



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

Corporate Identity No. L74999MH1995PLC087643

September 29, 2016

To,
Corporate Relationship Department
BSE Limited,
1st Floor, New Trading Ring, Rotunda Building,
Phiroze Jeejeebhoi Towers,
Dalal Street, Fort,
Mumbai - 400 001.

**Sub.: Submission of 21st Annual Report for the Financial Year 2015-16 of the Company
as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirement)
Regulation, 2015**

Ref: LAHOTI OVERSEAS LIMITED - 531842

Dear Sir,

The 21st Annual General Meeting of the Company concluded on September 29, 2016. In this regard, attached is the 21st Annual Report of the Company for Financial Year 2015-16, as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.

The same is for your records.

Kindly take a note of the same.

Thanking you,

Yours faithfully,
For Lahoti Overseas Limited

Mrunal Vaidya
Company Secretary

Encl: As above





LAHOTI

OVERSEAS LIMITED

AN ISO 9001 : 2008 CERTIFIED COMPANY

CIN- L74999MH1995PLC087643

**21st ANNUAL REPORT
2015-2016**

Regd. Off: 307, Arun Chambers, Tardeo Road
Mumbai 400 034. India

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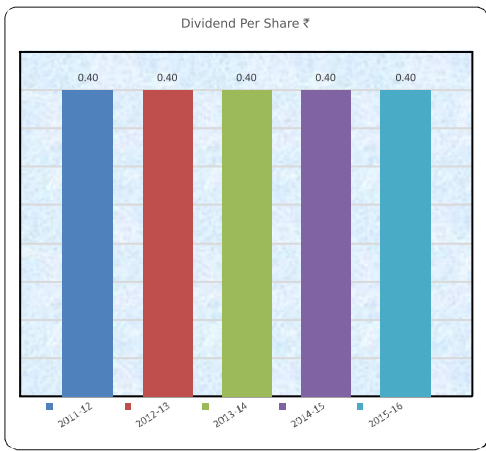
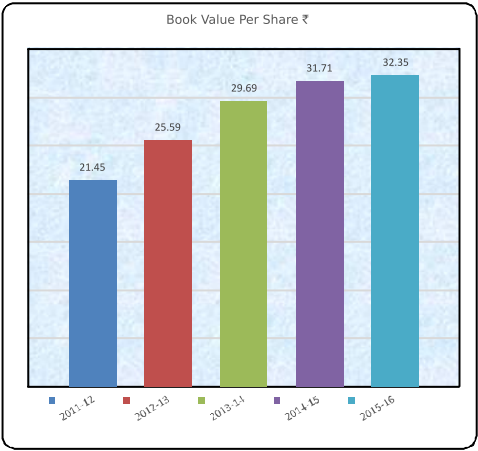
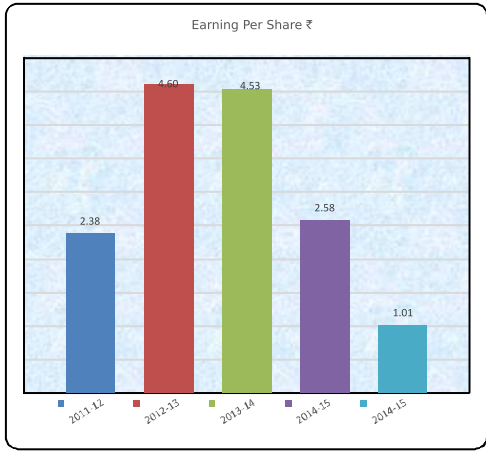
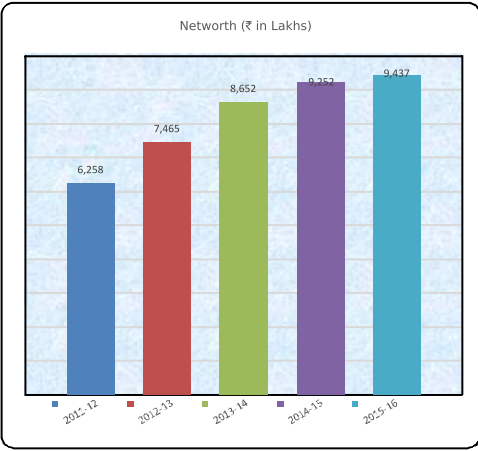
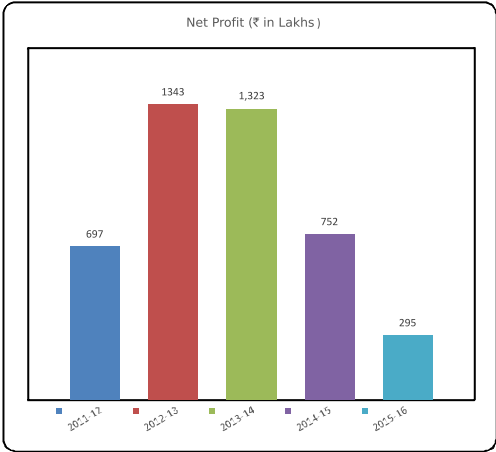
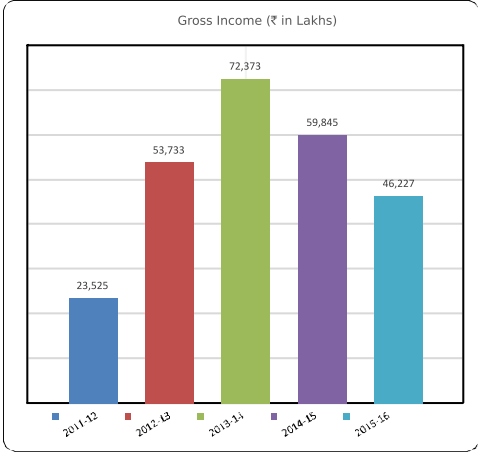
Website: www.lahotioverseas.in



GROWTH IS
A WAY OF LIFE

LAHOTI OVERSEAS LIMITED

PERFORMANCE REVIEW





21ST ANNUAL REPORT
OF
LAHOTI OVERSEAS LIMITED
2015-2016



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CIN: L74999MH1995PLC087643

BOARD OF DIRECTORS

Mr. Ujwal R. Lahoti (DIN 00360785)	-	Executive Chairman
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
Ms. Meghna Vijay Panchal (DIN 07082835)	-	Independent Non-Executive Director

KEY MANAGERIAL PERSONNEL

Mr. Umesh R. Lahoti	-	Managing Director
Mr. Pradeep Bachhuka	-	Chief Financial Officer
Ms. Mrunal S Vaidya	-	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

Ms. Meghna 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



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
ICICI Bank Limited
HDFC Bank Limited
Ratnakar Bank Limited
Kotak Mahindra Bank Limited

REGISTERED OFFICE

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Tardeo Road, Mumbai - 400 034.
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e-mail: investor@lahotioverseas.com
Web: www.lahotioverseas.in
CIN: L74999MH1995PLC087643

LISTED IN STOCK EXCHANGES

Bombay Stock Exchange, Mumbai

REGISTRAR & TRANSFER AGENTS

LINK INTIME (INDIA) PRIVATE LIMITED

C- -13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (West),
Mumbai - 400078.
Tel No.: +91-22-25963838 | Fax No.:+91-22-25346969.
E-mail: rnt.helpdesk@linkintime.co.in | Web: www.linkintime.co.in



Directors' Report

TO THE MEMBERS OF M/S. LAHOTI OVERSEAS LIMITED

The Directors take pleasure in presenting the Twenty First Annual Report along with Audited Financial

Statements of your Company and its subsidiaries for the Financial Year ended 31st March, 2016.

Financial Highlights

The financial performance of the Company, for the year ended March 31, 2016 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the Financial Year Ended 31 st March, 2016	For the Financial Year Ended 31 st March, 2015	For the Financial Year Ended 31 st March, 2016	For the Financial Year Ended 31 st March, 2015
Gross Income	46,226.58	59,845.14	46,231.61	59,849.94
Gross Profit before, Depreciation and Tax	785.49	1304.52	790.37	1309.18
Less: Depreciation	356.30	265.51	356.30	265.51
Profit Before Tax	429.19	1039.01	434.07	1043.67
Provision for Tax		0.00		0.00
Current Tax	87.52	220.00	88.57	220.00
Deferred Tax	46.20	67.44	46.20	67.44
Profit after Tax before period items	295.47	751.56	299.30	756.22
Prior period adjustment	21.33	(11.57)	21.33	(11.57)
Add: Excess Provision Written Back	4.22	0.00	4.22	0.00
Balance b/f from previous year	6,955.49	6408.65	6,961.17	6410.56
Amount available for appropriation	7,276.51	7148.64	7,286.02	7155.21
Less: Proposed Dividend	116.69	116.69	116.69	116.69
Corporate Dividend Tax	23.33	23.33	23.33	23.33
Transferred to General Reserves	22.15	56.37	22.15	56.37
Add: Excess provision for Dividend	-			
Balance carried to Balance Sheet	7,114.34	6952.25	7,123.85	6958.81

Results of Operations

During the year under review your Company has reported a standalone total income of Rs. 46,226.58 Lakhs as compared to Rs. 59,845.14 for the previous year. Further, the net profit for the current year has increased to Rs. 7,276.51 from Rs. 7,148.64 as compared to last year.

Dividend

During the year under review, your Directors had declared an interim dividend @ 20% (i.e. Rs. 0.40) per equity share on 2,91,17,500 Equity shares of Rs.2 each amounting to Rs.1,16,68,600.

During the year, the unclaimed dividend amount of Rs.1,02,714 pertaining to the dividend for the financial

year ended 31st March, 2008 were transferred to the Investor Education & Protection Fund after giving due notice to its Members.

Transfer to Reserves

The Company did not propose to transfer any amount to the General Reserve.

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 per the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, 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 Annual 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, 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, 2016 have 2 (Two) Wholly Owned Subsidiaries, viz. **Lahoti Spintex and Energy Limited** 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 forms 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 and 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 in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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, 2015, 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

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://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 provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 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 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 Ajaonkar
3. Mr. Prem Sardarilal Malik
4. Ms. Meghna Panchal

The Directors mentioned at 1 to 3 have been acting as Independent Directors prior to commencement of the Companies Act, 2013 and have been appointed in compliance with Section 149 of the Companies Act, 2013, wherein their tenure of 5 years is effected from 1st April, 2014 till 31st March, 2019 through a formal letter of appointment.

However, Ms. Meghna Panchal was appointed as an Independent Director in the last AGM held on September 29, 2015 for a term of five years effective from 29th September, 2015 to 28th September, 2020.

1. Re-appointments

As per the provisions of the Companies Act 2013, Mr. Ujwal Lahoti (00360785) retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

2. Resignations and Appointments

Ms. Gayathri S Iyer, Company Secretary of the Company resigned w.e.f. November 28, 2015 and Ms. Mrunal S Vaidya was appointed as the Company Secretary and Compliance officer of the Company by the Board of Directors w.e.f February 12, 2016.

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 Ajaonkar (Independent Director)	Member
Mr. Prem S Malik (Independent Director)	Member
Ms. Mrunal S Vaidya (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
Ms. 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. Ujwal Lahoti (Executive Director)	Chairman
Mr. Prakash Ramchandra Bang (Independent Director)	Member
Mr. Umesh Lahoti (Managing Director)	Member

Declaration by Independent Directors

Mr. Prakash Ramchandra Bang, Mr. Prem Malik, Mr. Vijay Ajgaonkar and Ms. Meghna Panchal 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 the relevant provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Companies Policy on Director's Appointment and Remuneration

In Compliance with Section 178 of the Companies Act, 2013 and the relevant provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, 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 the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, the Board is required to conduct once in a year, 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.

