of Certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form.

There are no legal proceedings against the Company on any share transfer matter.

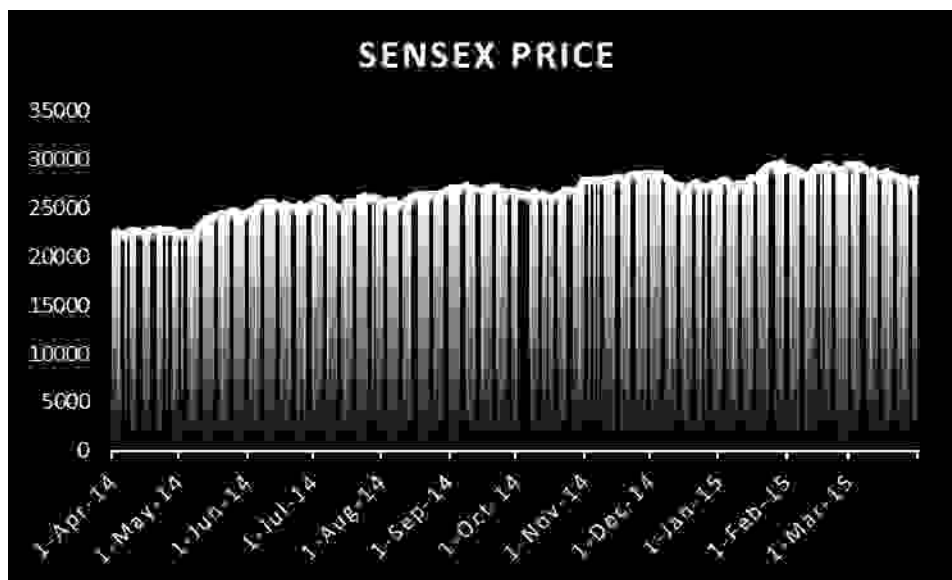
## 14.1 Stock Data – Market price

Table below gives the monthly high and low prices and volumes of Lahoti Overseas Limited equity shares listed at BSE Limited for the year 2014-2015:

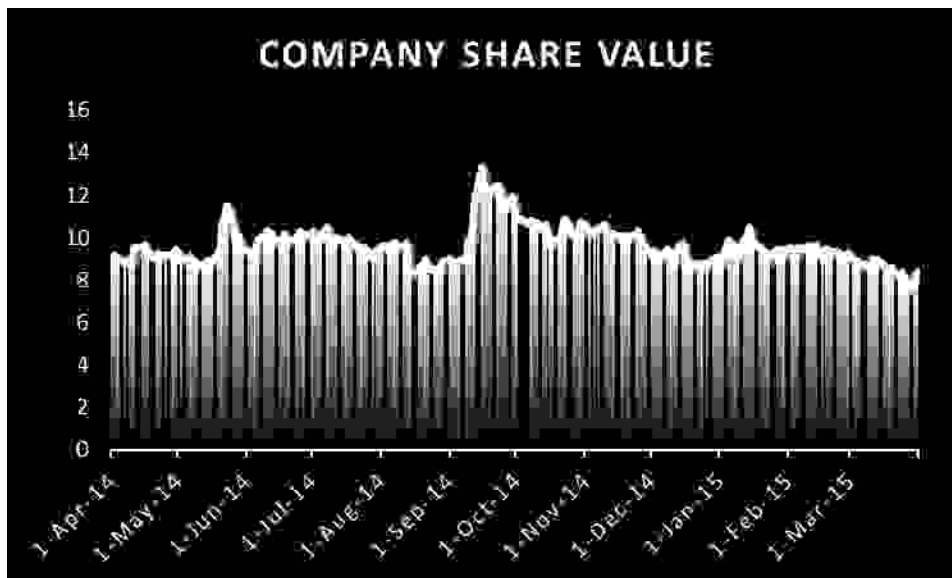
Months	High	Low	No. of Shares Traded	Number of Trades	Value of Shares Traded (in ₹)
April – 2014	9.96	8.31	133044	740	1219794
May – 2014	12.38	8.46	339029	1392	3465905
June – 2014	10.75	8.64	357963	1756	3525676
July – 2014	10.5	9	243372	1060	2430085
August – 2014	10	7.8	237680	1114	2011578
September – 2014	14.25	8.04	797397	3040	9642262
October – 2014	12	9.15	83017	560	864518
November – 2014	10.98	8.66	135813	676	1364386
December – 2014	10.23	8.07	107663	792	961427
January – 2015	11.22	8.22	97250	797	898650
February – 2015	11.3	8.5	88631	529	817237
March – 2015	9.58	7	120929	742	1024299

14.2 Performance of the Company vis-a vis Index (Bse Sensex, Nse Nifty Index, Crisil Index, Etc) During FY 2014-15

(in ₹)



(in ₹)



## 14.3 Share Transfer Agents and Share Transfer System

Lahoti Overseas Limited has appointed **SHAREPRO SERVICES (INDIA) PRIVATE LIMITED** as Registrars and Transfer Agents (RTA) to handle the physical Share Transfer related work and for Electronic connectivity as per the directives of SEBI. The Company's equity shares are traded in the Stock Exchanges compulsorily in Demat mode. The Stakeholders Relationship Committee meets periodically for dealing with matters concerning securities of the Company.

For transfer of shares in physical form, the Company has introduced transfer cum Demat facility to avoid unnecessary mailing of Certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form. There are no legal proceedings against the Company on any share transfer matter.

## 14.4 Shareholding Pattern

Table below gives the pattern of shareholding by ownership and Share Class respectively:

### a. Pattern of shareholding as on 31<sup>st</sup> March, 2015

	Category	No. of Shares held	%age of Shareholding
<b>A.</b>	<b>Promoters' Holding</b>		
1.	Promoters		
	Indian Promoters	<b>15128925</b>	<b>51.86</b>
	Foreign Promoters		
2.	Persons acting in concert	<b>2317500</b>	<b>7.94</b>
	<b>Total A</b>	<b>17446425</b>	<b>59.81</b>
<b>B.</b>	<b>Non-Promoters' Holding</b>		
3.	Institutional Investors	--	--
a.	Mutual Funds and UTI	--	--
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Institutions)	--	--
c.	Foreign Institutional Investors (FIIs)	--	--
	<b>Sub-Total (i)</b>	--	--
4.	Others	--	--
a.	Private Corporate Bodies	<b>1814718</b>	<b>6.22</b>
b.	Indian Public	<b>5008216</b>	<b>17.17</b>
c.	NRIs/OCBs	<b>4902141</b>	<b>16.80</b>
d.	Any Other (Trusts)	--	--
	<b>Sub-Total (ii)</b>	<b>11725075</b>	<b>40.19</b>
	<b>Total B: (i) + (ii)</b>	<b>11725075</b>	<b>40.19</b>
	<b>Grand Total: A + B</b>	<b>29171500</b>	<b>100.000</b>



## b. Distribution of shareholding on 31<sup>st</sup> March, 2015

Shareholding of Shares	No. of Shareholders	% of total shareholders	No. of Ordinary Shares	% of total Shareholding
Less than 2500	2768	86.043	1775125	6.017
2501 – 5000	244	7.585	968946	3.322
5001 – 10000	101	3.140	743363	2.548
10001 – 15000	41	1.274	506151	1.735
15001 – 20000	16	0.497	285123	0.977
20001 – 25000	9	0.280	200068	0.686
25001 – 50000	15	0.466	541624	1.857
50001 - and above	23	0.715	24171100	82.859
<b>Grand Total</b>	<b>3217</b>	<b>100</b>	<b>29171500</b>	<b>100</b>

## c. Dematerialization of Shares as on 31<sup>st</sup> March, 2015

Particulars	No. of Equity Shares	% to Share Capital
NSDL	20633161	70.73%
CDSL	8232154	28.22
Physical	306185	1.05
<b>TOTAL</b>	<b>29,171,500</b>	<b>100.00</b>

### Dematerialization

The Company's equity shares are under compulsory Demat trading. The ISIN of the Scrip is INE515C01023. As on 31<sup>st</sup> March, 2015, Dematerialized shares accounted for 28865315 number of shares, i.e. 98.95% of the total equity. The Company has appointed **SHAREPRO SERVICES (INDIA) PRIVATE LIMITED** as RTA to handle the physical Share Transfer related work and for Electronic connectivity as detailed below:

### SHAREPRO SERVICES (INDIA) PRIVATE LIMITED

Samhita Complex, Gala No-52 to 56,  
Bldg No.13 A-B, Near Sakinaka Telephone Exchange Lane,  
Off Andheri - Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072.  
Tel No.: +91-22-6772 0300/400 I Fax No.: +91-22-2859 1568.  
E-mail: [indira@shareproservices.com](mailto:indira@shareproservices.com) I Web: [www.shareproservices.com](http://www.shareproservices.com)  
**Contact Person: Ms. Indira Karkera**

### Details of Public Funding Obtained in the Last Three Years

No capital has been raised from public in the last three years.

### CORRESPONDENCE ADDRESS FOR INVESTOR

Secretarial Department,  
Lahoti Overseas Limited  
307, Arun Chambers, Tardeo Road,  
Mumbai – 400 034.  
Tel No.: +91-22-4050 0100 I Fax No.: +91-22-4050 0150  
E-mail: [gayathri@lahotioverseas.com](mailto:gayathri@lahotioverseas.com)  
**Contact person: Ms. Gayathri S Iyer, Company Secretary**



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## DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To  
The Members of  
**LAHOTI OVERSEAS LIMITED**

I, Umesh Lahoti, Managing Director of Lahoti Overseas Limited hereby declare that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the Company's Code of Business Conduct and Ethics for the Financial Year ended 31<sup>st</sup> March, 2015 as envisaged in clause 49 of the Listing Agreement with the Stock Exchanges.

**For Lahoti Overseas Limited**

Sd/-  
**Umesh R. Lahoti**  
**Managing Director**  
**(DIN 00361216)**

**Place: Mumbai**  
**Date: 12<sup>th</sup> August, 2015**



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## CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS OF THE COMPANY

We, Umesh Lahoti, Managing Director and Pradeep Bachhuka, Chief Financial Officer of Lahoti Overseas Limited certify that:

- (a) We have reviewed financial statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief state that:
  - i. these statements do not contain any materially untrue statements, 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 the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company 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, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any 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.

**For Lahoti Overseas Limited**

Sd/-  
**Umesh R. Lahoti**  
Managing Director  
(DIN 00361216)

**Place: Mumbai**  
**Date: 12<sup>th</sup> August, 2015**

**For Lahoti Overseas Limited**

Sd/  
**Pradeep Bachhuka**  
Chief Financial Officer



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## AUDITORS' CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE REQUIREMENT UNDER CLAUSE 49 OF THE LISTING AGREEMENT

### **The Members**

#### **Lahoti Overseas Limited**

We have examined the compliance of conditions of Corporate Governance by the Lahoti Overseas Limited, for the year ended 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no Investor grievances remaining unattended/ pending for more than 30 days.

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

**Sd/-**

**Pannkaj Ghadiali**

**Managing Partner**

Membership Number: 031745

For and on behalf of

**P C Ghadiali and Co LLP**

Chartered Accountants

Firm No. 103132W

**Place:** Mumbai

**Date:** 12<sup>th</sup> August, 2015

## Management Discussion & Analysis

### **Industry Structure and Development**

#### **Textile division:**

The Textile Industry in India accounts for 14% of the total Industrial production leading to 4% of the GDP of the Country which is one of the significant contributors to the Indian economy. During the year 2014-2015, the Cotton Textile Industry has been under stress because of changing market trends. After witnessing challenges during the year 2013 and for most part of 2014 given unfavorable economic conditions, the Indian textiles and garments sector has seen reversal of trends in second half of 2014. The steep decline in exports of cotton yarn to China has created over supply and price decline in the domestic market.

With domestic and global economic conditions gradually improving along with the focused efforts made by Ministry of Textiles, Indian textiles, the garments sector is set for growth, buoyed by revival in domestic consumption and export demand.

Lahoti Overseas Limited is an ISO 9001:2008 certified Company and is mainly engaged in the export trading of cotton yarn in all coarser and fine counts, where the Company has strong presence and leadership. The Company is mainly targeting the export of cotton yarn to Far East Asian countries like South Korea, China, Japan, Hong Kong, Malaysia, Vietnam and also cater to Gulf, Meditarian, European, North and South American markets. The Company enjoys the excellent relationship with its overseas customers, which has been built over the years by strictly adhering to delivery schedules maintaining consistent quality and providing prompt after sales service.

#### **Power Projects Division:**

Government of India has taken several measures to encourage Renewable Energy Sector in India. Ministry for New and Renewable Energy (MNRE) have launched Jawaharlal Nehru National Solar Mission (JNNSM) to promote Solar Power. Many State Governments also have come out with the Reverse Bidding System to fulfil their obligations for Renewable Energy and combined with this sector has become the most talked about sector attracting huge investments and has the potential for huge growth in future.

Lahoti Overseas Limited has ventured into the Renewable Energy Sector by installation of Wind Power projects and Solar Power projects. The Company has growth plans to invest further in this sector looking at the huge potential.