The year here is considered as calendar year and for the calendar year 2016-17 evaluation will be conducted by December 2016.

The Board of Directors expressed their consent for the same.

Corporate Social Responsibility (CSR)

Your Company has 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 2015-2016 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 the relevant provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 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>

During the year under review, there were no complaints/concerns that arose.

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 22nd 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 2015 – 16.

The report in respect of the Secretarial Audit carried out by M/s. Kothari H. & associates Company Secretaries in Form MR-3 for the FY 2015-16 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 2015-2016

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 2015-2016.

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 2016-17.

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 in 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](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 **Rs. 43,102.60 Lakhs** and incurred the Foreign Exchange outgo of **Rs.518.77 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 in the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 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

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

Place: Mumbai

Date: 12th August, 2016

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 Lakhs)

Particulars	Details	
	Name of the subsidiary	*Lahoti Spintex and Energy Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2016	31 st March, 2016
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 (50,000 Equity Shares of ₹ 10/- each)
Reserves & surplus	NIL	12.32
Total assets	5.06	18.50
Total Liabilities	5.06	18.50
Investments	NIL	17.81
Turnover	NIL	NIL
Profit before taxation	NIL	4.89
Provision for taxation	NIL	1.05
Profit after taxation	NIL	3.84
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 Limited bearing CIN: U17299MH2007PLC168316, being one of the Wholly Owned Subsidiary Company of Lahoti Overseas Limited changed its name and object clause with effect from 30th 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

(₹ in Lakhs)

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

Financial Year	Average Net Profit
2012-2013	1343.12
2013-2014	1824.92
2014-2015	1039.01
Total	4207.05
Average total	1402.35

- (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 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.

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

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

- (1) Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above): ₹ 28.05 Lakhs

- (2) Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year: ₹ 28.05 Lakhs
(b) Amount unspent, if any: ₹ 28.05 Lakhs

Note: No amount was spent during the year ended 31st March, 2016.

- (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 has been in 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 management did not come across any projects/activities having substantial impact and which co-relate to the philosophy of the Company to improve quality of life, no CSR amount was spent during the FY 2015-16.

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

For Lahoti Overseas Limited
Umesh R. Lahoti
DIN: 00361216
Managing Director



Annexure -3

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 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 our 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 March 31, 2016 ('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 March 31, 2016 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**)
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (**Applicable from December, 2015**)
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 Acts, Laws and Regulations as applicable specifically 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.
- ii. The Listing Agreements entered into by the Company with BSE limited. (**Applicable till the date SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been notified**).

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 not passed any resolution for:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

For KOTHARI H. & ASSOCIATES Company Secretaries

Hitesh Kothari
Membership No. 6038
Certificate of Practice No. 5502

Place: Mumbai
Date: August 12, 2016

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 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

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 2015-2016, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-2016 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 2015-2016 (Rs. in Lakh)	% 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	12:1	Remuneration of KMP/Director
2.	Mr. Ujwal Lahoti- Whole time Director	28.32	0.00	15:1	increased by 4.93% and profit
3.	Mr. Aadhitiya Lahoti- Whole Time Director	3.60	0.00	2:1	before tax decreased by 58.69%
4.	Mr. Pradeep Bachhuka- Chief Financial Officer	10.00	6.16%	5:1	
5.	Ms. Gayathri S Iyer - Company Secretary*	2.58	1.30%	0.61:1	
6.	Ms. Mrunal Vaidya- Company Secretary	1.11	0.00	1:1	

Note: 1. No other Director other than Managing Director and Whole time Director received any remuneration other than sitting fees for the financial year 2015-2016.

2.*Ms. Gayathri S Iyer resigned the services w.e.f. November 28, 2015.

ii. The Median remuneration of the employees during the financial year was **Rs.2.23 Lacs**

iii. In the financial year 2015-2016, there was an decrease of **1.74%** in the median remuneration of the employees

iv. There were **43** permanent employees on the rolls of the Company as on 31st March, 2016

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

The Profit before tax of the Company for the financial year 2015-2016 decreased by **58.69%** and the decrease in median remuneration is **1.74%**. 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 **9.83%** from **Rs.32.15 Lakhs** in 2014-15 to **Rs.32.30 Lakhs** in 2015-2016 and the profit before tax of the Company stands at Rs.429.19 Lacs for 2015-16 with a decrease of **58.69%** in comparison to 2014-2015.

	Closing Market Price per Share (in ₹)		Percentage Increase/Decrease	Price Earnings Ratio		Market Capitalization (in ₹ in Lakhs)	
	As on 31.03.2015	As on 31.03.2016		As on 31.03.2015	As on 31.03.2016	As on 31.03.2015	As on 31.03.2016
BSE	8.39	9.90	18.00	3.25	9.80	2631.27	2887.98

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 2015-16 has been **24.22%** and the increase in managerial remuneration for the financial year **9.83%**.

- 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.

- vii. Variations in the Market Capitalization of the Company, price earning ratio as at the closing date of 2015-2016 and 2014-2015 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:

- 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 31ST MARCH, 2016
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: www.lahotioverseas.in email: investor@lahotioverseas.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	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 I Web: www.shareproservices.com 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 307, Arun Chambers, Tardeo Road, Mumbai – 400034	U40102MH2007PLC168316	Subsidiary	100%	2(87)
2.	G Varadan Limited 306, Arun Chambers, Tardeo Road, Mumbai – 400034	U29299MH1960PLC011656	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 (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	15128925	0	15128925	51.86	15128925	0	15128925	51.86	0
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
Sub-total (A) (1):-	17446425	0	17446425	59.81	17446425	0	17446425	59.81	0
(2) Foreign									
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
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) =									
(A)(1)+(A)(2)	17446425	0	17446425	59.81	17446425	0	17446425	59.81	0



B. Public Shareholding									
1. Institutions									
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
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1784218	30500	1814718	6.22	1828755	30500	1859255	6.37	0.15
ii) Overseas	4250000	0	4250000	14.57	4250000	0	4250000	14.57	0.00
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4330003	275685	4605688	15.79	4029184	263085	4292269	14.71	-1.07
ii) Individual shareholders holding nominal share	402528	0	402528	1.38	670194	0	670194	2.30	0.92
c) Others (specify)									
i) Non-Residence (Non-Repatriable)	0	0	0	0	0	0	0	0	0
ii) Non-Residence (Repatriable)	652141	0	652141	2.24	653357	0	653357	2.24	0.00
iii) Foreign Individuals or NRI	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	11418890	306185	11725075	40.19	11431490	293585	11725075	40.19	0.00
Total Public Shareholding (B)= (B)(1)+ (B)(2)	11418890	306185	11725075	40.19	11431490	293585	11725075	40.19	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	28865315	306185	29171500	100	28877915	293585	29171500	100.0	0



B. SHARE HOLDING PATTERN OF PROMOTERS

Sr No	Shareholders Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			% change in share holding during the year
		No of Shares	% of total shares of company	% of Shares Pledged / encumbered	No of Shares	% of total shares of company	% of Shares Pledged / encumbered to total shares	
1	UMESH R LAHOTI	4484000	15.37	2182200	4484000	15.37	2182200	0.00
2	UJWAL R LAHOTI	3823000	13.11	2157200	3823000	13.11	2157200	0.00
3	JAYASHRI U LAHOTI	2375500	8.14	0	2375500	8.14	0	0.00
4	MANJUSHRI UMESH LAHOTI	1934500	6.63	0	1934500	6.63	0	0.00
5	KIRTI STOCK BROKERS (P) LTD	1610000	5.52	0	1610000	5.52	0	0.00
6	RUKMINI R LAHOTI	1522000	5.22	0	1522000	5.22	0	0.00
7	HIND COMMERCE LIMITED	707500	2.43	0	0	0.00	0	2.43
8	AADHITIYA UJWAL LAHOTI	340500	1.17	0	340500	1.17	0	0.00
9	SHASHWAT UMESH LAHOTI	208500	0.71	0	208500	0.71	0	0.00
10	UJWAL R LAHOTI	188500	0.65	0	188500	0.65	0	0.00
11	SAURABH UMESH LAHOTI	140425	0.48	0	140425	0.48	0	0.00
12	AMRITA UJWAL LAHOTI	65000	0.22	0	65000	0.22	0	0.00
13	UJWAL R LAHOTI	47000	0.16	0	47000	0.16	0	0.00
	Total	17446425	59.81	4339400.00	16738925	57.38	4339400.00	2.43



C. CHANGE IN PROMOTERS SHAREHOLDING

S.No	Period	Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 01.04.2015 to 31.03.2016)	
		No. of Shares	% total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	17446425	59.81	17446425	59.81
1.	Date of Decrease in promoter's shareholding during the year under review: NIL Reason for decrease: Transfer of Shares	NA	NA	NA	NA
	At the end of the Year	17446425	59.81	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 01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/at the end (31.03.2016)	% total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Billion Way Garment Limited	425000	14.57	01.04.2015	Nil movement during the year		425000	14.57
		425000	14.57	31.03.2016				
2.	Rashyap Impex Limited	1246244	4.27	01.04.2015	Nil movement during the year		1246244	4.27
		1246244	4.27	31.03.2016				
3.	Anil Gurmukh Bhagwani	592675	2.03	01.04.2015	Nil movement during the year		592675	2.03
		592675	2.03	31.03.2016				



4	Thacker Jawahar	124822	0.43	01.04.2015	Nil movement during the year		124822	0.43
		124822	0.43	31.03.2016				
5	Gbk Resources Private Limited	109082	0.37	01.04.2015	Shares sold during the year		78310	0.27
		78310	0.27	31.03.2016				
6	Koteswara Rao Y	101000	0.35	01.04.2015	Nil movement during the year		101000	0.35
		101000	0.35	31.03.2016				
7	Gian Finance Ltd	100000	0.34	01.04.2015	Nil movement during the year		100000	0.34
		100000	0.34	31.03.2016				
8	Alike Trading Pvt. Limited	71146	0.24	01.04.2015	Shares sold during the year		0	0
		0	0	31.03.2016				
9	Thacker Pragna Jawahar	69377	0.24	01.04.2015	Shares purchased during the year		0	0
		0	0	31.03.2016				
10	Panish Hasmukh Shah	54260	0.19	01.04.2015	Shares sold during the year		0	0
		0	0	31.03.2016				
11	Hind Commerce Limited	0	0	01.04.2015	Shares purchased during the year		707500	2.43
		707500	2.43	31.03.2016				
12	Subramanian P	0	0	01.04.2015	Shares purchased during the year		111600	0.38
		111600	0.38	31.03.2016				
13	Yoganantham A			01.04.2015	Shares purchased during the year		95266	0.33
		95266	0.33	31.03.2016				

E. SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

S.No	Name	Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 01.04.2015 to 31.03.2016)	
		No. of Shares	% total Shares of the Company	No. of Shares	% of total Shares of the Company
A	DIRECTORS:				
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 PANCHAL	0	0	0	0
B	KEY MANAGERIAL PERSONNEL:				
8	PRADEEP BACHHUKA	0	0	0	0
9	MRUNAL S VAIDYA	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	907.03	1495.00	0	2402.03
ii) Interest due but not paid	9.16	46.08	0	55.24
iii) Interest accrued but not due	0	0	0	0.00
Total (i+ii+iii)	916.19	1541.08	0	2457.27
Change in Indebtedness during the financial year 2014-2015				
Addition				
Reduction	246.11	0	0	246.11
Net Change	206.23	898.00	0	1104.23
Indebtedness at the end of the financial year	39.88	-898.00	0	-858.12
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	946.91	597.00	0	1543.91
Total (i+ii+iii)	11.13	31.09	0	42.22