### **Awards and Recognitions**

- The Company has won the Gold, Silver & Bronze trophies consistently since 1997 from TEXPROCIL (Cotton Textile Export Promotion Council) for excellence in export of cotton yarn.
- The Company has won the prestigious “Niryat Shree” award from The Federation of Indian Export Organization (FIEO) for the year 2003-2004. The Company also won Silver plaque from Government of Maharashtra for the year 1995-96, 1996-97 and Gold Plaque for the year 2009-2010.
- The Company has won the Business World International Business Award for Category – “Best Export House” for excellent performance in exports in the year 2010-11.
- The Company has received Second Award in Merchant Exporter Category and Third Award in Trading House Category from Government of Maharashtra for its export performance in the year 2010-11.

These awards recognised the efforts of the Company in the creation of path breaking trends and excellent export performance in cotton textile Industry.

### **Opportunities and Threats**

#### **Textile Division**

The future of Indian Cotton Textile Industry is highly dependent on availability of raw material at a competitive price. With the introduction of Hybrids and BT Cotton, the cotton production in India is increasing every year. The government is making efforts to supply proper quality seeds at a reasonable price to the growers and it is expected that the supply of quality cotton will be comfortable.

In the past, the Textile Industry did not develop in an organized manner and the policy favored fragmentation resulting in organized players suffering heavily because of the distorted fiscal structure. Fortunately, in the last few years, the Government has now provided level playing field to all the sectors of textile industry and therefore, large investments are coming in the textile industry. Government had given good incentives under Technology Upgradation Fund Scheme and also benefits to the processing sector, which will give boost to the textile industry.

## **Power Projects Division:**

Power Projects specifically the Renewable Energy projects are highly capital intensive. These projects are also dependant on natural resources like wind, water, sunlight etc. The requirement of good infrastructures such as connectivity of roads, viability of communication systems play key roles in such projects. Being highly capital intensive, the cost of production of energy is relatively higher in such projects. However the incentives from Government of India and also due to the substantial reduction in the capital cost in recent times, these projects are now becoming viable.

## **Segment wise and Product wise performance**

### **Textile Division**

Revenue in Textile Division has shown a decline by ₹13176.69 Lakhs when compared to last year as the Cotton textile Industry has had a general slow down due to unfavorable market conditions as a result of fall in market prices. The same has affected the profits of the Company by a decline of ₹1053.37 Lakhs when compared to last year profits.

### **Power Projects Division:**

Revenue from Power Division decreased by ₹ 59.80 lakhs when compared to last year due to low Wind generation and also due to break down of the Wind Power Project in Maharashtra due to cyclone. However the Profits of Power division has shown an increase by ₹116.10 lakhs in comparison to last year due to reduction in Depreciation and Amortization Expense.

## **Outlook**

### **Textile Division**

The long term objective of the Company is to remain strong player in the cotton textiles export market with strong emphasis on product and market development, value added yarns, customer services and Technology Upgradation. Your Company is also continuously improving its operational efficiency, and cost control which alone can improve the bottom line in future in highly competitive environment. Further, your Company is hopeful to get advantage of the overall good times likely to come for the Indian Cotton Textile Industry and will do all out efforts to secure the bigger share of the increasing market in future.

A stable outlook on cotton and synthetic textiles would result from favourable policy environment, improvements in demand-supply position, continued stability in input costs and consequent improvement in margins/liquidity. It is unlikely that the sector's outlook will turn positive until fundamental issues such as power shortage, lack of technology and modern machinery and demand slowdown are resolved. However, foreign direct investment in retail is an opportunity that would unleash demand in the long run and offset any slowdown in exports.

By encashing the rich experience gained by the Company in the Cotton Textile sector, the company has plans to increase its efforts of marketing and to open up foreign offices in order to better serve its customers. The emphasis will also be on more exports of value added items such as dyed yarns, speciality yarns and grey and dyed fabrics.

### **Power Projects Division:**

The overall outlook of the Renewable Energy sector in India has been extremely positive. The supportive steps taken by Government of India and almost all State Governments in India have given a big boost to this sector. The reduction in capital cost of the project particularly in Solar Power have made this sector viable and due to the improvement in technology, this sector will become more competitive and self-sufficient. India has huge potential for Wind and Solar Power as the availability of wind and sunlight are available in abundance in India with favorable weather conditions and India has the fifth largest installed wind power capacity in the world.

## Risks and Concern

### A. Brief risk factors for Textile projects

- Our business shall be dependent on the availability/supply and cost of raw materials which we source from domestic suppliers. Any significant increase in the prices of these raw materials or decrease in the availability of the raw materials, could adversely affect our results of operations;
- Our business is subject to regulation by several authorities, which could have an adverse effect on our business and our results of operations;
- We are heavily dependent on our Promoters and the loss of their guidance and services may adversely affect our business or results of operations;
- Change in Government of India's Economic Liberalization policies may hinder prices of our equity shares;
- Change in Tax laws in India (i.e. central tax, service tax and income tax) may increase tax liabilities of the company inversely affecting PAT;
- Slowdown in the Indian economy may inverse effect in our profit;
- Any Natural calamities, terrorist attack on India may hinder our profit;
- Change in economic regulations and laws may also affect the company adversely.

### B. Brief risk factors for Power projects

- Risk of property damage or liability stemming from errors during the building of new projects;
- Risk affecting the viability of the project developer, for example, risks related to key personnel, financial solidity and technical ability to execute on plans;
- Risk of environmental damage caused by the solar park including any liability following such damage;
- Risk of insufficient access to investment and operating capital;
- Risk of cost increases for key input factors such as labour or modules, or rate decreases for electricity generated;
- Risk of unscheduled plant closure due to the lack of resources, equipment damages or component failures;

- Risk of components generating less electricity over time than expected;
- Risk of a change in policy that may affect the profitability of the project, for example changes in levels of tax credit or RPS targets. Also, this includes changes in policy as related to permitting and interconnection and implementation of such policy by Government;
- Risk of changes in electricity generation due to lack of sunshine or dust covering solar panels for long periods of time;
- Risk that all or parts of the solar park will be subject to sabotage, terrorism or theft and thus generate less electricity than planned;
- Risk of Natural Calamities.

### Internal Control Systems and their adequacy

The Company has a proper adequate internal control system to ensure that all the assets are safe guarded and protected against the loss from unauthorized usage or disposition and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

### Financial and Operational Performance

During the year under review your Company has reported a total income of ₹ 59845.14/- Lakhs out of which the sale realization has decreased by 21.4% at ₹ 56,559.06/- Lakhs when compared to previous years proceeds of ₹ 68,679/- Lakhs from the textile division and a decrease of 9.6% at ₹ 411.23/- Lakhs when compared to previous year proceeds of ₹ 450.77/- Lakhs in the Power division. The Cotton textile Industry has had a general slow down due to unfavorable market conditions as a result of fall in market prices.

The market scenario of the Cotton textile Industry has been such that the unit price of Cotton Yarns have been under pressure which has shown a decline in price of 13.5% when compared to previous financial year and the



demand in kgs has reduced by 4.33%. This year exports of cotton yarn from India to China has dropped by 23%.

Further the non-operating income amounts to ₹ 1040.36/- Lakhs which has increased by ₹ 708.82

Lakhs i.e by 213.79% as compared to the previous year due to Gain From Sale of One Wind Power Machine for ₹ 273.87 Lakhs and gain from foreign exchange.

## Liquidity and Capital Resources

Particulars	2014-2015 (₹ in Lakhs)	2013-2014 (₹ in Lakhs)
<b>Cash and Cash Equivalents –</b>		
Beginning of the year	401.92	363.25
End of the year	855.02	401.92
<b>Net Cash provided (used) by -</b>		
Operating activities	3103.44	(2570.18)
Investment activities	(2758.04)	182.44
Financial activities	107.71	2426.41

During the year, there has been a Cash inflow from Operating activity to the extent ₹ 3103.44 Lakhs as against cash outflow of ₹ 2570.18 Lakhs during the corresponding previous year. Further during the year there is cash outflow of ₹ 2758.04 Lakhs on account of Investment activity as against inflow of ₹ 184.44 Lakhs during the previous year. During the year the inflow generated over finance activity is ₹ 107.71 Lakhs as compare to ₹ 2426.40 Lakhs in the previous year.

## Material Developments in Human Resources

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels.

## INDEPENDENT AUDITORS' REPORT

### To the Members of LAHOTI OVERSEAS LIMITED

#### Report on the Financial Statements

We have audited the attached financial statements of - **LAHOTI OVERSEAS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on the date annexed thereto, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

#### 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, of the state of affairs of the Company as at March 31, 2015, and its profit/loss and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:-

- (a) We attach an annexure giving report under Companies (Auditor's Report) Order 2015

- (b) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (c) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

**Pannkaj Ghadiali**  
**Managing Partner**

Membership Number: 031745

For and on behalf of

**PC Ghadiali and Co LLP**

Chartered Accountants

Firm No. 103132W

**Place: Mumbai**

**Date: May 27, 2015**

## ANNEXURE TO AUDITORS' REPORT

**Referred to in the Auditors' Report of even date to the members of LAHOTI OVERSEAS LIMITED on the financial statements for the year ended March 31, 2015 – in terms of Companies (Auditor's Report) Order, 2015.**

- i. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- ii. The verification of inventory has been carried on by the management and discrepancy if any has been dealt with in the accounts.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act.
- iv. In our opinion and according to the information and explanations given to us, we are of opinion that there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed asset. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act for the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues and any other statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, income tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(c) No amount is required to be transferred to investor education and protection fund.

**viii.** The Company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

ix. According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.

x. The Company has not given any guarantee for loans taken by others from bank or financial institutions.

xi. During the year, the Company has raised Term Loans of Rs. 4.01 Crores from Banking Institutions.

xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**Pannkaj Ghadiali**  
**Managing Partner**

Membership Number: 031745

For and on behalf of  
**PC Ghadiali and Co LLP**  
Chartered Accountants  
Firm No. 103132W

**Place:** Mumbai  
**Date:** May 27, 2015

# LAHOTI OVERSEAS LIMITED



## Standalone Financial Statements Balance Sheet as on March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	As at	
		March 31, 2015	March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	584.59	584.59
(b) Reserves and surplus	2	8,667.72	8,067.73
		<u>9,252.30</u>	<u>8,652.32</u>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	718.31	711.36
(b) Deferred tax liabilities (net)	4	352.21	284.77
(c) Other long-term liabilities	5	6.60	11.80
(d) Long-term provisions	6	23.83	15.47
		<u>1,100.95</u>	<u>1,023.40</u>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	9,250.51	8,436.22
(b) Trade payables	8	290.48	350.70
(c) Other current liabilities	9	921.38	508.89
(d) Short-term provisions	10	162.34	160.59
		<u>10,624.70</u>	<u>9,456.40</u>
	<b>TOTAL</b>	<u><u>20,977.96</u></u>	<u><u>19,132.12</u></u>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	4,185.01	2,290.46
(b) Non-current investments	12	2,502.12	1,570.66
(c) Long-term loans and advances	13	566.74	540.13
		<u>7,253.86</u>	<u>4,401.26</u>
<b>2 Current assets</b>			
(a) Inventories	14	842.89	206.74
(b) Trade receivables	15	9,966.39	11,469.10
(c) Cash and cash equivalents	16	855.02	401.92
(d) Short-term loans and advances	17	760.56	847.44
(e) Other current assets	18	1,299.24	1,805.67
		<u>13,724.10</u>	<u>14,730.86</u>
	<b>TOTAL</b>	<u><u>20,977.96</u></u>	<u><u>19,132.12</u></u>
<b>See accompanying notes forming part of the financial statements</b>	1 to 36		

Per our report attached of even date

**Pannkaj Ghadiali**  
Managing Partner  
Membership Number: 031745  
For and on behalf of  
**P C Ghadiali and Co LLP**  
Chartered Accountant  
**Firm No. 103132W**

**For and on behalf of Board of Directors**  
Ujwal R. Lahoti  
Executive Chairman  
(DIN 00360785)  
Pradeep Bachhuka  
Chief Financial Officer  
Umesh R. Lahoti  
Managing Director  
(DIN 00361216)  
Gayathri Iyer  
Company Secretary