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/WTD/ 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
5	- as % of profit	0	0	0	0
	- others, specify...	0	0	0	0
	Others, please specify	0	0	0	0
	Total (A)	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 Lakhs)

Particulars of Remuneration	Name of Directors				Total Amount
	Prem S Malik	Vijay Ajgaonkar	Prakash R Bang	Meghna Panchal	
Fee for Attending Board/ Committee Meetings	13000	17500	4000	9000	43500
Commission	0	0	0	0	0
Others	0	0	0	0	0
Total (B1)	13000	17500	4000	9000	43500

C. Remuneration to Key Managerial Personnel:

(₹. in Lakhs)

Sr No.	Particulars of Remuneration	Name of KMP			Total Amount
		Umesh Lahoti	Pradeep Bachhuka	Mrunal S. Vaidya	
	Gross salary				
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.60	10.00	1.11	32.71
	(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
	Total	21.60	10.00	1.11	32.71



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)
A. COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		



Management Discussion & Analysis

Industry Structure and Development

Textile division:

The Textile Industry in India is second largest employer after agriculture providing jobs to the various class of peoples and is one of the significant contributors to the Indian economy. During the year 2015-16, the Cotton Textile Industry in India has experienced stressful situation due to the changing market trends particularly from the major markets like China, Europe etc. During the most of the part of the financial year the demand from the world markets was sluggish due to recessionary prevailing in the world markets, particularly in Europe and major Far East markets like China etc.

With domestic and global economic conditions gradually improving along with the focused efforts made by Ministry of Textiles, Indian textiles and 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, grey cotton fabrics where the Company has strong presence and leadership. The Company is mainly targeting the export of cotton yarn and fabrics to Far East Asian countries like South Korea, China, Japan, Hong Kong, Malaysia, Vietnam and also cater to Gulf, Mediterranean, 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 Renewal 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 depending 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. The low sale of REC (Renewable Energy Certificate) has also affected the power projects set up under this mode as per the scheme of Government of India. 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 ₹12934.03 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 ₹.386.98 Lakhs when compared to last year profits.

Power Projects Division:

Revenue from Power Division increased by ₹. 185.91 Lakhs when compared to last year due to addition of one new machine of 1.5MW at Mandsore (MP). However the Profits of Power division has shown an increase by ₹.2.78 lakhs only in comparison to last year due to increase in Depreciation and Amortization and Interest 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 Up gradation. 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, the good monsoon and pick up in Indian economy due to various measures taken by the Government would unleash demand in the long run and offset any slowdown in exports. Further, the hope of revival of Chinese economy will also bring the positive growth for this sector.

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 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, income tax and introduction of GST) 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 effect 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 a 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 slow or non sale of REC's;
- 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 ₹. 46226.58 Lakhs out of which the sale realization has decreased by 22.43% at ₹.43,903.22 Lakhs when compared to previous years proceeds of ₹. 56,559.06 Lakhs from the textile division and a increase of 23.81% at ₹.509.16/- Lakhs when compared to previous year proceeds of ₹.411.23 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 when compared to previous financial year and the demand in kgs has reduced. This year exports of cotton yarn from India to China has dropped.

Further the non-operating income amounts to ₹.169.92 Lakhs which has decreased by ₹. 870.44. Lakhs i.e by 67.33.% as compared to the previous year due to in previous year Gain From Sale of One Wind Power Machine was for ₹. 273.87 Lacs and gain from foreign exchange ₹. 697.49.

Liquidity and Capital Resources

Particulars	2015-2016 (₹. in Lakhs)	2014-2015 (₹. in Lakhs)
Cash and Cash Equivalents –		
Beginning of the year	855.02	401.92
End of the year	563.41	855.02
Net Cash provided (used) by -		
Operating activities	4743.42	3103.44
Investment activities	(369.48)	(2758.04)
Financial activities	(4665.54)	107.71

During the year, there has been a Cash inflow from Operating activity to the extent Rs. 4743.42 Lakhs as against cash inflow of Rs.3103.44 Lakhs during the corresponding previous year. Further during the year there is cash outflow of Rs.369.48 Lakhs on account of Investment activity as against outflow of Rs.2758.04 Lakhs during the previous year. During the year the inflow generated over finance activity is Rs.(4665.54) Lakhs as compare to Rs.107.71Lakhs 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.



Report on Corporate Governance

In accordance with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 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 disclosing 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 Endeavour is to follow the spirit of good governance rather than the mere letter of the conditions specified by regulatory authorities.

The SEBI (Listing Obligations and Disclosure Requirement) (LODR) Regulation, 2015 came into effect from 2nd December, 2015 replacing the earlier Listing Agreement thereby consolidating and streamlining the earlier listing agreement for different segments viz., Equity, Debt, IDR's etc. and has brought in additional compliance, transparency and corporate governance norms for listed entities such as formation of various policies. The LODR Regulations have incorporated the principles of Corporate Governance in line with Organization of Economic Co-operation and Development (OECD) principles and provide a broad principle for periodic disclosures by listed entity in line with International Organization of Securities Commission (IOSCO) principles. 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 new LODR Regulation. 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, LODR Regulations and in accordance with the best practices of Corporate Governance. The Board has the optimum combination of executive and non-executive/independent directors thereby bringing objectivity and transparency in the Management and in dealings of the Company.

As of March 31, 2016, 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 the provisions of the LODR Regulation), 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 31st March, 2016:

Name of the Director	Executive/ Non-Executive/ Independent	No. of Outside Directorships held in Indian Public Limited Companies (including Lahoti Overseas Limited)	Number of Outside Committee positions held		Number of Board Meetings		Attended Last AGM
			Member	Chairman	Held	Attended	
Umesh Lahoti	Executive	7	4	0	5	5	Yes
Ujwal Lahoti	Executive	7	4	0	5	5	Yes
Aadhitiya Lahoti	Executive	2	0	0	5	5	Yes
Prem S Malik	Independent	7	5	2	5	3	No
Vijay Dattatraya Ajgaonkar	Independent	6	3	2	5	5	No
Prakash R Bang	Independent	6	2	1	5	2	No
Meghna Panchal	Independent	3	0	0	5	5	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 including Directorships & Committee Positions in your company.

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 LODR Regulations on 31st March, 2016.

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 the relevant provisions of LODR Regulations.

(a) 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 it is 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.	27/05/2015	Venue: Regd office - 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 04.30.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 6. Ms. Meghna Panchal	1. Mr. Prem S. Malik



2.	12/08/2015	Venue: The Palladium Hotel, 462, Senapati Bapat Marg, Lower Parel, Mumbai- 400013 Time: 05.00.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 6. Ms. Meghna Panchal	1. Mr. Prakash R Bang
3.	26/10/2015	Venue: Regd office - 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 05.00.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 6. Ms. Meghna Panchal	1. Mr. Prem S. Malik
4.	12/02/2016	Venue: The St. Regis, Mumbai, 462, Senapati Bapat Marg, Lower Parel, Mumbai- 400013 Time: 05.45.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 6. Ms. Meghna Panchal	1. Mr. Prakash R Bang
5.	09/03/2016	Venue: Regd office - 307, Arun Chambers, Tardeo Road, Mumbai – 400034 Time: 05.00.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 6. Ms. Meghna Panchal	1. Mr. Prakash R Bang

The gap between two meetings held during the year 2015-16 did not exceed 120 days.

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.

(a) Independent Directors:

During the year under review there was no change in the composition of Independent Directors of the company.

(b) Relationship Between the Directors:

Mr. Umesh Lahoti and Mr. Ujwal Lahoti are brothers and Mr. Aadhitiya Lahoti is son of Mr. Ujwal Lahoti. Except for the aforementioned none of the directors are related to each other.

(c) Number of shares and Convertible Instruments held by Non-Executive Directors:

None of the Non-Executive Directors hold any shares and/or Convertible Instruments of the company in their name.

(d) Familiarization programme for Directors

As per the provisions of LODR Regulation, the Company provides training to the Independent Directors in the Board Meeting itself to familiarize them about the Industry's specific issues to enable them to understand the business environment in which the Company Operates, 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.

(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 31st March, 2016. 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

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 Audit Committee consists of Mr. Prakash R. Bang, Chairman, Mr. Vijay Ajgaonkar and Mr. Prem S. Malik 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 terms of reference, role, function, responsibility and constitution of the Audit Committee is in accordance to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the LODR Regulation.

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, with particular reference to:

- 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 31st March, 2016, i.e. on 27th May, 2015, 12th August, 2015, 26th October, 2015 and 12th February, 2016. 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 Regulation 19 of the LODR Regulation 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 Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
 - To develop a succession plan for the Board and to regularly review the plan
- (a) Composition and Meetings of Nomination and Remuneration Committee

The Committee met twice during the financial year under review on 12th August, 2015 and 12th February, 2016 wherein the matters such as appointment, remuneration and terms of service of Mr. Umesh Lahoti as a Managing Director and regularization of Ms. Meghna Panchal, as an Independent Director, resignation of Ms. Gayathri S Iyer, Company Secretary/KMP and appointment of Ms. Mrunal S Vaidya, Company Secretary/ Compliance Officer of the company 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. Ajsaonkar	Chairman of the Committee & Independent Director	2	2
Mr. Prakash R. Bang	Independent Director	2	0
Mr. Prem S. Malik	Independent Director	2	2

(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:

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

- iv. Procedure and criteria for evaluation of Performance of every Director
- v. Removal and Retirement of Directors
- vi. Remuneration Structure of Whole-time Director, KMP and Senior Management Personnel
- vii. 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 th February, 2015	12 th February, 2015	1 st September, 2012
No. of Years	5 years	5 years	5 years
Period of Agreement	Up to 31 st March, 2019	Up to 31 st March, 2019	Up to 31 st 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 2015-16

Name of the Director	Sitting Fees (in ₹)
Mr. Prem S Malik	13,000.00
Mr. Prakash R Bang	4,000.00
Mr. Vijay Ajgaonkar	17,500.00
Ms. Meghna S Panchal	9,000.00

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.

3. Stakeholder's Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the LODR Regulation the Stakeholder's Relationship Committee consists of two executive directors of the company and a non-executive director being the Chairperson of the committee. The role of the Committee 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 Committee met only once during the financial year 2015-16 i.e. on February 12, 2016. Necessary quorum was present at all the meetings. The composition of the Committee is as mentioned below:



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

The attendance at the meeting held on February 12, 2016 was as follows:

Name of Committee Members	Category	No. of Meetings Conducted	No. of Meetings attended
Ms. Meghna Panchal	Chairman of the Committee & Independent Director	1	1
Mr. Umesh Lahoti	Executive Director	1	1
Mr. Ujwal Lahoti	Executive Director	1	1

No queries/ complaints were received by the Company from shareholders. There were no pending letters/ complaints. The status of Shareholders' complaints received upto 31st March, 2016 is as stated below:

No. of Complaints received during the 12 (twelve) months period ended 31 st March, 2016	0
No. of Complaints resolved as on 31 st March, 2016	NA
No of Complaints pending as on 31 st March, 2016	0
No. of pending share transfers as on 31 st March, 2016	0

No request for transfer or dematerialization of shares was pending as on 31st March, 2016.

Name, Designation and Address of the Compliance Officer:

Ms. Mrunal S Vaidya

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: mrunal@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

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	2	2
Mr. Umesh Rambilas Lahoti	Member	Managing Director	2	2
Mr. Prakash R Bang	Member	Independent Director	2	-

The Committee met once during the financial year 2014-15, on 12th February, 2015.

7. Details on General Body Meetings

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

Financial years	Dates	Time	Venues
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.
2014-2015	29/09/2015	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 29th September, 2013 – NIL

2. At the AGM held on 29th September, 2014

- i. 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 Rs. 300 crores and/ or in equivalent foreign currency.

3. At the AGM held on 29th September, 2015 – NIL

c. Details of the Special Resolutions passed through Postal Ballot- NIL

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.

8. Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary as defined under in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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-subsiary-policy.pdf>

9. Disclosures

9.1 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 applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.



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>

9.2 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.

9.3 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>

9.4 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.

9.5 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>

9.6 Compliance with Corporate Governance Requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

The Company has adhered to all the mandatory and non-mandatory requirements of the Corporate Governance as specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

9.7 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.



9.8 CEO / CFO Certification

The Managing Director of the Company has been certified to the Board in accordance with Regulation 33 read with Schedule IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 pertaining to CEO/CFO Certification for the Financial Year ended March 31, 2016.

10. Means of Communication

- 10.1 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The approved results are forthwith sent to the Stock Exchanges where the Company's shares are listed and also published in English & Vernacular newspapers.
- 10.2 The financial results as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 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).
- 10.3 The financial results are reported to the Stock Exchanges where the Company is listed ie. Bombay Stock Exchange (BSE) through BSE Online Portal.
- 10.4 The quarterly Shareholding Pattern and the Corporate Governance Report of the Company are filed with BSE Ltd. through BSE Online Portal. The Shareholding Pattern is also displayed on the Company's website under the "Investor Relations" section.

11. Compliance with Non - Mandatory Requirements

11.1 Shareholders Rights

The quarterly financial results including

summary of significant events of relevant period of three months are published in newspaper.

11.2 Audit Qualification

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

11.3 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.

11.4 Auditors Certificate on Corporate Governance

The Auditors Certificate on compliance of Corporate Governance requirements as per SEBI LODR, Regulation 2015 is forming part of this Report.

11.5 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.

12. 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	
<i>Day, Date & Time</i>	Thursday, 29 th September, 2016 at 3:00 P.M.
<i>Venue</i>	307, Arun Chambers, Tardeo Road, Mumbai – 400 034.
<i>Financial year</i>	1 st April, 2015 to 31 st March, 2016
<i>Book Closure Date</i>	-
<i>Dividend Payment date</i>	-
<i>Listed on Stock Exchanges</i>	1. BSE Limited (BSE) P. J. Tower, Dalal Street, Fort, Mumbai – 400 001.
<i>Stock Code / Symbol</i>	BSE: 531842 / LAHOTIOV
<i>Demat International Security Identification Number (ISIN) In NSDL and CDSL for Equity Shares</i>	INE515C01023

Share Transfer Agents and Share transfer system:

Lahoti Overseas Limited has appointed LINK INTIME (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.

12.1 Stock Data – Market price

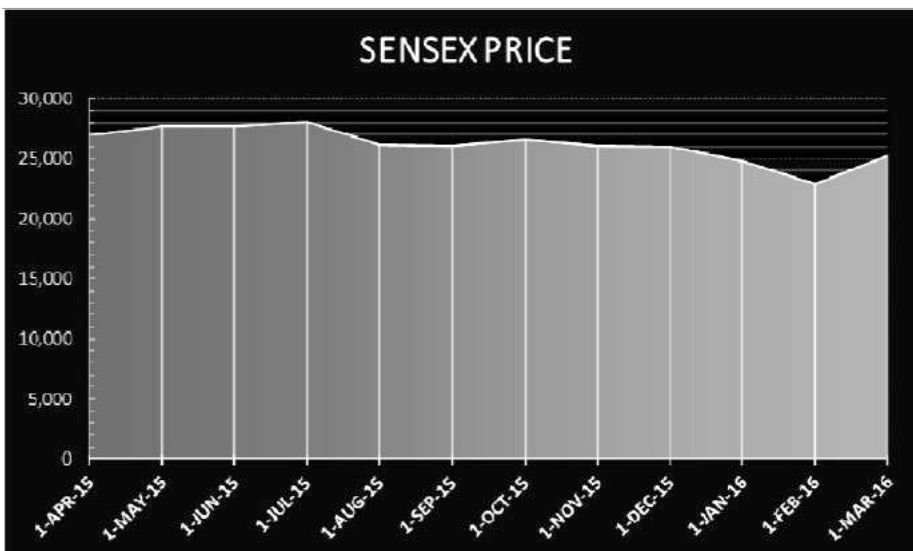
Table below gives the monthly high and low prices and volumes of Lahoti Overseas Limited equity shares listed at BSE Limited for the year 2015-2016:

Months	High	Low	No. of Shares traded	Number of Trades	Value of Shares traded (in Rs.)
April – 2015	10.68	8	119,505	828	1,047,013
May – 2015	11.47	7.81	107,920	519	1,012,930
June – 2015	10	8	68,313	503	589,156
July – 2015	12.77	8	697,252	1,445	7,682,659
August – 2015	12.7	7.53	274,175	672	2,886,774
September – 2015	11	8.5	114,309	276	1,091,170
October – 2015	10.9	9	112,771	318	1,060,414
November – 2015	12.75	9	221,773	778	2,419,229
December – 2015	14.28	9.86	336,767	949	4,148,271
January – 2016	16	9.8	600,368	1,375	8,023,474
February – 2016	11.7	9	119,905	365	1,237,869
March – 2016	11.3	9.11	182,265	353	1,832,490

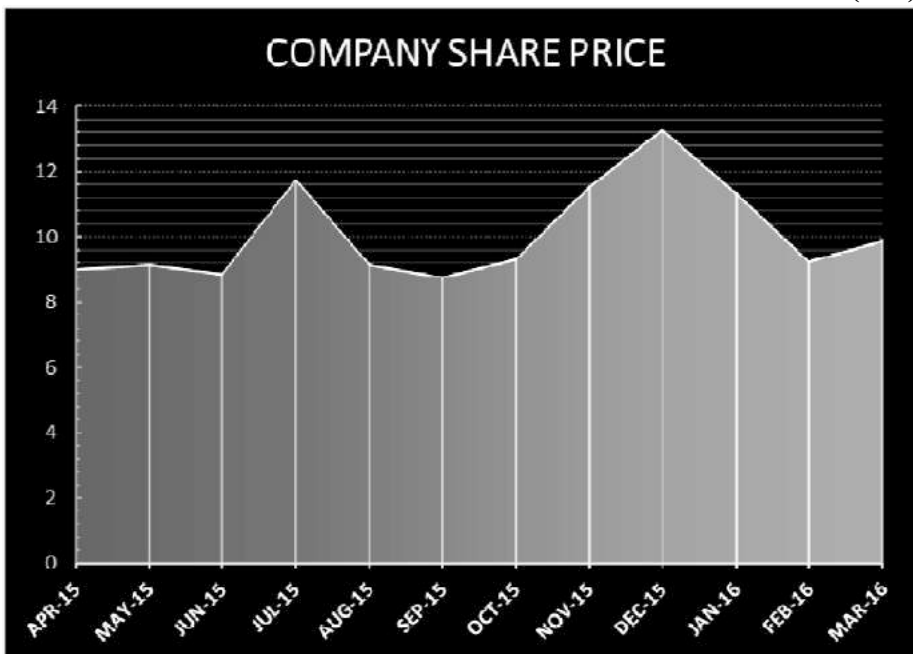


7.1 Performance of the Company vis-a vis Index (Bse Sensex, Nse Nifty Index, Crisil Index, Etc) During FY 2015-16

(in ₹.)



(in ₹.)





7.1 Shareholding Pattern

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

a. Pattern of shareholding as on 31st March, 2016

	Category	No. of Shares held	%age of Shareholding
	Promoters' Holding		
1.	Promoters		
	Indian Promoters	15128925	51.86
	Foreign Promoters		
2.	Persons acting in concert	2317500	7.94
	Total A	17446425	59.81
	B. Non-Promoters' Holding		
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)	--	--
	Sub-Total (i)	--	--
4.	Others	--	--
a.	Private Corporate Bodies	1814718	6.22
b.	Indian Public	5008216	17.17
c.	NRIs/OCBs	4902141	16.80
d.	Any Other (Trusts)	--	--
	Sub-Total (ii)	11725075	40.19
	Total B: (i) + (ii)	11725075	40.19
	Grand Total: A + B	29171500	100.000

b. Distribution of shareholding on 31st March, 2016

Shareholding of Shares	No. of Shareholders	% of total shareholders	No. of Ordinary Shares	% of Total Shareholding
Less than 2500	2768	86.043	1755125	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
Grand Total	3217	100	29171500	100

**c. Dematerialization of Shares as on 31st March, 2016**

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

Dematerialization

The Company's equity shares are under compulsory Demat trading. The ISIN of the Scrip is INE515C01023. As on 31st March, 2016, Dematerialized shares accounted for 28865315 number of shares, i.e. 98.95% of the total equity. The Company has appointed **LINK INTIME (INDIA) PRIVATE LIMITED** as RTA to handle the physical Share Transfer related work and for Electronic connectivity as detailed below:

LINK INTIME (INDIA) PRIVATE LIMITED

C- -13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (West),
Mumbai - 400078..
Tel No.: +91-22-25963838 | Fax No.:+91-22-25346969.
E-mail: rnt.helpdesk@linkintime.co.in

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: mrunal@lahotioverseas.com
Contact person: Ms. Mrunal S Vaidya, Company Secretary



**DECLARATION BY THE MANAGING DIRECTOR
UNDER REGULATION 34 READ WITH SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENT) REGULATION, 2015**

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 31st March, 2016 as envisaged in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.

For Lahoti Overseas Limited

**Umesh R. Lahoti
Managing Director
(DIN 00361216)**

**Place: Mumbai
Date: 12th August, 2016**



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 31st March, 2016 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 our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate 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

For Lahoti Overseas Limited

Umesh R. Lahoti
Managing Director
(DIN 00361216)

Pradeep Bachhuka
Chief Financial Officer

Place: Mumbai
Date: 12th August, 2016



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
LAHOTI OVERSEAS LIMITED

We have examined the compliance of conditions of Corporate Governance by Lahoti Overseas Ltd, for the year ended 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period of 1 December 2015 to 31 March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the 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 the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

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 further 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.

Sacchin P. Ghadialli
Partner
Membership Number: 133178
For and on behalf of
PC Ghadiali and Co LLP
Chartered Accountants
Firm No. 103132W/W-100037

Place: Mumbai
Date: **August 12, 2016**



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, 2016 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, 2016 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, 2016, and its 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 the report under Companies (Auditor's Report) Order 2016, in Annexure A.
- (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, 2016.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- (g) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms Section 164(2) of the Act.
- (h) 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, 2016, 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;

Sachin P. Ghadialli
Partner

Membership Number: 133178

For and on behalf of

PC Ghadialli and Co LLP

Chartered Accountants

Firm No. 103132W/W-100037

Place: Mumbai

Date: May 27, 2016



ANNEXURE 'A' 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, 2016 – in terms of Companies (Auditor's Report) Order, 2016.