Place: Mumbai  
Dated: May 27, 2015

Place: Mumbai  
Dated: May 27, 2015

# LAHOTI OVERSEAS LIMITED



## Standalone Financial Statements

### Statement of Profit and Loss for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	For the Period Ended	
		March 31, 2015	March 31, 2014
<b>1 Income</b>			
(a) Revenue from operations	19	<b>58,804.78</b>	72,041.26
(b) Other income	20	<b>1,040.36</b>	331.54
<b>Total revenue</b>		<b>59,845.14</b>	72,372.80
<b>2 Expenses</b>			
(a) Cost of materials consumed			
(a) Purchases of stock-in-trade		<b>55,286.78</b>	65,478.85
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	<b>(636.15)</b>	980.08
(c) Employee benefits expense	22	<b>178.05</b>	145.70
(d) Finance costs	23	<b>894.87</b>	994.86
(e) Depreciation and amortisation expense	11	<b>265.51</b>	396.35
(f) Other expenses	24	<b>2,817.06</b>	2,552.04
<b>Total expenses</b>		<b>58,806.13</b>	70,547.88
<b>3 Profit before exceptional and extraordinary items and tax</b>		<b>1,039.01</b>	1,824.92
<b>4 Exceptional items</b>		-	-
<b>5 Profit before extraordinary items and tax</b>		<b>1,039.01</b>	1,824.92
<b>6 Extraordinary items</b>		-	-
<b>7 Profit Before tax</b>		<b>1,039.01</b>	1,824.92
<b>8 Tax expense:</b>			
(a) Current tax expense for current year		<b>220.00</b>	394.66
(b) Deferred tax		<b>67.44</b>	106.91
		<b>287.44</b>	501.57
<b>9 Profit for the year</b>		<b>751.56</b>	1,323.35
<b>10 Earnings per share (of ₹ 2/- each):</b>			
(a) Basic		<b>2.58</b>	4.54
(b) Diluted		<b>2.58</b>	4.54

Per our report attached of even date

**Pannkaj Ghadiali**  
Managing Partner  
Membership Number: 031745  
For and on behalf of  
**P C Ghadiali and Co LLP**  
Chartered Accountant  
**Firm No. 103132W**

Place: Mumbai  
Dated: May 27, 2015

#### For and on behalf of Board of Directors

Ujwal R.Lahoti  
Executive Chairman  
(DIN 00360785)

Umesh R. Lahoti  
Managing Director  
(DIN 00361216)

Pradeep Bachhuka  
Chief Financial Officer

Gayathri Iyer  
Company Secretary

Place: Mumbai  
Dated: May 27, 2015

# LAHOTI OVERSEAS LIMITED



## Standalone Financial Statements

### Cash Flow Statement for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	For the Period Ended	
	March 31, 2015	March 31, 2014
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and prior period items	1,039.01	1,824.92
Add/Less: Interest (Net)	566.23	667.17
Depreciation	265.51	396.35
Assets Written off/ FBT written off	(11.57)	-
Profit on sale of Fixed Asset	(273.87)	-
Profit on Sale / Redemption of Investments	(1.57)	(14.43)
Rent Received	(26.00)	(31.46)
Dividend Received	(1.41)	(2.68)
	<u>517.32</u>	<u>1,014.94</u>
<b>Operating profit before working Capital</b>	<b>1,556.33</b>	<b>2,839.86</b>
(Increase)/Decrease in Inventories	(636.15)	980.08
(Increase)/Decrease in Trade & Other Receivable	2,318.50	(4,309.02)
Increase/(Decrease) Trade Payable,		
Current Liabilities & Provision	113.84	(1,658.76)
	<u>1,796.20</u>	<u>(4,987.90)</u>
<b>Cash Generated from Operations</b>	<b>3,352.52</b>	<b>(2,148.04)</b>
Tax paid	(249.09)	(422.15)
<b>Cash Flow Before Extraordinary Items</b>	<b>3,103.44</b>	<b>(2,570.18)</b>
Extra ordinary Items / Adjustments (Prior Period Item)	-	-
<b>Cash Flow From Operating Activities After Extraordinary Items</b>	<b>3,103.44</b>	<b>(2,570.18)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,311.03)	(7.93)
Purchase of Investment	(2,231.45)	-
Reimbursement of Share of Cost of Asset		7.35
Sale of Fixed Asset	424.86	-
Sale of Investment	1,301.57	135.51
Interest Received	30.61	13.36
Dividend Received	1.41	2.68
Rent Received	26.00	31.46
<b>Net Cash Flow from Investing Activities</b>	<b>(2,758.04)</b>	<b>182.44</b>

# LAHOTI OVERSEAS LIMITED



## Standalone Financial Statement

### Cash Flow Statement for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(116.69)	(135.62)
Interest paid	(596.84)	(680.53)
Increase/(Decrease) In Unsecured Loans	515.04	189.71
Increase/(Decrease) In Secured Loans	306.20	3,052.84
<i>Net Cash From Financing Activities</i>	<u>107.71</u>	<u>2,426.40</u>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<u>453.10</u>	<u>38.66</u>
<b>Cash and Cash Equivalents (OPENING BALANCE)</b>	<u>401.92</u>	<u>363.25</u>
<b>Cash and Cash Equivalents (CLOSING BALANCE)</b>	<u>855.02</u>	<u>401.92</u>
	<u>453.10</u>	<u>38.66</u>

#### Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.
- 2 Cash and cash equivalent at the end of year represents cash and bank balances.
- 3 Previous year's figures have been rearranged/regrouped, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

Per our report attached of even date

**Pannkaj Ghadiali**  
Managing Partner  
Membership Number: 031745  
For and on behalf of  
**P C Ghadiali and Co LLP**  
Chartered Accountant  
**Firm No. 103132W**

Place: Mumbai  
Dated: May 27, 2015

#### For and on behalf of Board of Directors

Ujwal R.Lahoti  
Executive Chairman  
(DIN 00360785)

Umesh R. Lahoti  
Managing Director  
(DIN 00361216)

Pradeep Bachhuka  
Chief Financial Officer

Gayathri Iyer  
Company Secretary

Place: Mumbai  
Dated: May 27, 2015

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **A. BASIS OF ACCOUNTING:**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles [GAAP], in compliance with the provisions of Companies Act, 2013 and Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 prescribed by the Central Government.

The preparation of financial statements in conformity with GAAP requires that the management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and disclosures related to contingent liabilities as of the date of financial statements. Examples of such estimate includes future obligation in respect of retirement benefit plans, etc. Differences if any, between the actual results and estimates is recognised in the period in which the results are known.

#### **B. FIXED ASSETS:**

Fixed Assets are stated at cost of acquisition and/or construction. They are stated at historical cost less accumulated depreciation.

#### **C. DEPRECIATION:**

- i) Depreciation on fixed assets is provided on written down value method at rates and in the manner specified in Schedule 2 to the Companies Act, 2013 read with the relevant circulars issued by the Ministry of corporate Affairs.
- ii) Depreciation on assets acquired/disposed off during the year is provided on pro-rata basis with reference to the date of acquired/disposal.

#### **D. REVENUE RECOGNITION:**

- i) The company accounts for its Export Sales, consistently on the basis of date of Bill of Lading / LET Export date. This applies to all export sales made on Cost Insurance and Freight (CIF), Free on Board (FOB), Cost & Freight (C & F), and Cash against Delivery of Documents (CADD) basis.

- ii) Income from sale of power is recognized on per Kilo Watt Hour(s).
- iii) Income form trading is recognized on accrual basis.
- iv) Dividend income from Investments is recognized when the company's right to receive payment is established.
- v) Interest income is recognized on the time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Export benefits under duty entitlement passbook and duty drawback are accounted on accrual basis to the extent considered receivable.

#### **E. INVESTMENTS:**

Long term Investments are stated at cost/transfer value. Provision for diminution in the value of long-term investments is made only if such a decline is permanent in nature.

#### **F. INVENTORIES:**

Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any.

#### **G. FOREIGN CURRENCY TRANSACTIONS:**

- i) Initial Recognition: Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- ii) Conversion: At the year-end, monetary items in foreign currencies are converted into rupee equivalents at the year end exchange rates.
- iii) Exchange Differences: All exchange differences arising on settlement and conversions of foreign currency transactions are included in the Profit and Loss Account.
- iv) Forward Exchange Contracts: In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the spot rate is recognized as gain. The gain on open forward contracts as on the reporting date is amortized over the period of contract on pro-rata basis.

#### **H. RETIREMENT BENEFITS:**

- i) Provident Fund: The Company's contributions towards provident fund are charged to the Profit and Loss Account.

- ii) Gratuity: The Company's contributions towards gratuity are charged to the Profit and Loss Account on the basis of actuarial valuation.
- iii) Leave Encashment: Provision is made for value of unutilized leave due to employees at the end of the year on the basis of actuarial valuation.

### I. SEGMENT REPORTING:

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Following specific accounting policies have been followed for segment reporting:

- i) Segment revenue includes sales and other income directly identifiable with/allocable to the segment.
- ii) Expenses that are directly identifiable with/allocable to segment are considered for determining the segment result.
- iii) Segment assets and liabilities include those directly identifiable with the respective segments.

### J. TAXATION:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period in accordance with AS 22- Accounting for Taxes on Income issued by The Institute of Chartered Accountants of India.

### K. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- 1. Provisions are recognised for liabilities that can be measured or by using a reasonable degree of estimation based on the following criteria:-

- i) The company has a present obligation as a result of a past event,
  - ii) A probable outflow of resources is expected to settle the obligation and
  - iii) The amount of the obligation can be reliably estimated.
  - iv) A possible obligation from past events where the probability of outflow of resources is not remote.
- 2. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.
  - 3. Contingent Liability is disclosed in case of:
    - i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
    - ii) a present obligation arising from past events, when no reliable estimate is possible; and
  - 4. Contingent assets are neither recognised, nor disclosed.
  - 5. Provisions, Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

### L. IMPAIRMENT OF ASSETS

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss except in case of revalued assets.

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)

### 1. Share Capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 2 each with voting rights	3,00,00,000	600.00	3,00,00,000	600.00
(b) Issued Equity shares of ₹ 2 each with voting rights	2,93,82,500	587.65	2,93,82,500	587.65
(c) Subscribed and fully paid up Equity shares of ₹ 2 each with voting rights	2,91,71,500	583.43	2,91,71,500	583.43
(d) Share Forfeiture Account	2,11,,000	1.16	211,000	1.16
<b>Total</b>	<b>29,171,500</b>	<b>584.59</b>	<b>29,171,500</b>	<b>584.59</b>

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	₹	Number of shares	₹
<u>Equity shares with voting rights</u>				
Opening Balance	2,91,71,500	5,84,58,586	2,91,71,500	5,84,58,586
Less : Shares Forfeited	-	-	-	-
Closing Balance	2,91,71,500	5,84,58,586	2,91,71,500	5,84,58,586

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Ujwal R Lahoti	38,23,000	13.11	38,23,000	13.11
Umesh R Lahoti	44,84,000	15.37	44,84,000	15.37
Jayashri U Lahoti	23,75,500	8.14	23,75,500	8.14
Manjushri Umesh Lahoti	19,34,500	6.63	19,34,500	6.63
Rukmini R Lahoti	15,22,000	5.22	15,22,000	5.22
Kirti Stock Brokers Private Limited	16,10,000	5.52	16,10,000	5.52
Billion Way Garment Limited	42,50,000	14.57	42,50,000	14.57

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014

### 2. Reserves and surplus

(a) Securities premium account		
Opening balance	914.53	914.53
Closing balance (a)	914.53	914.53
(b) General reserve		
Opening balance	744.57	645.32
Add: Transferred from surplus in Statement of Profit and Loss	56.37	99.25
Closing balance (b)	800.94	744.57
(c) Surplus in Statement of Profit and Loss		
Opening balance	6,408.65	5,321.04
Add: Profit for the year	751.56	1,323.35
Earlier Year Depreciation written back	-	0.02
Less: Dividends proposed to be distributed to equity shareholders	(116.69)	(116.69)
Tax on dividend	(23.33)	(19.83)
Transferred to General reserve	(56.37)	(99.25)
Fixed Assets written off	(7.09)	-
Provision of FBT written off	(4.49)	-
Closing balance (c)	6,952.25	6,408.64
<b>Total (a+b+c)</b>	<b>8,667.72</b>	<b>8,067.74</b>

### 3. Long-term borrowings

(a) Loans and advances from related parties		
Unsecured	4.22	4.22
(b) Term Loan - Secured [Note (i)]	714.09	707.14
<b>Total</b>	<b>718.31</b>	<b>711.36</b>

(i) Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

(a) Terms of Repayment : (₹ in lakhs)

Particular	No. of quarter	Installment per Quarter	Total Repayment
2014-15	4	32.14	128.57
2015-16 to 2020-21	4*5.5=22	32.14	707.14
<b>Total</b>	<b>26</b>		<b>835.71</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014

(i) State Bank of India

Particular	No. of quarter	Installment per Quarter	Total Repayment
2014-15	-	-	-
2015-16 to 2020-21	4*5.75=23	24.91	573.00
2021-22	3	42.33	127.00
Total	26		700.00

b) Particulars of Security :

i) Primary: Exclusive charge on all the assets of the project including cost of Land.

ii) Collateral: a) Hypothecation of a Wind Mill located at Dharmapuri District, Tamil Nadu

b) Personal guarantee of Umesh Lahoti, Ujwal Lahoti and Aadhitiya Lahoti

Of the above, Installment of Year 2014-15 has been considered as current maturities of long term debts and re-grouped accordingly under Other Current Liabilities in March 2015 financials.

#### 4. Deferred Tax Liabilities (Net)

Tax effect of items constituting deferred tax liability

On difference between book balance and tax balance of fixed assets

364.03 293.04

Tax effect of items constituting deferred tax assets

Provision for gratuity, leave salary and bonus

(11.82) (8.27)

Net Deferred Tax Liability

352.21 284.77

#### 5. Other long-term liabilities

Others:

(i) Payables on purchase of fixed assets

(ii) Trade / security deposits received

- 11.80

6.60

Total

6.60 11.80

#### 6. Other long-term Provisions

Provision for employee benefits:

(i) Provision for gratuity (net)

23.83 15.47

Total

23.83 15.47

#### 7. Short-term borrowings

Working capital Loans

(i) From banks - Secured [Note(i)]

(ii) From Others - Unsecured

7,709.43 7,410.18

1,541.08 1026.04

Total

9,250.51 8,436.22

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)		
Particulars	As at	
	March 31, 2015	March 31, 2014
(I) Break-up of secured short-term borrowings from:		
(i) (P.C.F.C)		
State Bank of India	1,085.64	1,132.32
HSBC Bank Ltd	421.92	1,548.93
State Bank of India	-	290.33
RBL	0.77	-
ICICI Bank	652.27	572.59
DBS	1,144.35	1,383.99
HDFC	314.69	-
RBL	723.83	-
(ii) Post Shipment :-		
Postshipment From CITI Bank	2,375.42	2,277.40
Postshipment From SBI	40.30	204.61
Postshipment From HDFC	538.19	-
Postshipment From RBL	412.05	-
<b>Total</b>	<b>7,709.43</b>	<b>7,410.18</b>

The loans from SBI, ICICI Bank, CITI Bank, DBS Bank and RBL Bank are secured against Hypothecation of Stock and Book Debts of the Company with pari pasu clause.

### 8. Trade Payables

(a) For Goods	0.63	37.88
(b) For Expenses and Services	289.84	312.82
<b>Total</b>	<b>290.48</b>	<b>350.70</b>

### 9. Other current liabilities

(a) Current maturities of long-term debt	202.09	128.57
(b) Interest accrued and due on borrowings	-	9.98
(c) Unearned revenue	101.15	131.66
(d) Other payables		
(i) Statutory remittances	15.81	19.70
(ii) Advances from customers	114.71	22.90
(iii) Other Current Liabilities	-	-
(e) Creditor for Capital Expenditure	487.62	196.08
<b>Total</b>	<b>921.38</b>	<b>508.89</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



		(₹ in Lakhs)	
Particulars		As at	
		March 31, 2015	March 31, 2014
<b>10. Short-term provisions</b>			
(a) <u>Provision for employee benefits</u>			
(i) Provision for bonus		8.89	7.12
(ii) Provision for Leave Salary		2.07	1.75
<b>Total (a)</b>		<b>10.96</b>	<b>8.87</b>
(b) <u>Provision - Others:</u>			
(i) Provision for tax (Net of Advance Tax)		11.37	15.21
(ii) Provision for proposed equity dividend		116.69	116.69
(iii) Provision for tax on proposed dividends		23.33	19.83
<b>(b)</b>		<b>151.38</b>	<b>151.73</b>
<b>Total (a+b)</b>		<b>162.34</b>	<b>160.59</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



### 11. Fixed assets (i) Tangible Asset

(₹ in Lakhs)

PARTICULARS	RATE	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As At 31-Mar-2014	Addition	Dedu-ction	As At 31-Mar-2015	For the Year	Adjusted from Free Reserves as on 01.04.2014	As At 31-Mar-2015	As At 31-Mar-2014
Export Division									
Land	-	68.62	-	-	68.62	-	-	68.62	68.62
Building	5.00%	33.84	1,309.46	33.84	1,309.46	3.24	18.98	1,306.22	14.86
Office Equipments	13.91%	39.45	1.48	-	40.93	3.14	7.09	5.19	13.93
Furniture & Fixtures	18.10%	80.27	0.48	-	80.74	1.78	-	8.79	10.09
Motor Car	25.89%	199.18	-	-	199.18	21.47	-	150.04	70.61
Computers	40.00%	50.37	5.70	-	56.08	6.68	-	9.20	10.18
Total (A)		471.72	1,317.12	33.84	1,755.00	36.31	7.09	307.84	188.30
Wind Power I Division									
Land	-	3.82	-	3.82	-	-	-	-	3.82
Plant & Machinery	15.33%	1,058.88	-	593.88	465.00	6.88	461.56	67.58	206.78
Total (B)		1,062.70	-	597.70	465.00	6.88	461.56	67.58	210.60
Wind Power II Division									
Land	-	15.91	-	-	15.91	-	-	15.91	15.91
Plant & Machinery	15.33%	804.63	-	-	804.63	46.84	-	443.45	408.02
Total (C)		820.54	-	-	820.54	46.84	-	443.45	423.93
Wind Power III Division									
Plant & Machinery	15.33%	-	1,001.00	-	1,001.00	0.35	-	1,000.65	-
Total (D)		-	1,001.00	-	1,001.00	0.35	-	1,000.65	-
Solar Division									
Land	-	16.40	-	-	16.40	-	-	16.40	16.40
Plant & Machinery	15.33%	1,707.44	-	-	1,707.44	175.13	-	431.32	1,451.25
Total (E)		1,723.84	-	-	1,723.84	175.13	-	431.32	1,467.65
Total As On 31.03.2015		4,078.80	2,318.12	631.54	5,765.38	265.51	7.09	1,580.38	2,290.46
Total As On 31.03.2014		4,078.21	7.93	7.35	4,078.78	396.35	0.02	1,788.32	2,686.22

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)

Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Face Value	No of Units	₹	Face Value	No of Units	₹
<b>12. Non-Current Investments</b>						
<b>Investments (At cost):</b>						
<b>A. Trade</b>						
(a) Investment in fully paid up Equity						
Shares of Subsidiaries						
G. Varadan Limited	100	5,000	47.60	100	5,000	47.60
Lahoti Spintex Limited	10	50,000	5.00	10	50,000	5.00
<b>Total - Trade (A)</b>			<b>52.60</b>			<b>52.60</b>
<b>B. Other investments</b>						
(a) Investment property						
Flat at Pune	-	-	25.38	-	-	25.38
Plot of land (At Ahmednagar)	-	-	11.00	-	-	11.00
Flat At Sewree, Mumbai	-	-	510.89	-	-	510.89
Flat at Mumbai	-	-	318.68	-	-	318.68
Office at Arun Chambers 314	-	-	8.83	-	-	-
Office at Caoimbatore	-	-	6.03	-	-	-
Office at Marathon	-	-	386.59	-	-	-
			<b>1,267.40</b>			<b>865.95</b>
(b) Investment in Equity Shares-Fully paid up						
(i) Quoted						
Emami Limited	1	3,600	0.84	1	2,400	0.84
Emami Infrastructure Limited	2	733	0.00	2	733	0.00
Jet Airways Limited	10	356	3.92	10	356	3.92
TCS Limited	1	1,148	2.44	1	1,148	2.44
Punjab National Bank	10	3,943	4.61	10	3,943	4.61
Union Bank Limited	10	2,900	0.46	10	2,900	0.46
L.G. Balkrishna Limited	10	100	0.02	10	100	0.02
Bank of India	10	900	0.41	10	900	0.41
Cadila Health Care Limited	5	1,500	1.24	5	1,500	1.24
FCS Software Limited	1	14,820	0.37	1	14,820	0.37
GSPL Limited	10	2,253	0.61	10	2,253	0.61
Reliance Industries Limited	10	346	1.67	10	346	1.67
LGB Forge Limited	1	1,000	0.02	1	1,000	0.02
Zyduz Wellness Limited	10	320	0.01	10	320	0.01
(i)			<b>16.61</b>			<b>16.61</b>
(ii) Un Quoted						
Web Source Tech. Limited	10	50,000	50.00	10.00	50,000	50.00
(ii)			<b>50.00</b>			<b>50.00</b>
(i+ii)			<b>66.61</b>			<b>66.61</b>
(c) Investment in government or trust securities						
(i) Un Quoted						
National Saving Certificates	-	-	0.20	-	-	0.20
(ii) Quoted						
NABARD Bhavishya						
Nirman Bond	20,000	500	50.31	20,000.00	500	50.31
			<b>50.51</b>			<b>50.51</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)						
Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Face Value	No of Units	₹	Face Value	No of Units	₹
(d) Investment in debentures fully paid up						
(i) Quoted						
India Infoline Investment Service Limited (Non Convertible Debentures)	-	-	-	1,000	3,500	35.00
(ii) Un Quoted						
Macquaire Finance (India) Private Limited- Structure Product	-	-	-	-	-	-
			-			35.00
(e) Investment in Mutual Funds-Fully paid up						
(i) Unquoted						
Religare Fixed Maturity Plan Series XVIII	10	50	500.00	10	50	500.00
HDFC Corporate Debt Opportunities Fund - G	10	53.10	565.00	-	-	-
			1,065.00			500.00
<b>Total - Other investments (B)</b>	-	-	2,449.52	-	-	1,518.06
<b>Total (A+B)</b>	-	-	2,502.12	-	-	1,570.66
Aggregate book value of quoted investments			66.92			101.92
Aggregate market value of listed and quoted investments			115.08			205.34
Aggregate market value of unquoted investments			1,914.07			1,512.62
Aggregate book value of unquoted investments			2,435.20			1,468.75

Particulars	As at	
	March 31, 2015	March 31, 2014

### 13. Long-Term loans and advance

(a) Security deposits		
Unsecured, considered good	54.82	52.86
(b) Loans and advances to related parties		
Unsecured, considered good	-	-
(c) Loans and advances to employees		
Unsecured, considered good	1.49	1.99
(c) Advance income tax (Net of Provision for Tax Rs.909.63 Lakhs )	408.59	383.45
(d) Other advances		
Unsecured, considered good	101.85	101.85
<b>Total</b>	<b>566.74</b>	<b>540.13</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>14. Inventories</b>		
(At lower of cost and net realisable value)		
Stock-in-trade (acquired for trading)		
-Goods-in-transit	842.89	206.74
<b>Total</b>	<b>842.89</b>	<b>206.74</b>
<b>15. Trade receivables</b>		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	69.28	21.25
(b) Other Trade receivables		
Unsecured, considered good	9,897.11	11,447.85
<b>Total</b>	<b>9,966.39</b>	<b>11,469.10</b>
<b>16. Cash and cash equivalents</b>		
(a) Cash on hand	2.38	2.02
<b>Total (a)</b>	<b>2.38</b>	<b>2.02</b>
(b) <u>Balances with banks</u>		
(i) In current accounts	545.04	313.47
(ii) In deposit accounts	0.14	0.14
(iii) In earmarked accounts	-	-
- Balances held as margin money or security against borrowings, and other commitment**	307.46	86.30
<b>Total (b)</b>	<b>852.64</b>	<b>399.90</b>
<b>Total (a+b)</b>	<b>855.02</b>	<b>401.92</b>
** Includes Deposits of Rs. 16.75 lakhs (Previous Year Rs. 16.57 lakhs) with a maturity of more than 12 months.		
<b>17. Short-term loans and advances</b>		
(a) Prepaid expenses - Unsecured, considered good	31.17	16.73
(b) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	-	4.68
(c) <u>Advance to Suppliers for goods and services</u>		
(i) Unsecured, considered good	734.07	816.03
(ii) Doubtful	23.84	29.72
Less : Provision for Doubtful Debts	(29.72)	(29.72)
	<b>728.18</b>	<b>816.03</b>
(d) Loans and advances to employees		
Unsecured, considered good	1.21	-
(e) Other Loans and Advances		
Unsecured, considered good	-	10.00
<b>Total</b>	<b>760.56</b>	<b>847.44</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)		
Particulars	As at	
	March 31, 2015	March 31, 2014
<b>18. Other current assets</b>		
(a) <u>Accruals</u>		
(i) Interest accrued on investments	-	4.10
(ii) Unbilled Revenue	22.89	30.78
<b>Total (a)</b>	<b>22.89</b>	<b>34.88</b>
(b) <u>Others</u>		
(i) Forward Contract Receivable (Net)	347.29	583.55
(ii) Export Incentive Receivable	929.06	1,187.24
<b>(b)</b>	<b>1,276.35</b>	<b>1,770.79</b>
<b>Total (a+b)</b>	<b>1,299.24</b>	<b>1,805.67</b>
<b>19. Revenue from operations</b>		
(a) Sale of products [Note i]	56,970.29	69,130.41
(b) Other operating revenues [Note ii]	1,834.49	2,910.85
<b>Total</b>	<b>58,804.78</b>	<b>72,041.26</b>
Note:		
(i) <u>Sale of products comprises</u>		
-Generation of Power	411.23	450.77
-Traded goods	56,559.06	68,679.64
<b>Total - Sale of products</b>	<b>56,970.28</b>	<b>69,130.41</b>
(ii) <u>Other operating revenues comprise:</u>		
-Duty drawback	1,710.99	2,314.06
-Export incentives	68.70	521.73
-Sale of REC	54.80	75.06
<b>Total - Other operating revenues</b>	<b>1,834.49</b>	<b>2,910.85</b>
<b>20. Other income</b>		
(a) Interest income	30.61	13.36
(b) Dividend Income	1.41	2.68
(c) <u>Net gain on sale of:</u>		
(i) Current investments	1.57	-
(ii) Long-term investments	-	14.43
(iii) Fixed Assets	273.87	-
	<b>275.44</b>	<b>178.60</b>
(d) Forward Premium	68.54	(290.29)
(e) Gain on Exchange Rate Difference	80.17	335.88
(f) Gain on Cancellation of Forward Contract	548.79	42.72
(g) Liquidated Damages	-	-
(h) Other non-operating income	35.40	34.16
<b>Total</b>	<b>1,040.36</b>	<b>331.54</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)		
Particulars	For the year ended	
	March 31, 2015	March 31, 2014
(i) Other non-operating income comprises:		
Rental income from investment properties	26.00	31.46
Insurance Claim received	0.06	2.70
Miscellaneous income	0.28	0.00
Sales Tax Refund	9.07	-
<b>Total - Other non-operating income</b>	<b>35.40</b>	<b>34.16</b>
<b>21. Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
(a) <u>Inventories at the end of the year:</u>		
Stock-in-trade	842.89	206.74
(b) <u>Inventories at the beginning of the year:</u>		
Stock-in-trade	206.74	1,186.82
<b>Net (increase) / decrease</b>	<b>(636.15)</b>	<b>980.08</b>
<b>22. Employee benefits expense</b>		
(a) Salaries and wages	157.34	135.12
(b) Contributions to provident and other funds	17.48	7.96
(c) Staff welfare expenses	3.23	2.63
<b>Total</b>	<b>178.05</b>	<b>145.70</b>
<b>23. Finance costs</b>		
(a) Interest expense on Borrowing	596.84	680.53
(b) Other borrowing costs	298.03	314.34
<b>Total</b>	<b>894.87</b>	<b>994.86</b>
<b>24. Other expenses</b>		
(a) <u>Office &amp; Administrative expenses:</u>		
Auditor's Remuneration [Note(i)]	3.77	5.67
Directors' Remuneration	46.80	46.80
Donation	0.42	0.79
Electricity Expenses	4.93	5.28
Insurance Premium	82.87	79.29
Legal and Professional Charges	46.25	45.64
Other Accidental Loss	6.77	-
Office & General Expenses	41.83	23.41
Operational Expenses (Wind Power)	48.06	62.38
Postage and Telephone Charges	29.64	26.99
Printing and Stationary	5.59	4.59
Rent, Rates and Taxes	62.06	90.35
Repairs & Maintenance	25.75	5.48
Travelling & Conveyance	82.94	67.65
Training Charges	0.01	-
<b>Total</b>	<b>487.68</b>	<b>464.33</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