1. a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. These fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies if any, are dealt suitably in the Accounts.
3. The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The provisions of Sec. 185 and 186 have been complied with in respect of loans, investments, guarantees and securities.
5. The company has not accepted any deposits and hence point (v) of the Companies (Auditor's Report) Order, 2016 is not applicable.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Hence point (vi) of the Companies

(Auditor's Report) Order, 2016 is not applicable.

7. a. The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- b. According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of income-tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows –

(₹ in lakhs)

Name of the statute	Nature of dues	Amount involved	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act	Demand as per Order of A.O.	91.95	A.Y. 2009-10	ITAT

8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. No moneys have been raised by public offer and hence point (ix) of **Companies (Auditor's Report) Order, 2016** is not applicable
10. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or any fraud on the company by its officers or employees has been noticed or



reported during the year nor have we been informed of any such instance by the Management.

11. Managerial remuneration has been paid in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. This company is not a Nidhi Company and hence point (xii) of **Companies (Auditor's Report) Order, 2016 is not applicable.**
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Sacchin P. Ghadialli

Partner

Membership Number: 133178

For and on behalf of

PC Ghadialli and Co LLP

Chartered Accountants

Firm No. 103132W/W-100037

Place: Mumbai

Date: May 27, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'report on other legal and regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Lahoti Overseas Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (The 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by



ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in material respects, internal financial controls over financial reporting, subject to our verification of documents and documents to the extent produced narrating processes and controls in the Company, prima facie and in general appears to be operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **P C Ghadiali And Co LLP**

Chartered Accountants

(Firm Registration No. 103132W/W-100037)

Sacchin P. Ghadiali

Partner

Mumbai, May 27, 2016

(Membership No. 133178)

LAHOTI OVERSEAS LIMITED



Standalone Financial Statements Balance Sheet as on March 31, 2016

(₹ in Lakhs)

Particulars	Note No.	As at	
		March 31, 2016	March 31, 2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	584.59	584.59
(b) Reserves and surplus	2	8,851.96	8,667.72
		9,436.54	9,252.31
2 Non-current liabilities			
(a) Long-term borrowings	3	741.18	718.31
(b) Deferred tax liabilities (net)	4	398.41	352.21
(c) Other long-term liabilities	5	6.10	6.60
(d) Long-term provisions	6	28.95	23.83
		1,174.64	1,100.95
3 Current liabilities			
(a) Short-term borrowings	7	5,124.75	9,250.52
(b) Trade payables	8	266.15	290.48
(c) Other current liabilities	9	433.97	921.38
(d) Short-term provisions	10	30.25	162.34
		5,855.13	10,624.71
TOTAL		16,466.31	20,977.97
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	2,526.04	4,185.00
(b) Non-current investments	12	4,209.61	2,502.12
(c) Long-term loans and advances	13	634.70	566.74
		7,370.35	7,253.85
2 Current assets			
(a) Current investments	14	-	-
(a) Inventories	14	917.59	842.89
(b) Trade receivables	15	6,349.77	9,966.40
(c) Cash and cash equivalents	16	563.41	855.02
(d) Short-term loans and advances	17	730.20	760.57
(e) Other current assets	18	535.00	1,299.24
		9,095.96	13,724.11
TOTAL		16,466.31	20,977.97

See accompanying notes forming part of the financial statements

1 to 36

Per our report attached of even date

Sachin Ghadialli

Partner

Membership Number: 133178

For and on behalf of

P C Ghadialli and Co LLP

Chartered Accountant

Firm No. 103132W/W-100037

For and on behalf of Board of Directors

Ujwal R. Lahoti

Executive Chairman

(DIN 00360785)

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Pradeep Bacchuka

Chief Financial Officer

Mrunal Vaidya

Company Secretary

Place: Mumbai

Dated: May 27, 2016

Place: Mumbai

Dated: May 27, 2016

LAHOTI OVERSEAS LIMITED



Standalone Financial Statements

Statement of Profit and Loss for the year ended March 31, 2016

(₹ in Lakhs)

Particulars	Note No.	For the Period Ended	
		March 31, 2016	March 31, 2015
1 Income			
(a) Revenue from operations	19	46,056.66	58,804.78
(b) Other income	20	169.92	1,040.36
Total revenue		46,226.58	59,845.14
2 Expenses			
(a) Purchases of stock-in-trade		42,327.13	55,286.78
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(74.70)	(636.15)
(c) Employee benefits expense	22	191.96	178.05
(d) Finance costs	23	805.30	894.87
(e) Depreciation and amortisation expense	11	356.30	265.51
(f) Other expenses	24	2,191.39	2,817.06
Total expenses		45,797.39	52,092.51
3 Profit before exceptional and extraordinary items and tax		429.19	1,039.01
4 Exceptional items		-	-
5 Profit before extraordinary items and tax		429.19	1,039.01
6 Extraordinary items		-	-
7 Profit Before tax		429.19	1,039.01
8 Tax expense:			
(a) Current tax expense for current year		164.78	220.00
(-) MAT Credit Utilized		(77.26)	-
		87.52	220.00
(b) Deferred tax		46.20	67.44
		133.72	287.44
9 Profit for the year		295.47	751.57
10 Earnings per share (of ₹ 2/- each):			
(a) Basic		1.01	2.58
(b) Diluted		1.01	2.58

See accompanying notes forming part of the financial statements 1 to 36

Per our report attached of even date

Sachin Ghadialli
Partner
Membership Number: 133178
For and on behalf of
P C Ghadiali and Co LLP
Chartered Accountant
Firm No. 103132W/W-100037

Place: Mumbai
Dated: May 27, 2016

For and on behalf of Board of Directors
Ujwal R.Lahoti Executive Chairman (DIN 00360785)
Umesh R. Lahoti Managing Director (DIN 00361216)
Pradeep Bacchuka Chief Financial Officer
Mrunal Vaidya Company Secretary

Place: Mumbai
Dated: May 27, 2016

LAHOTI OVERSEAS LIMITED



Standalone Financial Statements

Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

Particulars	For the Period Ended	
	March 31, 2016	March 31, 2015
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and prior period items	429.19	1,039.01
Add/Less: Interest (Net)	429.73	566.23
Depreciation	356.30	265.51
Assets Written off/FBT written off	-	(11.57)
Profit on sale of Fixed Asset	(3.45)	(273.87)
Profit on Sale / Redemption of Investments	-	(1.57)
Rent Received	(12.39)	(26.00)
Dividend Received	(2.02)	(1.41)
	768.17	517.31
Operating profit before working Capital	1,197.36	1,556.33
(Increase)/Decrease in Inventories	(74.70)	(636.15)
(Increase)/Decrease in Trade & Other Receivable	3,618.58	2,318.50
(Increase)/Decrease in Long Term Loans and Advances	(172.84)	-
(Increase)/Decrease in Other Current Assets	785.84	-
(Increase)/Decrease in Short Term Loans and Advances	30.37	-
Increase/(Decrease) Trade Payable, Current Liabilities & Provision	(528.20)	113.84
Increase/(Decrease) Other Long Term Liabilities & Long Term Provisions	4.62	-
	3,663.67	1,796.19
Cash Generated from Operations	4,861.03	3,352.52
Tax paid	(117.61)	(249.09)
Cash Flow Before Extraordinary Items	4,743.42	3,103.43
Extra ordinary Items / Adjustments (Prior Period Item)	-	-
Cash Flow From Operating Activities After Extraordinary Items	4,743.42	3,103.43
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(3.56)	(2,311.03)
Purchase of Investment	(650.00)	(2,231.45)
Sale of Fixed Asset	-	424.86
Sale of Investment	253.45	1,301.57
Interest Received	16.22	30.61
Dividend Received	2.02	1.41
Rent Received	12.39	26.00
Net Cash Flow from Investing Activities	(369.48)	(2,758.04)

LAHOTI OVERSEAS LIMITED



Standalone Financial Statements

Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(116.69)	(116.69)
Interest paid	(445.95)	(596.84)
Increase/(Decrease) In Unsecured Loans	(4,125.77)	515.04
Increase/(Decrease) In Secured Loans	22.87	306.20
<i>Net Cash From Financing Activities</i>	(4,665.54)	107.71
Net Increase in Cash and Cash Equivalents (A+B+C)	(291.61)	453.10
Cash and Cash Equivalents (OPENING BALANCE)	855.02	401.92
Cash and Cash Equivalents (CLOSING BALANCE)	563.41	855.02
	(291.61)	453.10

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

Sachin Ghadialli

Partner

Membership Number: 133178

For and on behalf of

P C Ghadialli and Co LLP

Chartered Accountant

Firm No. 103132W/W-100037

Place: Mumbai

Dated: May 27, 2016

For and on behalf of Board of Directors

Ujwal R.Lahoti

Executive Chairman

(DIN 00360785)

Pradeep Bacchuka

Chief Financial Officer

Place: Mumbai

Dated: May 27, 2016

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Mrunal Vaidya

Company Secretary

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 from 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.



Notes forming part of the Standalone Financial Statements

- 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, 2016		As at 31 March, 2015	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 2 each with voting rights	30,000,000	600.00	30,000,000	600.00
(b) Issued Equity shares of ₹ 2 each with voting rights	29,382,500	587.65	29,382,500	587.65
(c) Subscribed and fully paid up Equity shares of ₹ 2 each with voting rights	29,171,500	583.43	29,171,500	583.43
(d) Share Forfeiture Account	211,000	1.16	211,000	1.16

(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, 2016		As at 31 March, 2015	
	Number of shares	₹	Number of shares	₹
<u>Equity shares with voting rights</u>				
Opening Balance	29,171,500	58,458,586.00	29,171,500	58,458,586.00
Less : Shares Forfeited	-	-	-	-
Closing Balance	29,171,500	58,458,586.00	29,171,500	58,458,586.00

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

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	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	3,823,000	13.11	3,823,000	13.11
Umesh R Lahoti	4,484,000	15.37	4,484,000	15.37
Jayashri U Lahoti	2,375,500	8.14	2,375,500	8.14
Manjushri Umesh Lahoti	1,934,500	6.63	1,934,500	6.63
Rukmini R Lahoti	1,522,000	5.22	1,522,000	5.22
Kirti Stock Brokers Private Limited	1,610,000	5.52	1,610,000	5.52
Billion Way Garment Limited	4,250,000	14.57	4,250,000	14.57

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
2. Reserves and surplus		
(a) Securities premium account		
Opening balance	914.53	914.53
Closing balance	914.53	914.53
(b) General reserve		
Opening balance	800.94	744.57
Add: Transferred from surplus in Statement of Profit and Loss	22.15	56.37
Closing balance	823.09	800.94
(c) Surplus in Statement of Profit and Loss		
Opening balance	6,955.49	6,408.65
Add: Profit for the year	295.47	751.57
Earlier Provision for Income Tax	4.22	-
Less: Interim Dividend paid during the year	(116.69)	(116.69)
Tax on dividend	(23.33)	(23.33)
Prior Period Adjustment	(0.27)	-
Transferred to General reserve	(22.15)	(56.37)
Fixed Assets written off	-	(7.09)
MAT credit Recognized	98.86	-
Mat credit utilized	(77.26)	-
Provision for FB T written off	-	(4.49)
Closing balance	7,114.34	6,952.26
Total (a+b+c)	8,851.96	8,667.72

3. Long-term borrowings

(a) Loans and advances from related parties Unsecured	3.72	4.22
(b) Term Loan - Secured [Note (i)]	737.46	714.09
Total	741.18	718.31