(₹ in Lakhs)		
Particulars	For the year ended	
	March 31, 2014	March 31, 2013
(b) <u>Selling and Distribution expenses</u>		
Ocean Freight	1,062.69	915.34
Local Freight & other Shipment cost	932.63	875.94
Overseas Commission	273.58	228.94
Sales Promotion Expenses	19.76	22.06
Local Commission & Brokerage	40.71	45.41
<b>Total (B)</b>	<b>2,329.38</b>	<b>2,087.70</b>
<b>Total (A+B)</b>	<b>2,817.06</b>	<b>2,552.04</b>
Note (i)		
<u>Payments to the auditors comprises</u>		
As Auditors - Statutory audit	3.10	3.13
For Taxation matters	0.21	1.87
For Tax Audit	0.30	0.25
For Certification & Consultancy Services	-	0.42
For Other Matters	0.16	-
<b>Total</b>	<b>3.77</b>	<b>5.67</b>

25. In the opinion of Directors, Current Assets, Loans and Advances have the value at which these are stated in the Balance Sheet, if realized in the ordinary course of business and the provision for all known liabilities is adequate and not in excess of or less than the amount reasonably necessary.

### 26. **Contingent Liabilities:**

- a) Contingent Liabilities not provided for in respect of Bills Discounted ₹ 2907.02 lakhs (Previous Year ₹ 6,045.35 lakhs).
- b) Claims not acknowledged by the Company relating to cases contested by the Company :

(₹ In lakhs)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
(I)	Income Tax Matter (Pending before Appellate Authorities in respect of which the Company is in appeal)	269.10	252.24

### 27. **Expenditure in foreign currency:**

(₹ In Lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Foreign Bank Charges	129.95	138.11
Foreign Traveling Expenses	55.23	40.03
Overseas Commission	273.58	228.94
Liaison Office at Bangladesh	23.11	19.13
<b>TOTAL</b>	<b>481.87</b>	<b>426.21</b>

### 28. **Earning in Foreign Exchange:**

**FOB value of export: ₹ 55,399.12 Lakhs (Previous Year ₹ 67,667.24/- Lakhs).**

29. The information as required under Micro, Small and Medium Enterprises Development Act, 2006 was called from relevant parties. In view of no response, no such information is furnished.

30. The Management is of the view of that the fixed assets of the Company are capable of generating adequate returns over their useful lives in the course of business. Therefore the assets are not impaired and do not call for providing any loss.

Entities in which KMP / relatives of KMP have significant influence:

PSWare Information Pvt.Ltd.  
Bauble Investment Pvt.Ltd.  
Bhalchandram Clothing Pvt.Ltd.  
Step By Step Export Pvt.Ltd..  
Parvati Textiles Pvt.Ltd.

### 31. Related Party Disclosure: -

i) The Company has identified following parties for the purpose of Related Party Disclosure:

Key Management Personnel (KMP):

Subsidiary Companies: Holding (%)

Lahoti Spintex Limited 100  
G. Varadan Limited 100

Shri Umesh R. Lahoti - Managing Director  
Shri Ujwal R Lahoti - Executive Director  
Shri Aadhitia Lahoti - Director  
Shri Pradeep Bachhuka-Chief Financial Officer  
Smt.Gayahtri S.Iyer - Company Secretary

Transactions during the year with related parties:

(₹ in Lakhs)

Nature of Transaction	Entities in which KMP / relatives of KMP have significant influence (PSWare Information Pvt. Ltd., Bauble Investments Pvt.Ltd., Bhalchandram Clothing Pvt.Ltd., Step By Step Export Pvt.Ltd. & Parvati Textiles Pvt.Ltd.)		Subsidiary (Lahoti Spintex Ltd & G. Varadan Ltd.)		Key Management Personnel (KMP)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Rent Paid	9.35	8.55	4.80	4.20	-	-
Advance against order	535.00	-	-	-	-	-
Advance returned on Cancellation supply	(535.00)	-	-	-	-	-
Loan Taken	-	749.00	-	-	835.00	661.50
Loan Repaid	(168.79)	(580.21)	-	-	(336.34)	(325.16)
Interest Paid	7.84	80.93	-	-	36.82	50.57
Managerial Remuneration	-	-	-	-	61.55	51.00
Outstanding Balances						
Loans and Advances						
a) Receivable (Deposit)	51.00	51.00				
b) Payable (Loan)	-	-	4.22	4.22	812.90	381.85

**32. Earning Per Share:**

	<b>As At March 31, 2015</b>	<b>As At March 31, 2014</b>
1. Net profit available for Equity shareholders ( ` in Lakhs)	<b>756.21</b>	1,326.85
2. Number equity shares for basic Earning Per Share	<b>2,91,71,500</b>	2,91,71,500
3. Basic Earning Per Share ( in ₹)	<b>2.59/-</b>	4.55/-
4. Face value per share	<b>₹ 2/-</b>	₹ 2/-
33. The company has taken effort to verify the closing balances of the sundry creditors / Debtors subject to pending confirmations.		
34. Additional Disclosure pursuant to clause 32 of Listing Agreement, (Excepting for employees) is not applicable as there are no transactions in that nature.		



### 35. Segment Reporting

a) Information about business segments (information provided in respect of revenue items for the year ended March 31, 2015 and in respect of assets/liabilities as at March 31, 2015)

#### Primary Segments - Business Segments:

(₹ in lakhs)

Particulars	Trading		Power		Total	
	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 2014
Gross Segment Revenue	<b>59,036.25</b>	71,739.63	<b>411.23</b>	450.77	<b>59,447.47</b>	72,190.39
Less:- Intersegment Revenue	-	-	-	-	-	-
Net Segment Revenue	<b>59,036.25</b>	71,739.63	<b>411.23</b>	450.77	<b>59,447.47</b>	72,190.39
Segment Results :	<b>667.33</b>	1,684.29	<b>59.42</b>	46.64	<b>726.75</b>	1,730.93
(Profit / Loss Before Tax , Interest and Investment Income from each segment)						
Add:- Rental Income	-	-	-	-	<b>26.00</b>	31.46
Add:- Dividend and Other Income	-	-	-	-	<b>10.82</b>	48.11
Add:- Profit/(Loss) on sale of investments	-	-	-	-	<b>1.57</b>	14.43
Add:- Profit/(Loss) on sale of Fixed Assets	-	-	-	-	<b>273.87</b>	-
Add:- Extra Ordinary Items	-	-	-	-	-	-
Profit before Interest and Tax	-	-	-	-	<b>1,039.01</b>	1,824.92
Profit Before Tax	-	-	-	-	<b>1,039.01</b>	1,824.92
Provision for Tax						
Current	-	-	-	-	-	394.66
Deferred	-	-	-	-	-	106.91
Profit After Tax	-	-	-	-	<b>1,039.01</b>	1,323.35
<b>Capital Employed:</b>						
a) Segment Assets						
Fixed Assets	<b>1,447.15</b>	188.28	<b>2,737.85</b>	2,102.18	<b>4,185.01</b>	2,290.46
Assets, Loans and Advances (Excluding Tax Assets)	<b>13,658.08</b>	14,725.01	<b>224.16</b>	167.26	<b>13,882.25</b>	14,892.27
Unallocable (Tax Assets & Investments)		-	-	-	<b>2,910.70</b>	1,954.11
Total Assets	<b>15,105.24</b>	14,913.29	<b>2,962.02</b>	2,269.44	<b>20,977.96</b>	19,136.84
b) Segment Liabilities						
Loan Funds	<b>9,465.09</b>	8,440.44	<b>916.18</b>	845.70	<b>10,381.27</b>	9,286.14
Liabilities & Provisions (Excluding Tax Liabilities)	<b>561.52</b>	560.53	<b>338.24</b>	201.36	<b>899.76</b>	761.89
Unallocable (Tax Liabilities & Loans)	-	-	-	-	<b>503.59</b>	436.49
Total Liabilities	<b>10,026.61</b>	9,000.97	<b>1,254.42</b>	1,047.05	<b>11,784.63</b>	10,484.52
<b>Net Segment Assets</b>	<b>5,078.62</b>	5,912.32	<b>1,707.59</b>	1,222.39	<b>9,193.33</b>	8,652.33

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Standalone Financial Statements



Particulars	Trading		Wind Power		Total	
	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 201
Capital Expenditure	1,317.12	7.93	1,001.00	-	2,318.12	7.93
Segment Depreciation	36.31	33.15	54.07	363.20	90.38	396.35
Non - Cash Expenses other than Depreciation	-	-	-	-	-	-

### b) Segment Reporting : Segment identification, reportable segments

#### i) Primary/secondary segment reporting format:

The risk-return profile of the company's business is determined predominantly by the nature of its products and services. Accordingly, business segments constitute the primary segments for disclosure of segment information.

#### ii) Segment Identification:

Business segment have been on the basis of nature of product/services, the ri-return profile of individual business.

#### iii) Reportable Segment:

Reportable segment has been identified as per the criteria specified in Accounting Standard (AS) 17 "Segment Reporting Issued by the Institute of Chartered Accountants of India.

36. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Per our report attached of even date

**Pannkaj Ghadiali**  
Managing Partner  
Membership Number: 031745  
For and on behalf of  
**P C Ghadiali and Co LLP**  
Chartered Accountant  
**Firm No. 103132W**

Place: Mumbai  
Dated: May 27, 2015

#### For and on behalf of Board of Directors

Ujwal R.Lahoti  
Executive Chairman  
(DIN 00360785)

Umesh R. Lahoti  
Managing Director  
(DIN 00361216)

Pradeep Bachhuka  
Chief Financial Officer

Gayathri Iyer  
Company Secretary

Place: Mumbai  
Dated: May 27, 2015



## INDEPENDENT AUDITORS' REPORT

### To the Members of LAHOTI OVERSEAS LIMITED

#### Report on the Consolidated Financial Statements

We have audited the attached consolidated financial statements of **LAHOTI OVERSEAS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on the date annexed thereto, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

#### 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, of the state of affairs of the Company as at March 31, 2015, and its profit/loss and its cash flows for the year ended on that date.