(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 :

(i) Central Bank of India

Particular	No. of quarter	Installment per Quarter	Total Repayment
2015-16	4	32.14	128.57
2016-17 to 2020-21	4*4.5=22	32.14	707.14

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015

(i) State Bank of India

Particular	No. of quarter	Installment per Quarter	Total Repayment
2015-16	2	23.00	46.00
2015-16	1	31.66	31.66
2016-17 to 2020-21	4*5.75=23	24.00	552.00
2021-22	3	42.33	973.67

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 Aadhiya 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 2014 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

374.99 364.04

Tax effect of items constituting deferred tax assets

Provision for gratuity, leave salary and bonus

23.42 (11.82)

Net Deferred Tax Liability

Total 398.41 352.21

5. Other long-term liabilities

Others:

(i) Security deposits received

6.10 6.60

Total 6.10 6.60

6. Other long-term Provisions

(a) Provision for employee benefits:

(i) Provision for gratuity (net)

28.95 23.83

Total 28.95 23.83

7. Short-term borrowings

Working capital Loans

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

4,496.66 7,709.43

(ii) From Others - Unsecured

628.09 1,541.08

Total 5,124.75 9,250.52

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
(i) Break-up of secured short-term borrowings from:		
(i) P.C.F.C. :-		
State Bank of India	10.63	1,085.64
HSBC Bank Ltd	-	421.92
Kotak Bank	248.75	-
RBL	947.89	0.77
ICICI Bank	-	652.27
DBS	1,254.30	1,144.35
HDFC	373.20	314.69
RBL	-	723.83
(ii) Pre Shipment :-		
Packing Credit From SBI	250.00	-
Packing Credit From RBI	225.00	-
(iii) Post Shipment :-		
Postshipment From CITI Bank	1,022.54	2,375.42
Postshipment From SBI	89.87	40.30
Postshipment From HDFC	12.54	538.19
Postshipment From RBL	61.94	412.05
Total	4,496.66	7,709.43

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

8. Trade Payables

(a) For Goods	3.25	0.63
(b) For Expenses and Services	262.90	289.84
Total	266.15	290.48

9. Other current liabilities

(a) Current maturities of long-term debt	220.57	202.09
(b) Unearned revenue	-	101.15
(d) Other payables		
(i) Statutory remittances	12.22	15.81
(ii) Advances from customers	9.64	114.71
(iii) Other Current Liabilities	-	-
(e) Creditor for Capital Expenditure	191.53	487.62
Total	433.97	921.38

**Income received in advance consists of Unamortized premium on forward contracts.

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
10. Short-term provisions		
(a) <u>Provision for employee benefits</u>		
(i) Provision for bonus	8.85	8.89
(ii) Provision for Leave Salary	2.33	2.07
Total (a)	11.18	10.96
(b) <u>Provision - Others:</u>		
(i) Provision for tax (Net of Advance Tax Rs.895.88 lakhs)	19.08	11.37
(ii) Provision for proposed equity dividend	-	116.69
(iii) Provision for tax on proposed dividends	-	23.33
Total (b)	19.08	151.38
Total (a+b)	30.25	162.34



PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As At 31-Mar-2015	Addition	Deduction	As At 31-Mar-2016	For the Year	Deduction	As At 31-Mar-2016	As At 31-Mar-2015
Export Division								
Land	68.62	-	-	68.62	-	-	-	68.62
Building	1,309.46	-	1,309.46	(0.00)	3.24	3.24	(0.00)	1,306.22
Office Equipments	40.92	0.40	-	41.32	35.74	1.41	37.15	5.19
Furniture & Fixtures	80.74	-	-	80.74	71.95	3.99	75.94	8.79
Motor Car	199.18	-	-	199.18	150.04	15.67	165.71	49.14
Computers	56.08	3.16	-	59.24	46.88	6.14	53.02	9.19
Total (A)	1,754.99	3.56	1,309.46	449.09	307.84	27.21	331.81	117.28
*Note : During the Current period, Building having WDV of Rs. 1,306.22 lakhs have been transferred to Investment Account.								
Wind Power I Division								
Plant & Machinery	465.00	-	-	465.00	397.42	6.25	403.67	67.58
Total (B)	465.00	-	-	465.00	397.42	6.25	403.67	67.58
Wind Power II Division								
Land	15.91	-	-	15.91	-	-	-	15.91
Plant & Machinery	804.63	-	-	804.63	443.45	41.46	484.91	361.20
Total (C)	820.54	-	-	820.54	443.45	41.46	484.91	377.11
Wind Power III Division								
Plant & Machinery	1,001.00	-	-	1,001.00	0.35	127.39	127.74	1,000.65
Total (D)	1,001.00	-	-	1,001.00	0.35	127.39	127.74	1,000.65
Solar Division								
Land	16.40	-	-	16.40	-	-	-	16.40
Plant & Machinery	1,707.44	-	-	1,707.44	431.32	154.00	585.32	1,276.12
Total (E)	1,723.84	-	-	1,723.84	431.32	154.00	585.32	1,276.12
Total As On 31.03.2016	5,765.37	3.56	1,309.46	4,459.48	1,580.38	356.30	1,933.44	4,185.00
Total As On 31.03.2015	4,078.80	2,318.12	632.54	5,765.38	1,788.32	265.51	1,580.38	4,185.00

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	Face Value	No of Units	₹	Face Value	No of Units	₹
12. Non Current investments						
Investments (At cost):						
A. Trade						
(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 & Energy Limited (Formerly Lahoti Spintex Limited)	10	50,000	5.00	10	50,000	5.00
Total - Trade (A)			52.60			52.60
B. 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	-	-	510.90	-	-	510.90
Flat at Mumbai	-	-	318.68	-	-	318.68
Office At Arun Chambers 314	-	-	8.83	-	-	8.83
Office At Coimbtore	-	-	6.03	-	-	6.03
Office At Marathon	-	-	1,696.05	-	-	386.59
			2,576.86			1,267.40
(b) Investment in Equity Shares-Fully paid up						
(i) Quoted						
Emami Limited	1.00	3,600.00	0.84	1.00	3,600.00	0.84
Emami Infrastructure Limited	2.00	733.00	-	2.00	733.00	0.00
Jet Airways Limited	10.00	356.00	1.95	10.00	356.00	3.92
TCS Limited	1.00	1,148.00	2.44	1.00	1,148.00	2.44
Punjab National Bank	10.00	3,943.00	4.61	10.00	3,943.00	4.61
Union Bank Limited	10.00	2,900.00	0.46	10.00	2,900.00	0.46
L.G.Balkrishna Limited	10.00	100.00	0.02	10.00	100.00	0.02
Bank of India	10.00	900.00	0.41	10.00	900.00	0.41
Cadila Health Care Limited	5.00	1,500.00	1.24	5.00	1,500.00	1.24
FCS Software Limited	1.00	14,820.00	0.37	1.00	14,820.00	0.37
GSPL Limited	10.00	2,253.00	0.61	10.00	2,253.00	0.61
Reliance Industries Limited	10.00	346.00	1.67	10.00	346.00	1.67
LGB Forge Limited	1.00	1,000.00	0.02	1.00	1,000.00	0.02
Zydus Wellness Limited	10.00	320.00	0.01	10.00	320.00	0.01
(i)			14.64			16.61
(ii) Un Quoted						
Web Source Tech. Limited	-	-	-	-	-	50.00
(ii)						50.00
(i+ii)			14.64			66.61
(c) Investment in government or trust securities						
(i) Un Quoted						
National Saving Certificates	-	-	0.20	-	-	0.20
(ii) Quoted						
NABARD Bhavishya Nirman Bond	20,000.00	500.00	50.31	20,000.00	500.00	50.31
			50.51			50.51

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	Face Value	No of Units	₹	Face Value	No of Units	₹
(d) Investment in Mutual Funds-						
Fully paid up						
(i) Quoted						
BNP Paribas Medium Term Income Fund	-	-	150.00	-	-	-
BSL Term Plan	-	-	150.00	-	-	-
Canara Robeco Term	-	-	150.00	-	-	-
(i) Unquoted						
Religare Fixed Maturity Plan Series XVIII	10.00	50.00	500.00	10.00	50.00	500.00
HDFC Corporate Debt Opportunities Fund	10.00	53.10	565.00	10.00	50.00	500.00
			1,515.00			1,065.00
Total - Other investments (B)	-	-	4,157.01	-	-	2,449.52
Total (A+B)	-	-	4,209.61	-	-	2,502.12
Aggregate book value of quoted investments			514.95			66.92
Aggregate market value of listed and quoted investments			584.67			165.39
Aggregate market value of unquoted investments			3,694.66			2,435.20

Particulars	As at	
	March 31, 2016	March 31, 2015

13. Long-Term loans and advance

(a) Security deposits		
Unsecured, considered good	56.85	54.82
(b) Loans and advances to employees		
Unsecured, considered good	1.79	1.49
(c) Advance income tax (Net of Provision for Tax)	467.91	408.59
(d) Other advances		
Unsecured, considered good	108.15	101.85
Total	634.70	566.74

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
14. Inventories		
(a) Stock-in-trade (acquired for trading)		
-Goods-in-transit	917.59	842.89
(At lower of cost and net realisable value)		
Total	917.59	842.89
15. Trade receivables		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	39.37	69.28
(b) Other Trade receivables		
Unsecured, considered good	6,310.40	9,897.12
Total	6,349.77	9,966.40
16. Cash and cash equivalents		
(a) Cash on hand	2.05	2.38
(A)	2.05	2.38
(b) <u>Balances with banks</u>		
(i) In current accounts	305.18	545.04
(ii) In deposit accounts	0.14	0.14
(iii) In earmarked accounts	256.04	307.46
'- Balances held as margin money or security against borrowings, and other commitments**		
(B)	561.36	852.64
Total (A + B)	563.41	855.02
17. Short-term loans and advances		
(a) Prepaid expenses - Unsecured, considered good	23.54	31.17
(b) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	1.37	-
(c) <u>Advance to Suppliers for goods and services</u>		
(i) Unsecured, considered good	709.86	734.07
(ii) Doubtful	23.84	23.84
Less : Provision for Doubtful Debts	(29.72)	(29.72)
	703.97	726.19
(d) Loans and advances to employees		
Unsecured, considered good	1.32	1.21
Total	730.20	760.57

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
18. Other current assets		
(a) <u>Accruals</u>		
(i) Unbilled Revenue	40.55	22.89
	(a)	
	40.55	22.89
(b) <u>Others</u>		
(i) Forward Contract Receivable (Net)	82.17	347.29
(ii) Export Incentive Receivable	390.67	929.06
(iii) MAT Credit Receivable	21.60	-
	(b)	
	494.45	1,276.35
Total (a+b)	535.00	1,299.24
19. Revenue from operations		
(a) Sale of products [Note i]	44,323.42	56,970.29
(b) Other operating revenues [Note ii]	1,733.24	1,834.49
Total	46,056.66	58,804.78
Note:		
(i) <u>Sale of products comprises</u>		
-Generation of Power	509.16	411.23
-Traded goods	43,814.25	56,559.06
	Total	
	44,323.42	56,970.29
(ii) <u>Other operating revenues comprise:</u>		
-Duty drawback	1,331.54	1,710.99
-Export incentives	258.92	68.70
-Sale of REC	142.77	54.80
Total	1,733.24	1,834.49
20. Other income		
(a) Interest income	16.22	30.61
(b) Dividend Income	2.02	1.41
(c) <u>Net gain on sale of:</u>		
(i) Current investments	3.45	1.57
(ii) Fixed Assets	-	273.87
	3.45	275.44
(d) Forward Premium	46.52	68.54
(e) Gain on Exchange Rate Difference	66.15	80.17
(f) Gain on Cancellation of Forward Contract	(5.51)	548.79
(g) Other non-operating income	23.71	35.40
(h) Interest on Income tax	17.35	-
Total	169.92	1,040.36