#### Other Matters

We did not audit the financial statements of subsidiary Lahoti Spintex Limited whose financial statements reflect total assets (net) of ` 5 lakhs as at March 31, 2015. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

**Pannkaj Ghadiali**  
**Managing Partner**

Membership Number: 031745

For and on behalf of

**PC Ghadiali and Co LLP**

Chartered Accountants

Firm No. 103132W

**Place:** Mumbai

# LAHOTI OVERSEAS LIMITED



## Consolidated Financial Statements Balance Sheet as on March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	As at	
		March 31, 2015	March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	584.59	584.59
(b) Reserves and surplus	2	8,674.39	8,069.66
		<u>9,258.98</u>	<u>8,654.24</u>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	714.09	707.14
(b) Deferred tax liabilities (net)	4	352.21	284.76
(c) Other long-term liabilities	5	6.60	11.80
(d) Long-term provisions	6	23.83	15.47
		<u>1,096.74</u>	<u>1,019.17</u>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	9,250.51	8,436.22
(b) Trade payables	8	290.59	355.59
(c) Other current liabilities	9	921.43	508.89
(d) Short-term provisions	10	162.34	160.70
		<u>10,624.87</u>	<u>9,461.41</u>
<b>TOTAL</b>		<u><u>20,980.59</u></u>	<u><u>19,134.82</u></u>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	4,185.00	2,290.46
(ii) Intangible assets		39.80	39.80
(b) Non-current investments	12	2,456.78	1,518.13
(c) Long-term loans and advances	13	567.78	540.17
(d) Other non current assets	14	0.78	0.69
		<u>7,250.15</u>	<u>4,389.25</u>
<b>2 Current assets</b>			
(a) Current investments	15	5.65	8.00
(a) Inventories	16	842.89	206.74
(b) Trade receivables	17	9,966.40	11,469.10
(c) Cash and cash equivalents	18	855.71	403.90
(d) Short-term loans and advances	19	760.56	852.16
(e) Other current assets	20	1,299.24	1,805.66
		<u>13,730.45</u>	<u>14,745.56</u>
<b>TOTAL</b>		<u><u>20,980.59</u></u>	<u><u>19,134.82</u></u>
See accompanying notes forming part of the financial statements	1 to 38		

Per our report attached of even date

**Pannkaj Ghadiali**  
Managing Partner  
Membership Number: 031745  
For and on behalf of  
**P C Ghadiali and Co LLP**  
Chartered Accountant  
**Firm No. 103132W**

Place: Mumbai  
Dated: May 27, 2015

**For and on behalf of Board of Directors**  
Ujwal R. Lahoti  
Executive Chairman  
(DIN 00360785)  
Pradeep Bachhuka  
Chief Financial Officer  
Umesh R. Lahoti  
Managing Director  
(DIN 00361216)  
Gayathri Iyer  
Company Secretary

Place: Mumbai  
Dated: May 27, 2015

# LAHOTI OVERSEAS LIMITED



## Consolidated Financial Statements

### Statement of Profit and Loss for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	For the period Ended	
		March 31, 2015	March 31, 2014
<b>1 Income</b>			
(a) Revenue from operations	21	<b>58,804.78</b>	72,041.26
(b) Other income	22	<b>1,045.16</b>	336.10
<b>Total revenue</b>		<b>59,849.94</b>	72,377.36
<b>2 Expenses</b>			
(a) Purchases of stock-in-trade		<b>55,286.78</b>	65,478.85
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	<b>(636.15)</b>	980.08
(c) Employee benefits expense	24	<b>178.05</b>	145.70
(d) Finance costs	25	<b>894.87</b>	994.86
(e) Depreciation and amortisation expense	11	<b>265.51</b>	396.35
(f) Other expenses	26	<b>2,817.21</b>	2,552.14
<b>Total expenses</b>		<b>58,806.28</b>	70,547.98
<b>3 Profit before exceptional and extraordinary items and tax</b>		<b>1,043.66</b>	1,829.38
<b>4 Exceptional items</b>		-	-
<b>5 Profit before extraordinary items and tax</b>		<b>1,043.66</b>	1,829.38
<b>6 Extraordinary items</b>		-	-
<b>7 Profit Before tax</b>		<b>1,043.66</b>	1,829.38
<b>8 Tax expense:</b>			
(a) Current tax expense for current year		<b>220.00</b>	395.62
(b) Deferred tax		<b>67.45</b>	106.91
		<b>287.45</b>	502.53
<b>9 Profit for the year</b>		<b>756.21</b>	1,326.85
<b>10 Earnings per share (of ` 2/- each):</b>			
(a) Basic		<b>2.59</b>	<b>4.55</b>
(b) Diluted		<b>2.59</b>	<b>4.55</b>

See accompanying notes forming part of the financial statements 1 to 38

Per our report attached of even date

**Pannkaj Ghadiali**  
 Managing Partner  
 Membership Number: 031745  
 For and on behalf of  
**P C Ghadiali and Co LLP**  
 Chartered Accountant  
**Firm No. 103132W**

Place: Mumbai  
 Dated: May 27, 2015

**For and on behalf of Board of Directors**

Ujwal R. Lahoti      Umesh R. Lahoti  
 Executive Chairman      Managing Director  
 (DIN 00360785)      (DIN 00361216)

Pradeep Bachhuka      Gayathri Iyer  
 Chief Financial Officer      Company Secretary

Place: Mumbai  
 Dated: May 27, 2015

# LAHOTI OVERSEAS LIMITED



## Consolidated Financial Statement

### Cash Flow Statement for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	For the period Ended	
	March 31, 2015	March 31, 2014
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and prior period items	1,043.66	1,829.38
Add/Less: Interest (Net)	566.23	667.17
Depreciation	265.51	396.35
Assets Written off/ FBT written off	(11.57)	-
Profit/Loss on sale of Fixed Asset	(273.87)	-
Profit on Sale / Redemption of Investments	(1.57)	(14.48)
Rent Received	(30.80)	(35.90)
Reversal of excess provision of audit fees for previous year	0.11	-
Dividend Received	(1.41)	(2.75)
	<u>512.63</u>	<u>1,010.39</u>
<b>Operating profit before working Capital</b>	<b>1,556.29</b>	<b>2,839.77</b>
(Increase)/Decrease in Inventories	(636.15)	980.08
(Increase)/Decrease in Long Term Loans & Advances, Non-current assets	(0.09)	
(Increase)/Decrease in Trade & Other Receivable	2,318.50	(4,313.81)
Increase/(Decrease) Trade Payable, Current Liabilities & Provision	113.73	(1,515.83)
	<u>1,795.99</u>	<u>(4,849.56)</u>
<b>Cash Generated from Operations</b>	<b>3,352.28</b>	<b>(2,009.79)</b>
Tax paid	(250.09)	(423.11)
<b>Cash Flow Before Extraordinary Items</b>	<b>3,102.19</b>	<b>(2,432.90)</b>
Extra ordinary Items / Adjustments (Prior Period Item)	-	-
<b>Cash Flow From Operating Activities After Extraordinary Items</b>	<b>3,102.19</b>	<b>(2,432.90)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2,311.03)	(7.93)
Purchase of Investment	(2,236.30)	(15.06)
Reimbursement of Share of Cost	-	7.35
Sale of Fixed Asset	424.86	-
Sale of Investment	1,301.57	147.95
Interest Received	30.61	13.36
Dividend Received	1.41	2.75
Rent Received	30.80	35.90
<b>Net Cash Flow from Investing Activities</b>	<b>(2,758.09)</b>	<b>184.32</b>

# LAHOTI OVERSEAS LIMITED



## Consolidated Financial Statement

### Cash Flow Statement for the year ended March 31, 2015

(₹ in Lakhs)

Particulars	For the period Ended	
	March 31, 2015	March 31, 2014
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(116.69)	(135.62)
Interest paid	(596.84)	(680.53)
Increase/(Decrease) In Unsecured Loans	515.04	189.71
Increase/(Decrease) In Secured Loans	306.20	2,914.29
<b>Net Cash From Financing Activities</b>	<b>107.71</b>	<b>2,287.86</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>451.81</b>	<b>39.28</b>
<b>Cash and Cash Equivalents (OPENING BALANCE)</b>	<b>403.90</b>	<b>364.62</b>
<b>Cash and Cash Equivalents (CLOSING BALANCE)</b>	<b>855.71</b>	<b>403.90</b>
	<b>451.81</b>	<b>39.28</b>

#### Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.
- 2 Cash and cash equivalent at the end of year represents cash and bank balances.
- 3 Previous year's figures have been rearranged/regrouped, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

Per our report attached of even date

**Pannkaj Ghadiali**  
Managing Partner  
Membership Number: 031745  
For and on behalf of  
**P C Ghadiali and Co LLP**  
Chartered Accountant  
**Firm No. 103132W**

Place: Mumbai  
Dated: May 27, 2015

#### For and on behalf of Board of Directors

Ujwal R.Lahoti  
Executive Chairman  
(DIN 00360785)

Umesh R. Lahoti  
Managing Director  
(DIN 00361216)

Pradeep Bachhuka  
Chief Financial Officer

Gayathri Iyer  
Company Secretary

Place: Mumbai  
Dated: May 27, 2015



### **SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS**

#### **A. PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements (CFS) is prepared in accordance with Accounting standard (AS) 21 “Consolidated Financial Statements” as specified in the Companies (Accounting Standards) Rules, 2006. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - “Consolidated Financial Statements”. The CFS comprises the financial statements of Lahoti Overseas Limited (LOL) and its subsidiaries. Reference in these notes to LOL, Company, Parent Company, Companies or Group shall mean to include Lahoti Overseas Limited or any of its subsidiaries, associates unless otherwise stated.

The notes and significant policies to the CFS are intended to serve as a guide for better understanding of the Group's position. In this respect, the company has disclosed such notes and policies which represent the required disclosure.

#### **B. GOODWILL ON CONSOLIDATION**

The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments.

#### **C. OTHER SIGNIFICANT ACCOUNTING POLICIES**

These are set out under “Significant Accounting Policies” as given in the Company's separate financial statements.

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

### 1. Share Capital

Particulars	As at 31 March, 2015		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 2 each with voting rights	3,00,00,000	600.00	30,00,000	600.00
(b) Issued Equity shares of ₹ 2 each with voting rights	2,93,82,500	587.65	2,93,82,500	587.65
(c) Subscribed and fully paid up Equity shares of ₹ 2 each with voting rights	2,91,71,500	583.43	2,91,71,500	583.43
(d) Share Forfeiture Account	2,11,000	1.16	2,11,000	1.16
<b>Total</b>	<b>2,91,71,500</b>	<b>584.59</b>	<b>2,91,71,500</b>	<b>584.59</b>

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	₹	Number of shares	₹
<u>Equity shares with voting rights</u>				
Opening Balance	2,91,71,500	5,84,58,586.00	2,91,71,500	5,84,58,586.00
Less : Shares Forfeited	-	-	-	-
Closing Balance	2,91,71,500	5,84,58,586.00	2,91,71,500	5,84,58,586.00

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Ujwal R Lahoti	38,23,000	13.11	38,23,000	13.11
Umesh R Lahoti	44,84,000	15.37	44,84,000	15.37
Jayashri U Lahoti	23,75,500	8.14	23,75,500	8.14
Manjushri Umesh Lahoti	19,34,500	6.63	19,34,500	6.63
Rukmini R Lahoti	15,22,000	5.22	15,22,000	5.22
Kirti Stock Brokers Private Limited	16,10,000	5.52	16,10,000	5.52
Billion Way Garment Limited	42,50,000	14.57	42,50,000	14.57

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>2. Reserves and surplus</b>		
(a) Securities premium account		
Opening balance	914.53	914.53
Closing balance (a)	914.53	914.53
(b) General reserve	744.57	645.32
Add: Transferred from surplus in Statement of Profit and Loss	56.37	99.25
Closing balance (b)	800.94	744.57
(c) Surplus in Statement of Profit and Loss		
Opening balance	6,410.56	5,322.96
Add: Profit for the year	756.21	1,323.35
Earlier Year Depreciation written back	-	0.02
Less: Dividends proposed to be distributed to equity shareholders	(116.69)	(116.69)
Tax on dividend	(23.33)	(19.83)
Transferred to General reserve	(56.37)	(99.25)
Fixed Assets written off	(7.09)	-
Provision of FBT written off	(4.49)	-
Closing balance (c)	6,958.81	6,410.56
<b>Total (a+b+c)</b>	<b>8,674.39</b>	<b>8,069.66</b>

### 3. Long-term borrowings

(a) Loans and advances from related parties		
Unsecured	-	-
(b) Term Loan - Secured [Note (i)]	714.09	707.14
<b>Total</b>	<b>714.09</b>	<b>707.14</b>

(i) Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

(a) Terms of Repayment :  
Central Bank of India

(₹ in lakhs)

Particular	No. of quarter	Installment per Quarter	Total Repayment
2014-15	4	32.14	128.57
2015-16 to 2020-21	4*5.5=22	32.14	707.14
<b>Total</b>	<b>26</b>		<b>835.71</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2013

State Bank of India

Particular	No. of quarter	Installment per Quarter	Total Repayment
2014-15	-	-	-
2015-16 to 2020-21	4*5.75=23	24.91	573.00
2021-22	3	42.33	127.00
Total	26		700.00

b) Particulars of Security :

i) Primary: Exclusive charge on all the assets of the project including cost of Land.

ii) Collateral: a) Hypothecation of a Wind Mill located at Dharmapuri District, Tamil Nadu

b) Personal guarantee of Umesh Lahoti, Ujwal Lahoti and Aadhitiya Lahoti

Of the above, Installment of Year 2015-16 has been considered as current maturities of long term debts and re-grouped accordingly under Other Current Liabilities in March 2014 financials.