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
(i) Other non-operating income comprises:		
Rental income from investment properties	12.39	26.00
Insurance claim received	9.52	0.06
Miscellaneous income	0.03	0.28
Sundry balances written back	1.77	9.07
Total	23.71	35.40
21. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
(a) <u>Inventories at the end of the year:</u>		
Stock-in-trade	917.59	842.89
(b) <u>Inventories at the beginning of the year:</u>		
Stock-in-trade	842.89	206.74
Net (increase) / decrease	(74.70)	(636.15)
22. Employee benefits expense		
(a) Salaries and wages	174.23	157.34
(b) Contributions to provident and other funds	14.72	17.48
(c) Staff welfare expenses	3.01	3.23
Total	191.96	178.05
23. Finance costs		
(a) Interest expense on Borrowing	445.95	596.84
(b) Other borrowing costs	359.35	298.03
Total	805.30	894.87
24. Other expenses		
(a) <u>Office & Administrative expenses:</u>		
Auditor's Remuneration [Note(i)]	3.84	3.77
Directors' Remuneration	46.80	46.80
Donation	0.09	0.42
Electricity Expenses	5.54	4.93
Insurance Premium	14.07	82.87
Legal and Professional Charges	49.16	46.25
Other Accidental Loss	3.06	6.77
Office & General Expenses	69.87	41.83
Operational Expenses (Wind Power)	0.61	48.06
Postage and Telephone Charges	31.89	29.64
Printing and Stationary	6.21	5.59
Rent, Rates and Taxes	92.68	62.06
Repairs & Maintenance	37.51	25.75
Travelling & Conveyance	58.21	82.94
	-	0.01
(a)	419.54	487.68

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
(b) <u>Selling and Distribution expenses</u>		
Ocean Freight	695.99	1,062.69
Local Freight & other Shipment cost	680.41	932.63
Overseas Commission	334.89	273.58
Sales Promotion Expenses	22.58	19.76
Local Commission & Brokerage	37.98	40.71
(b)	1,771.85	2,329.38
Total (a+b)	2,191.39	2,817.06
Note (i)		
<u>Payments to the auditors comprises</u>		
As Auditors - Statutory audit	3.26	3.10
For Taxation matters	0.12	0.21
For Tax Audit	0.14	0.30
For Certification & Consultancy Services	0.32	0.16
Total	3.84	3.77

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:

- Contingent Liabilities not provided for in respect of Bills Discounted ` 3507.89 lakhs (Previous Year ` 2,907.02 lakhs).
- Claims not acknowledged by the Company relating to cases contested by the Company:

(₹ In lakhs)

Sr. No.	Particulars	As at March 31, 2016	As at March 31, 2015
(i)	Income Tax Matter (Pending before Appellate Authorities in respect of which the Company is in appeal)	99.16	269.10

27. Expenditure in foreign currency:

(₹ In lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Foreign Bank Charges	126.87	129.95
Foreign Traveling Expenses	31.61	55.23
Overseas Commission	334.89	273.58
Liaison Office at Bangladesh	25.40	23.11
TOTAL	518.77	481.87

28. Earning in Foreign Exchange:

FOB value of export: ₹ 43,102.60 Lakhs (Previous Year ` 55,399.12/- Lakhs).

- 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.
- 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.

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

31. Related Party Disclosure: -

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

<u>Subsidiary Companies:</u>	Holding (%)
Lahoti Spintex & Energy 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
Ms.Mrunal Vaidya- Company Secretary

i) Transactions during the year with related parties:

Nature of Transaction	Entities in which KMP / relatives of KMP have significant influence (PSWare Information Pvt. Ltd. & Bauble Investments Pvt. Ltd., Step By Step Pvt. Ltd. Bhalchandram Clothing Pvt.Ltd and 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	9.90	9.35	5.04	4.80	-	-
Advance against order	-	535.00	-	-	-	-
Advance Returned on Cancellation Supply	-	(535.00)	-	-	-	-
Loan Taken	-	-	-	-	-	835.00
Loan Repaid	-	(168.79)	-	-	812.90	(336.34)
Interest Paid	-	7.84	-	-	36.90	36.82
Managerial Remuneration	-	-	-	-	64.70	61.55
Outstanding balances						
Loans and Advances						
Receivable (Deposit)	51.00	51.00	-	-	-	-
Payable (Loan)	-	-	3.72	4.22	-	812.90

32. Earning Per Share:

Sr. No	Particulars	AsAt March 31, 2016	AsAt March 31, 2015
1.	Net profit available for Equity shareholders (₹ in Lakhs)	295.47	756.21
2.	Number equity shares for basic Earning Per Share	2,91,71,500	2,91,71,500
3.	Basic Earning Per Share (in ₹)	1.01	2.59/-
4.	Face value per share	₹ 2/-	₹ 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.

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

35. Segment Reporting

- a) Information about business segments (information provided in respect of revenue items for the year ended March 31, 2016 and in respect of assets/liabilities as at March 31, 2016)

Primary Segments - Business Segments:

(₹ in Lakhs)

Particulars	Trading		Power		Total	
	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015
Gross Segment Revenue	45,511.89	59,036.25	509.16	411.23	46,021.05	59,447.47
Less:- Inter segment Revenue	-	-	-	-	-	-
Net Segment Revenue	45,511.89	59,036.25	509.16	411.23	46,021.05	59,447.47
Segment Results : (Profit / Loss Before Tax, Interest and Investment Income from each segment)	289.56	667.34	110.45	59.42	400.01	726.76
Add:- Rental Income	-	-	-	-	12.39	26.00
Add:- Dividend and Other Income	-	-	-	-	13.34	10.82
Add:- Profit/(Loss) on sale of investments	-	-	-	-	3.45	1.57
Add:- Profit/(Loss) on sale of Fixed Assets	-	-	-	-	-	273.87
Profit before Interest and Tax	-	-	-	-	429.19	1,039.02
Profit Before Tax	-	-	-	-	429.19	1,039.02
Provision for Tax	-	-	-	-	-	-
Current	-	-	-	-	-	-
Deferred	-	-	-	-	-	-
Profit After Tax	-	-	-	-	429.19	1,039.02
Capital Employed						
Segment Assets						
Fixed Assets	117.28	1,447.16	2,408.76	2,737.85	2,526.04	4,185.01
Assets,Loans and Advances (Excluding Tax Assets)	8,875.26	13,650.90	387.48	224.16	9,262.74	13,875.06
Unallocable (Tax Assets & Investments)	-	-	-	-	4,677.52	2,910.70
Total Assets	8,992.54	15,098.06	2,796.24	2,962.02	16,466.30	20,970.78

LAHOTI OVERSEAS LIMITED



Notes forming part of the Standalone Financial Statements

Particulars	Trading		Power		Total	
	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015
Segment Liabilities						
Loan Funds	3,598.08	9,465.09	2,267.85	916.18	5,865.93	10,381.27
Liabilities & Provisions (Excluding Tax Liabilities)	326.77	561.52	419.57	338.24	746.35	899.76
Unallocable (Tax Liabilities & Loans)	-	-	-	-	417.49	503.60
Total Liabilities	3,924.85	10,026.61	2,687.42	1,254.42	7,029.76	11,784.63
Net Segment Assets	5,067.69	5071.44	108.82	1,707.59	9,436.54	9,186.19
Capital Expenditure	3.56	1,317.12	-	1,001.00	3.56	2,318.12
Segment Depreciation	27.21	36.31	329.09	54.07	356.30	90.38
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

Sachin Ghadialli

Partner

Membership Number: 133178

For and on behalf of

P C Ghadialli and Co LLP

Chartered Accountant

Firm No. 103132W/W-100037

Place: Mumbai

Dated: May 27, 2016

For and on behalf of Board of Directors

Ujjwal R.Lahoti

Executive Chairman

(DIN 00360785)

Pradeep Bacchuka

Chief Financial Officer

Place: Mumbai

Dated: May 27, 2016

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Mrunal Vaidya

Company Secretary



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of LAHOTI OVERSEAS LIMITED,

Report on the Financial Statements

We have audited the attached consolidated financial statements of LAHOTI OVERSEAS LIMITED ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and Consolidated 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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's

preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiary Lahoti Spintex & Energy Limited (Formerly known as Lahoti Spintex Limited) whose financial statements reflect total net assets of ` 5 lakhs as at March 31, 2016. 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.

Sacchin P. Ghadiali

Partner

Membership Number: 133178

For and on behalf of

PC Ghadiali and Co LLP

Chartered Accountants

Firm No. 103132W/W-100037

Place: Mumbai

Date: May 27, 2016

LAHOTI OVERSEAS LIMITED



Consolidated Financial Statements Balance Sheet as on March 31, 2015

(₹ in Lakhs)

Particulars	Note No.	As at	
		March 31, 2016	March 31, 2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	584.59	584.59
(b) Reserves and surplus	2	8,861.47	8,674.39
		9,446.06	9,258.98
2 Non-current liabilities			
(a) Long-term borrowings	3	737.46	714.09
(b) Deferred tax liabilities (Net)	4	398.41	352.21
(c) Other long-term liabilities	5	6.10	6.60
(d) Long-term provisions	6	28.95	23.83
		1,170.92	1,096.74
3 Current liabilities			
(a) Short-term borrowings	7	5,124.75	9,250.51
(b) Trade payables	8	266.28	290.59
(c) Other current liabilities	9	434.03	921.43
(d) Short-term provisions	10	31.30	162.34
		5,856.37	10,624.87
TOTAL		16,473.34	20,980.59
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	2,526.05	4,185.00
(ii) Intangible assets (Goodwill on Consolidation)		39.80	39.80
(b) Non-current investments	12	4,164.27	2,456.78
(c) Long-term loans and advances	13	635.19	567.78
(d) Other Non - Current Assets	14	0.89	0.78
		7,366.21	7,250.14
2 Current assets			
(a) Current investments	15	10.55	5.65
(b) Inventories	16	917.59	842.89
(c) Trade receivables	17	6,349.76	9,966.40
(d) Cash and cash equivalents	18	564.02	855.71
(e) Short-term loans and advances	19	730.20	760.56
(f) Other current assets	20	535.00	1,299.24
		9,107.13	13,730.45
TOTAL		16,473.34	20,980.59

See accompanying notes forming part of the financial statements

1 to 38

Per our report attached of even date

Sachin Ghadialli

Partner
Membership Number: 133178
For and on behalf of

P C Ghadialli and Co LLP

Chartered Accountant
Firm No. 103132W/W-100037

For and on behalf of Board of Directors

Ujwal R.Lahoti
Executive Chairman
(DIN 00360785)

Umesh R. Lahoti
Managing Director
(DIN 00361216)