#### 4. Deferred Tax Liabilities (Net)

Tax effect of items constituting deferred tax liability	364.03	293.03
On difference between book balance and tax balance of		
Tax effect of items constituting deferred tax assets		
Provision for gratuity, leave salary and bonus	(11.82)	(8.27)
Net Deferred Tax Liability	<b>Total</b>	
	352.21	284.76

#### 5. Other long-term liabilities

Others:

(i) Payables on purchase of fixed assets	-	-
(ii) Trade / security deposits received	6.60	11.80
	<b>Total</b>	
	11.80	13.80

#### 6. Other long-term Provisions

Provision for employee benefits:

(i) Provision for gratuity (net)	23.83	15.47
	<b>Total</b>	
	23.83	15.47

#### 7. Short-term borrowings

Working capital Loans

(i) From banks - Secured [Note(i)]	7,709.43	7,410.18
(ii) From Others - Unsecured	1,541.08	1,026.04
	<b>Total</b>	
	9,250.51	8,436.22

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)		
Particulars	As at	
	March 31, 2015	March 31, 2014
(I) Break-up of secured short-term borrowings from:		
(i) P.C.F.C. :-		
State Bank Of India	1,085.64	1,132.32
HSBC Bank Ltd	421.92	1,548.93
State Bank Of India	-	290.33
RBL	0.77	-
ICICI Bank	652.27	572.59
DBS	1,144.35	1,383.99
HDFC	314.69	-
RBL	723.83	-
(ii) Post Shipment :-		
Postshipment From CITI Bank	2,375.42	2,277.40
Postshipment From SBI	40.30	204.61
Postshipment From HDFC	538.19	-
Postshipment From RBL	412.05	-
<b>Total</b>	<b>7,709.43</b>	<b>7,410.18</b>

The loans from SBI, ICICI Bank, CITI Bank, HDFC Bank, DBS Bank & RBL Bank are secured against Hypothecation of Stock and Book Debts of the Company with pari pasu clause.

### 8. Trade Payables

(a) For Goods	0.63	37.88
(b) For Expenses and Services	289.95	317.71
<b>Total</b>	<b>290.59</b>	<b>355.59</b>

### 9. Other current liabilities

(a) Current maturities of long-term debt	202.09	128.57
(b) Interest accrued and due on borrowings	-	9.98
(c) Unearned revenue	101.15	131.66
(d) Other payables		
(i) Statutory remittances	15.81	19.70
(ii) Advances from customers	114.71	22.90
(iii) Other Current Liabilities	0.06	-
(e) Creditor for Capital Expenditure	487.62	196.08
<b>Total</b>	<b>921.43</b>	<b>508.89</b>

Income received in advance consists of Unamortized premium on forward contracts

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>10. Short-term provisions</b>		
(a) <u>Provision for employee benefits</u>		
(i) Provision for bonus	8.89	7.12
(ii) Provision for Leave Salary	2.07	1.75
<b>Total (a)</b>	<b>10.96</b>	<b>8.87</b>
(b) <u>Provision - Others:</u>		
(i) Provision for tax (Net of Advance Tax)	11.37	42.81
(ii) Provision for proposed equity dividend	116.69	116.69
(iii) Provision for tax on proposed dividends	23.33	18.93
<b>Total (b)</b>	<b>151.38</b>	<b>151.84</b>
<b>Total (a+b)</b>	<b>162.34</b>	<b>160.70</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



### 11. Fixed assets (i) Tangible Asset

(₹ in Lakhs)

PARTICULARS	RATE	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As At 31-Mar- 2014	Addition	Dedu- ction	As At 31-Mar- 2015	For the Year	Adjusted from Free Reserves as on 01.04.2014	Dedu- ction	As At 31-Mar- 2015	As At 31-Mar- 2014
Export Division										
Land	-	68.62	-	-	68.62	-	-	-	68.62	68.62
Building	5.00%	33.84	1,309.46	33.84	1,309.46	18.98	-	18.98	1,306.22	14.86
Office Equipments	13.91%	39.45	1.48	-	40.93	25.51	7.09	-	35.74	13.92
Furniture & Fixtures	18.10%	80.27	0.48	-	80.74	70.17	1.78	-	71.95	10.09
Motor Car	25.89%	199.18	-	-	199.18	128.56	21.47	-	150.04	70.61
Computers	40.00%	50.37	5.70	-	56.08	40.20	6.68	-	46.88	9.20
Total (A)		471.72	1,317.12	33.84	1,755.00	283.42	36.31	7.09	307.84	188.30
Wind Power I Division										
Land		3.82	-	3.82	-	-	-	-	-	3.82
Plant & Machinery	15.33%	1,058.88	-	593.88	465.00	852.10	6.88	-	397.42	67.58
Total (B)		1,062.70	-	597.70	465.00	852.10	6.88	-	397.42	67.58
Wind Power II Division										
Land		15.91	-	-	15.91	-	-	-	-	15.91
Plant & Machinery	15.33%	804.63	-	-	804.63	396.61	46.84	-	443.45	361.19
Total (C)		820.54	-	-	820.54	396.61	46.84	-	443.45	377.10
Wind Power III Division										
Plant & Machinery	15.33%	-	1,001.00	-	1,001.00	-	0.35	-	1,000.65	-
Total (D)		-	1,001.00	-	1,001.00	-	0.35	-	1,000.65	-
Solar Division										
Land		16.40	-	-	16.40	-	-	-	-	16.40
Plant & Machinery	15.33%	1,707.44	-	-	1,707.44	256.19	175.13	-	431.32	1,276.12
Total (E)		1,723.84	-	-	1,723.84	256.19	175.13	-	431.32	1,292.52
Total As On 31.03.2015		4,078.80	2,318.12	631.54	5,765.38	1,788.32	265.51	7.09	1,580.38	4,185.01
Total As On 31.03.2014		4,078.21	7.93	7.35	4,078.78	1,391.99	396.35	0.02	1,788.32	2,290.46
										2,686.22

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at 31 March, 2014			As at 31 March, 2013		
	Face Value	No of Units	₹	Face Value	No of Units	₹

### 12. Non-Current

#### Investment Investments (At cost):

#### A. Other investments

##### (a) Investment property

Flat At Pune	-	-	25.38	-	-	25.38
Plot Of Land (At Ahmednagar)	-	-	11.00	-	-	11.00
Flat At Sewree, Mumbai	-	-	510.89	-	-	510.89
Flat At Mumbai	-	-	318.68	-	-	318.68
Premises at Arun Chambers	-	-	0.06	-	-	0.06
Office At Coimbtore	-	-	6.03	-	-	-
Office At Marathon	-	-	386.59	-	-	-
			<b>1,258.62</b>			<b>866.01</b>

##### (b) Investment in Equity Shares - Fully paid up

##### (i) Quoted

Emami Limited	1.00	3,600	0.84	1.00	3,600	0.84
Emami Infrastructure Limited	2.00	733	0.00	2.00	733	0.00
Jet Airways Limited	10.00	356	3.92	10.00	356	3.92
TCS Limited	1.00	1,148	2.44	1.00	1,148	2.44
Punjab National Bank	10.00	3,943	4.61	10.00	3,943	4.61
Union Bank Limited	10.00	2,900	0.46	10.00	2,900	0.46
L.G.Balkrishna Limited	10.00	100	0.02	10.00	100	0.02
Bank of India	10.00	900	0.41	10.00	900	0.41
Cadila Health Care Limited	5.00	1,500	1.24	5.00	1,500	1.24
FCS Software Limited	1.00	14,820	0.37	1.00	14,820	0.37
GSPL Limited	10.00	2,253	0.61	10.00	2,253	0.61
Reliance Industries Limited	10.00	346	1.67	10.00	346	1.67
LGB Forge Limited	1.00	1,000	0.02	1.00	1,000	0.02
Zydus Wellness Limited	10.00	320	0.01	10.00	320	0.01

##### (i)

**16.61**

**16.61**

##### (ii) Un Quoted

Web Source Tech. Limited	10.00	50,000	50.00	10.00	50,000	50.00
Arun Commercial Premises	-	-	0.01	-	-	0.01
Co. Op. Society Ltd	-	-	0.01	-	-	0.01

##### (ii)

**50.01**

**50.01**

##### (i+ii)

**66.62**

**66.62**

##### (c) Investment in government or trust securities

##### (i) Un Quoted

National Saving Certificates	-	-	0.20	-	-	0.20
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# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)						
Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Face Value	No of Units	₹	Face Value	No of Units	₹
(ii) Quoted						
NABARD Bhavishya						
Nirman Bond	20,000.00	500	50.31	20,000.00	500	50.31
			<b>50.51</b>			<b>50.51</b>
(d) Investment in debentures fully paid up						
(i) Quoted						
India Infoline Investment						
Service Limited						
( Non Convertible Debentures)	-	-	-	1,000.00	3,500	35.00
(ii) Un Quoted						
Macquaire Finance (India)						
Private Limited-Structure Product	-	-	-	-	-	-
			<b>-</b>			<b>35.00</b>
(e) Investment in Mutual Funds -						
Fully paid up						
(i) Quoted						
Birla Sunlife Floating Rate Fund						
Long Term Plan - Growth	-	-	7.20	-	-	-
(ii) Unquoted						
Religare Fixed Maturity						
Plan Series XVIII	10.00	50.00	500.00	10.00	50	500.00
HDFC Corporate Debt						
Opportunities Fund - G	10.00	53.10	565.00	-	-	-
			<b>1,072.20</b>			<b>500.00</b>
(f) Investment in Office Premises -						
Office No. 306 of Arun Chambers	-	-	8.83	-	-	-
(Transferred at WDV from Fixed						
Assets in Previous Year)						
<b>Total - Other investments</b>	<b>-</b>	<b>-</b>	<b>2,456.78</b>	<b>-</b>	<b>-</b>	<b>1,518.13</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,456.78</b>	<b>-</b>	<b>-</b>	<b>1,518.13</b>
Aggregate book value of quoted investments			66.92			101.92
Aggregate market value of listed and quoted investments			115.08			205.34
Aggregate market value of unquoted investments			1,852.69			1,460.08
Aggregate book value of unquoted investments			2,382.66			1,416.21

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>13. Long-term loans and advances</b>		
(a) Security deposits		
Unsecured, considered good	54.82	52.86
(b) Loans and advances to related parties		
Unsecured, considered good	-	-
(c) Loans and advances to employees		
Unsecured, considered good	1.49	1.99
© Advance income tax		
(Net of Provision for Tax Rs.909.63 Lakhs )	409.63	383.49
(e) Other advances		
Unsecured, considered good	101.85	101.85
<b>Total</b>	<b>567.78</b>	<b>540.17</b>
<b>14. Other non-current assets</b>		
(a) Miscellaneous Expenditure	0.78	0.69
<b>Total</b>	<b>0.78</b>	<b>0.69</b>
<b>15. Current investments</b>		
(a) Investment in Mutual Funds - Fully paid up		
(i) Quoted		
Reliance Money Manager Fund	5.65	8.00
<b>Total</b>	<b>5.65</b>	<b>8.00</b>
<b>16. Inventories</b>		
(At lower of cost and net realisable value)		
-Stock-in-trade (acquired for trading)	-	-
-Goods-in-transit	842.89	206.74
<b>Total</b>	<b>842.89</b>	<b>206.74</b>
<b>17. Trade receivables</b>		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	69.28	21.25
(b) Other Trade receivables		
Unsecured, considered good	9,897.12	11,447.85
<b>Total</b>	<b>9,966.40</b>	<b>11,469.10</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)		
Particulars	As at	
	March 31, 2015	March 31, 2014
<b>18. Cash and cash equivalents</b>		
(a) Cash on hand	2.39	2.03
<b>Total (A)</b>	<b>2.39</b>	<b>2.03</b>
(b) <u>Balances with banks</u>		
(i) In current accounts	545.72	315.44
(ii) In deposit accounts	0.14	0.14
(iii) In earmarked accounts	-	-
- Balances held as margin money or security against borrowings, and other commitments**	307.46	86.30
<b>Total (B)</b>	<b>853.32</b>	<b>401.88</b>
<b>Total (A+B)</b>	<b>855.71</b>	<b>403.90</b>
<b>** Includes Deposits of Rs. 16.57 lakhs (Previous Year ₹ 16.57 lakhs) with a maturity of more than 12 months</b>		
<b>19. Short-term loans and advances</b>		
(a) Prepaid expenses - Unsecured, considered good	31.17	16.73
(b) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	-	4.68
(c) <u>Advance to Suppliers for goods and services</u>		
(i) Unsecured, considered good	734.07	820.75
(ii) Doubtful	23.84	29.72
Less : Provision for Doubtful Debts	(29.72)	(29.72)
	<b>728.18</b>	<b>820.75</b>
(d) Loans and advances to employees		
Unsecured, considered good	1.21	-
(e) Other Loans and Advances		
Unsecured, considered good	-	10.00
<b>Total</b>	<b>760.56</b>	<b>852.16</b>
<b>20. Other current assets</b>		
(a) <u>Accruals</u>		
(i) Interest accrued on investments	-	4.10
(ii) Unbilled Revenue	22.89	30.78
<b>Total (A)</b>	<b>22.89</b>	<b>34.88</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
(b) <u>Others</u>		
(i) Forward Contract Receivable (Net)	347.29	583.55
(ii) Export Incentive Receivable	929.06	1,187.24
<b>Total (B)</b>	<b>1,276.35</b>	<b>1,770.79</b>
<b>Total (A+B)</b>	<b>1,299.24</b>	<b>1,805.66</b>
<b>21. Revenue from operations</b>		
(a) Sale of products [Note i]	56,970.29	69,130.41
(b) Other operating revenues [Note ii]	1,834.49	2,910.85
<b>Total</b>	<b>58,804.78</b>	<b>72,041.26</b>
Note:		
(i) <u>Sale of products comprises</u>		
-Generation of Power	411.23	450.77
-Traded goods	56,559.06	68,679.64
<b>Total - Sale of products</b>	<b>56,970.28</b>	<b>69,130.41</b>
(ii) <u>Other operating revenues comprise:</u>		
-Duty drawback	1,710.99	2,314.06
-Export incentives	68.70	521.73
-Sale of REC	54.80	75.06
<b>Total - Other operating revenues</b>	<b>1,834.49</b>	<b>2,910.85</b>
<b>22. Other income</b>		
(a) Interest income	30.61	13.36
(b) Dividend Income	1.41	2.75
(c) <u>Net gain on sale of:</u>		
(i) Current investments	1.57	0.05
(ii) Long-term investments	-	14.43
(iii) Fixed Assets	273.87	-
	275.44	14.48
(d) Forward Premium	68.54	178.60
(e) Gain on Exchange Rate Difference	80.17	(290.29)
(f) Gain on Cancellation of Forward Contract	548.79	335.88
(g) Liquidated Damages	-	42.72
(h) Rent Income	4.80	
(i) Other non-operating income	35.40	38.60
<b>Total</b>	<b>1,045.16</b>	<b>336.10</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	For the year Ended	
	March 31, 2015	March 31, 2014
(i) Other non-operating income comprises:		
Rental income from investment properties	26.00	31.46
Insurance Claim received	0.06	2.70
Miscellaneous income	0.28	0.00
Sales Tax Refund	9.07	-
<b>Total - Other non-operating income</b>	<b>35.40</b>	<b>34.16</b>
<b>23. Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
(a) <u>Inventories at the end of the year:</u>		
Stock-in-trade	842.89	206.74
(b) <u>Inventories at the beginning of the year:</u>		
Stock-in-trade	206.74	1,186.82
<b>Net (increase) / decrease</b>	<b>(636.15)</b>	<b>980.08</b>
<b>24. Employee benefits expense</b>		
(a) Salaries and wages	157.34	135.12
(b) Contributions to provident and other funds	17.48	7.96
(c) Staff welfare expenses	3.23	2.63
<b>Total</b>	<b>178.05</b>	<b>145.70</b>
<b>25. Finance costs</b>		
(a) Interest expense on Borrowing	596.84	680.53
(b) Other borrowing costs	298.03	314.34
<b>Total</b>	<b>894.87</b>	<b>994.86</b>
<b>26. Other expenses</b>		
(a) <u>Office &amp; Administrative expenses:</u>		
Auditor's Remuneration [Note(i)]	3.82	5.76
Directors' Remuneration	46.80	46.80
Donation	0.42	0.79
Electricity Expenses	4.93	5.28
Insurance Premium	82.87	79.29
Legal and Professional Charges	46.31	45.64
Other Accidental Loss	6.77	-
Office & General Expenses	41.87	23.42
Operational Expenses (Wind Power)	48.06	62.38

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)		
Particulars	For the year Ended	
	March 31, 2015	March 31, 2014
Postage and Telephone Charges	29.64	26.99
Printing and Stationary	5.59	4.59
Rent, Rates and Taxes	62.06	90.35
Repairs & Maintenance	25.75	5.48
Travelling & Conveyance	82.94	67.65
Training Charges	0.01	-
<b>Total (A)</b>	<b>487.83</b>	<b>464.43</b>
(b) <u>Selling and Distribution expenses</u>		
Ocean Freight	1,062.69	915.34
Local Freight & other Shipment cost	932.63	875.94
Overseas Commission	273.58	228.94
Sales Promotion Expenses	19.76	22.06
Local Commission & Brokerage	40.71	45.41
<b>Total (B)</b>	<b>2,329.38</b>	<b>2,087.70</b>
<b>Total (A+B)</b>	<b>2,817.21</b>	<b>2,552.14</b>
Note (i)		
<u>Payments to the auditors comprises</u>		
As Auditors - Statutory audit	3.16	3.13
For Taxation matters	0.21	1.87
For Tax Audit	0.30	0.25
For Certification & Consultancy Services	-	0.42
For Other Matters	0.16	-
<b>Total</b>	<b>3.82</b>	<b>5.67</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



27. In the opinion of Directors, Current Assets, Loans and Advances have the value at which these are stated in the Balance Sheet, if realized in the ordinary course of business and the provision for all known liabilities is adequate and not in excess of or less than the amount reasonably necessary.

### 28. Contingent Liabilities:

- Contingent Liabilities not provided for in respect of Bills Discounted ₹ 2907.02 lakhs (Previous Year ₹ 6,045.35 lakhs).
- Claims not acknowledged by the Company relating to cases contested by the Company :

(₹ In lakhs)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
(i)	Income Tax Matter (Pending before Appellate Authorities in respect of which the Company is in appeal)	269.10	252.24

### 29. Expenditure in foreign currency:

(₹ In Lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Foreign Bank Charges	129.95	138.11
Foreign Traveling Expenses	55.23	40.03
Overseas Commission	273.58	228.94
Liaison Office at Bangladesh	23.11	19.13
<b>TOTAL</b>	<b>481.87</b>	<b>426.21</b>

### 30. Earning in Foreign Exchange:

**FOB value of export: ₹ 55,399.12 Lakhs (Previous Year ₹ 67,667.24/- Lakhs).**

31. The information as required under Micro, Small and Medium Enterprises Development Act, 2006 was called from relevant parties. In view of no response, no such information is furnished.

32. The Management is of the view of that the fixed assets of the Company are capable of generating adequate returns over their useful lives in the course of business. Therefore the assets are not impaired and do not call for providing any loss.

### 33. Related Party Disclosure: -

A) The Company has identified following parties for the purpose of Related Party Disclosure:

<u>Subsidiary Companies:</u>	<u>Holding (%)</u>
Lahoti Spintex Limited	100
G. Varadan Limited	100

Entities in which KMP / relatives of KMP have significant influence:

PSWare Information Pvt.Ltd.  
Bauble Investment Pvt.Ltd.  
Bhalchandram Clothing Pvt.Ltd.  
Step By Step Export Pvt.Ltd..  
Parvati Textiles Pvt.Ltd.

### Key Management Personnel (KMP):

Shri Umesh R. Lahoti - Managing Director  
Shri Ujwal R Lahoti - Executive Director  
Shri Aadhitya Lahoti - Director  
Shri Pradeep Bachhuka-Chief Financial Officer  
Smt.Gayahtri S.Iyer - Company Secretary

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



### I) Transactions during the year with related parties: (₹ in Lakhs)

Nature of Transaction	Entities in which KMP / relatives of KMP have significant influence (PSWare Information Pvt. Ltd., Bauble Investments Pvt.Ltd., Bhalchandram Clothing Pvt.Ltd., Step By Step Export Pvt.Ltd. & Parvati Textiles Pvt.Ltd.)		Subsidiary (Lahoti Spintex Ltd & G. Varadan Ltd.)		Key Management Personnel (KMP)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Rent Paid	9.35	8.55	4.80	4.20	-	-
Advance against order	535.00	-	-	-	-	-
Advance returned on	(535.00)	-	-	-	-	-
Cancellation supply	-	749.00	-	-	-	661.50
Loan Taken	-	(580.21)	-	-	835.00	(325.16)
Loan Repaid	(168.79)	80.93	-	-	(336.34)	50.57
Interest Paid	7.84	-	-	-	36.82	51.00
Managerial Remuneration	-	-	-	-	61.55	-
Outstanding Balances						
Loans and Advances						
a) Receivable (Deposit)	51.00	51.00	4.22	4.22	812.90	381.85
b) Payable (Loan)	-	-	-	-	-	-

### B. Additional information. As required under Schedule III to Companies Act, 2013 of enterprises consolidated as Subsidiary / Associates.

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share of Profit or Loss	
Name of the Entity Parent	As % of Consolidated Net Assets	(₹ in Lacs)	As % of Consolidated Net Profits	(₹ in Lacs)
Lahoti Overseas limited	100.36	11,763.43	99.39	751.56
<b>Subsidiaries</b>				
1. G. Vardan Ltd.	0.02	2.26	0.61	4.65
2. Lahoti Spintex Ltd.	0.01	0.84	-	-

### 34. Earning Per Share:

	As At March 31, 2015	As At March 31, 2014
1. Net profit available for Equity shareholders (₹ in Lakhs)	756.21	1,326.85
2. Number equity shares for basic Earning Per Share	2,91,71,500	2,91,71,500
3. Basic Earning Per Share (in ₹)	2.59/-	4.55/-
4. Face value per share	₹ 2/-	₹ 2/-
35. The company has taken effort to verify the closing balances of the sundry creditors / Debtors subject to pending confirmations.		
36. Additional Disclosure pursuant to clause 32 of Listing Agreement, (Excepting for employees) is not applicable as there are no transactions in that nature.		

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



### 37. Segment Reporting

- a) Information about business segments (information provided in respect of revenue items for the year ended March 31, 2015 and in respect of assets/liabilities as at March 31, 2015)

#### Primary Segments - Business Segments:

(₹ in lakhs)

Particulars	Trading		Power		Total	
	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 2014
Gross Segment Revenue	59,201	71,740	411	451	59,612	72,190
Less:- Intersegment Revenue	-	-	-	-	-	-
Net Segment Revenue	59,201	71,740	411	451	59,612	72,190
Segment Results :	667	1,684	59	47	727	1,731
(Profit / Loss Before Tax , Interest and Investment Income from each segment)						
Add:- Rental Income	-	-	-	-	26	31
Add:- Dividend and Other Income	-	-	-	-	11	48
Add:- Profit/(Loss) on sale of investments	-	-	-	-	2	14
Add:- Profit/(Loss) on sale of Fixed Assets	-	-	-	-	274	-
Profit before Interest and Tax	-	-	-	-	1,039	1,825
Profit Before Tax	-	-	-	-	1,039	1,825
Provision for Tax						
Current	-	-	-	-	-	396
Deferred	-	-	-	-	-	107
Profit After Tax	-	-	-	-	1,039	1,322
<b>Capital Employed:</b>						
a) Segment Assets						
Fixed Assets	1,445	188	2,727	2,102	4,172	2,290
Assets, Loans and Advances (Excluding Tax Assets)	13,658	14,725	224	167	13,882	14,892
Unallocable (Tax Assets & Investments)	-	-	-	-	2,871	1,910
<b>Total Assets</b>	<b>15,103</b>	<b>14,913</b>	<b>2,951</b>	<b>2,269</b>	<b>20,925</b>	<b>19,092</b>
b) Segment Liabilities						
Loan Funds	9,251	8,440	1,118	846	10,369	9,286
Liabilities & Provisions (Excluding Tax Liabilities)	702	561	478	201	1,180	762
Unallocable (Tax Liabilities & Loans)	-	-	-	-	364	436
<b>Total Liabilities</b>	<b>9,952</b>	<b>9,001</b>	<b>1,597</b>	<b>1,047</b>	<b>11,912</b>	<b>10,485</b>
<b>Net Segment Assets</b>	<b>5,151</b>	<b>5,912</b>	<b>1,355</b>	<b>1,222</b>	<b>9,013</b>	<b>8,608</b>

# LAHOTI OVERSEAS LIMITED

## Notes forming part of the Consolidated Financial Statements



Particulars	Trading		Wind Power		Total	
	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 2014	As At 31-Mar- 2015	As At 31-Mar- 201
Capital Expenditure	1,317.12	7.93	1,001.00	-	2,318.12	7.93
Segment Depreciation	36.31	33.15	54.07	363.20	90.38	396.35
Non - Cash Expenses other than Depreciation	-	-	-	-	-	-

b) Segment Reporting : Segment identification, reportable segments

i) Primary/secondary segment reporting format:

The risk-return profile of the company's business is determined predominantly by the nature of its products and services. Accordingly, business segments constitute the primary segments for disclosure of segment information.

ii) Segment Identification:

Business segment have been on the basis of nature of product/services, the ri-return profile of individual business.

iii) Reportable Segment:

Reportable segment has been identified as per the criteria specified in Accounting Standard (AS) 17 "Segment Reporting Issued by the Institute of Chartered Accountants of India.

38 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Per our report attached of even date

**Pannkaj Ghadiali**

Managing Partner

Membership Number: 031745

For and on behalf of

**P C Ghadiali and Co LLP**

Chartered Accountant

**Firm No. 103132W**

Place: Mumbai

Dated: May 27, 2015

**For and on behalf of Board of Directors**

Ujwal R.Lahoti

Executive Chairman

(DIN 00360785)

Pradeep Bachhuka

Chief Financial Officer

Place: Mumbai

Dated: May 27, 2015

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Gayathri Iyer

Company Secretary