Pradeep Bacchuka
Chief Financial Officer

Mrunal Vaidya
Company Secretary

Place: Mumbai
Dated: May 27, 2016

Place: Mumbai
Dated: May 27, 2016

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, 2016	March 31, 2015
1 Income			
(a) Revenue from operations	21	46,056.66	58,804.78
(b) Other income	22	174.95	1,045.16
Total revenue		46,231.61	59,849.94
2 Expenses			
(a) Purchases of stock-in-trade		42,327.13	55,286.78
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(74.70)	(636.15)
(c) Employee benefits expense	24	191.96	178.05
(d) Finance costs	25	805.30	894.87
(e) Depreciation and amortisation expense	11	356.30	265.51
(f) Other expenses	26	2,191.55	2,817.21
Total expenses		45,797.54	58,806.28
3 Profit before exceptional and extraordinary items and tax		434.07	1,043.66
4 Exceptional items		-	-
5 Profit before extraordinary items and tax		434.07	1,043.66
6 Extraordinary items		-	-
7 Profit Before tax		434.07	1,043.66
8 Tax expense:			
(a) Current tax expense for current year		165.83	220.00
(-) MAT Credit Utilized		(77.26)	-
		88.57	220.00
(b) Deferred tax		46.20	67.44
		134.77	287.44
9 Profit for the year		299.30	756.21
10 Earnings per share (of ₹ 2/- each):			
(a) Basic		1.03	2.59
(b) Diluted		1.03	2.59

See accompanying notes forming part of the financial statements

1 to 38

Per our report attached of even date

Sachin Ghadialli

Partner

Membership Number: 133178

For and on behalf of

P C Ghadiali and Co LLP

Chartered Accountant

Firm No. 103132W/W-100037

For and on behalf of Board of Directors

Ujwal R.Lahoti

Executive Chairman

(DIN 00360785)

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Pradeep Bacchuka

Chief Financial Officer

Mrunal Vaidya

Company Secretary

Place: Mumbai

Dated: May 27, 2016

Place: Mumbai

Dated: May 27, 2016

LAHOTI OVERSEAS LIMITED



Standalone Financial Statements

Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

Particulars	For the Period Ended	
	March 31, 2016	March 31, 2015
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and prior period items	434.08	1,043.66
Add/Less: Interest (Net)	429.73	566.23
Depreciation	356.30	265.51
Assets Written off/ FBT written off	-	(11.57)
Profit on sale of Fixed Asset	(3.45)	(273.87)
Profit on Sale / Redemption of Investments	-	(1.57)
Rent Received	(17.43)	(30.80)
Dividend Received	(2.02)	(1.41)
	763.13	512.63
Operating profit before working Capital	1,197.21	1,556.29
(Increase)/Decrease in Inventories	(74.70)	(636.15)
(Increase)/Decrease in Trade & Other Receivable	3,618.57	2,318.50
(Increase)/Decrease in Long Term Loans and Advances	(172.79)	(0.09)
(Increase)/Decrease in Other Current Assets	785.84	-
Increase/(Decrease) Current Liabilities & Provision	0.01	-
(Increase)/Decrease in Short Term Loans and Advances	30.37	-
(Increase)/Decrease in Non current assets	(0.11)	-
Increase/(Decrease) Trade Payable, Current Liabilities & Provision	(528.22)	113.73
Increase/(Decrease) Other Long Term Liabilities & Long Term Provisions	4.62	-
	3,663.59	1,795.99
Cash Generated from Operations	4,860.80	3,352.28
Tax paid	(117.61)	(250.09)
Cash Flow Before Extraordinary Items	4,743.19	3,102.19
Extra ordinary Items / Adjustments (Prior Period Item)	-	-
Cash Flow From Operating Activities After Extraordinary Items	4,743.19	3,102.19
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(3.56)	(2,311.03)
Purchase of Investment	(654.90)	(2,236.30)
Sale of Fixed Asset	-	424.86
Sale of Investment	253.45	1,301.57
Deposit Received	-	-
Interest Received	16.22	30.61
Dividend Received	2.02	1.41
Rent Received	17.43	30.80
Net Cash Flow from Investing Activities	(369.34)	(2,758.09)

LAHOTI OVERSEAS LIMITED



Standalone Financial Statements

Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

Particulars	For the Period Ended	
	March 31, 2016	March 31, 2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(116.69)	(116.69)
Interest paid	(445.95)	(596.84)
Increase/(Decrease) In Unsecured Loans	(4,125.76)	515.04
Increase/(Decrease) In Secured Loans	22.87	306.20
<i>Net Cash From Financing Activities</i>	(4,665.53)	107.71
Net Increase in Cash and Cash Equivalents (A+B+C)	(291.68)	451.81
Cash and Cash Equivalents (OPENING BALANCE)	555.71	403.90
Cash and Cash Equivalents (CLOSING BALANCE)	564.02	855.71
	(291.68)	451.81

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

Sachin Ghadiali

Partner

Membership Number: 133178

For and on behalf of

P C Ghadiali and Co LLP

Chartered Accountant

Firm No. 103132W/W-100037

Place: Mumbai

Dated: May 27, 2016

For and on behalf of Board of Directors

Ujwal R.Lahoti

Executive Chairman

(DIN 00360785)

Pradeep Bacchuka

Chief Financial Officer

Place: Mumbai

Dated: May 27, 2016

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Mrunal Vaidya

Company Secretary



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 costs 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



1. Share Capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 2 each with voting rights	30,000,000	600.00	30,000,000	600.00
(b) Issued Equity shares of ₹ 2 each with voting rights	29,382,500	587.65	29,382,500	587.65
(c) Subscribed and fully paid up Equity shares of ₹ 2 each with voting rights	29,171,500	583.43	29,171,500	583.43
(d) Share Forfeiture Account	211,000	1.16	211,000	1.16

(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, 2016		As at 31 March, 2015	
	Number of shares	₹	Number of shares	₹
<u>Equity shares with voting rights</u>				
Opening Balance	29,171,500	58,458,586.00	29,171,500	58,458,586.00
Less : Shares Forfeited	-	-	-	-
Closing Balance	29,171,500	58,458,586.00	29,171,500	58,458,586.00

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

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	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	3,823,000	13.11	3,823,000	13.11
Umesh R Lahoti	4,484,000	15.37	4,484,000	15.37
Jayashri U Lahoti	2,375,500	8.14	2,375,500	8.14
Manjushri Umesh Lahoti	1,934,500	6.63	1,934,500	6.63
Rukmini R Lahoti	1,522,000	5.22	1,522,000	5.22
Kirti Stock Brokers Private Limited	1,610,000	5.52	1,610,000	5.52
Billion Way Garment Limited	4,250,000	14.57	4,250,000	14.57

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



Particulars	As at	
	March 31, 2016	March 31, 2015
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	800.94	744.57
Add: Transferred from surplus in Statement of Profit and Loss	22.15	56.37
Closing balance (b)	823.09	800.94
(c) Surplus in Statement of Profit and Loss		
Opening balance	6,961.17	6,410.56
Add: Profit for the year	299.30	756.21
Earlier Year Depreciation written back	-	-
Excess Provision for Income Tax	4.22	-
Less: Interim dividend paid	(116.69)	(116.69)
Tax on dividend	(23.33)	(23.33)
MAT credit Recognized	98.86	-
Mat credit utilized	(77.26)	-
Prior Period Adjustment	(0.27)	-
Transferred to General reserve	(22.15)	(56.37)
Fixed Assets written off	-	(7.09)
Provision for FBT written off	-	(4.49)
Closing balance (c)	7,123.86	6,961.17
Total (a+b+c)	8,861.47	8,674.339

3. Long-term borrowings

(a) Term Loan - Secured [Note (i)]	737.46	714.09
Total	737.46	714.09

(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 :
 (i) Central Bank of India

Particular	No. of quarter	Installment per Quarter	Amount
2015-16	4	32.14	128.57
2016-17 to 2020-21	4*5.5=22	32.14	707.14

LAHOTI OVERSEAS LIMITED



Notes forming part of the Consolidated Financial Statements

Particular	No. of quarter per Quarter	Installment	Amount
2015-16	2	23.00	46.00
2015-16	1	31.66	31.66
2016-17 to 2020-21	4*5.75=23	24.00	552.00
2021-22	3	42.33	127.00

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 2014 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 **374.99** 364.04

Tax effect of items constituting deferred tax assets

Provision for gratuity, leave salary and bonus **23.42** (11.82)

Net Deferred Tax Liability **398.41** 352.21

5. Other long-term liabilities

Others:

(i) Security deposits received **6.10** 6.60

Total **6.10** 6.60

6. Other long-term Provisions

(a) Provision for employee benefits:

(i) Provision for gratuity (net) **28.95** 23.83

Total **28.95** 23.83

7. Short-term borrowings

Working capital Loans

(i) From banks - Secured [Note(i)] **4,496.66** 7,709.43

(ii) From Others - Unsecured **628.09** 1,541.08

Total **5,124.75** 9,250.51

(i) Break-up of secured short-term borrowings from:

(i) P.C.F.C.:-

State Bank of India **10.63** 1,085.64

HSBC Bank Ltd - 421.92

Kotak Bank **248.75** -

RBL **947.89** 724.61

ICICI Bank - 652.27

DBS **1,254.30** 1,144.35

HDFC **373.20** 314.69

RBL - -

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



Particulars	(₹ in Lakhs)	
	As at	
	March 31, 2016	March 31, 2015
<u>(ii) Pre Shipment :-</u>		
Packing Credit (Rs.) From Sbi	250.00	-
Packing Credit From Rbl	225.00	-
<u>(iii) Post Shipment :-</u>		
Postshipment From CITI Bank	1,022.54	2,375.42
Postshipment From SBI	89.87	40.30
Postshipment From HDFC	12.54	538.19
Postshipment From RBL	61.94	412.05
Total	4,496.66	7,709.43

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

8. Trade Payables

(a) For Goods	3.25	0.63
(b) For Expenses and Services	263.03	289.95
Total	266.28	290.59

9. Other current liabilities

(a) Current maturities of long-term debt	220.57	202.09
(b) Unearned revenue	-	101.15
(c) <u>Other payables</u>		
(i) Statutory remittances	12.22	15.81
(ii) Advances from customers	9.64	114.71
(iii) Other Current Liabilities	0.06	0.06
(d) Creditor for Capital Expenditure	191.53	487.62
Total	434.03	921.43

Income received in advance consists of Unamortized premium on forward contracts

10. Short-term provisions

(a) <u>Provision for employee benefits</u>		
(i) Provision for bonus	8.85	8.89
(ii) Provision for Leave Salary	2.33	2.07
(a)	11.18	10.96
(b) <u>Provision - Others:</u>		
(i) Provision for tax (Net of Advance Tax)	20.13	11.37
(ii) Provision for proposed equity dividend	-	116.69
(iii) Provision for tax on proposed dividends	-	23.33
(b)	20.13	151.38
Total (a+b)	31.30	162.34



11. Fixed assets
(f) Tangible Asset

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As At 31-Mar-2015	Addition	Deduction	As At 31-Mar-2016	For the Year	Deduction	As At 31-Mar-2016	As At 31-Mar-2015
Export Division								
Land	68.62	-	-	68.62	-	-	68.62	68.62
Building	1,309.46	-	1,309.46	(0.00)	-	3.24	(0.00)	1,306.22
Office Equipments	40.93	0.40	-	41.33	1.41	-	4.19	5.19
Furniture & Fixtures	80.74	-	-	80.74	3.99	-	4.80	8.79
Motor Car	199.18	-	-	199.18	15.67	-	33.47	49.14
Computers	56.08	3.16	-	59.24	6.14	-	6.22	9.19
Total (A)	1,755.00	3.56	1,309.46	449.09	27.21	3.24	331.81	1,447.14
'Note : During the Current period, Building having WDV of Rs. 1,306.22 lakhs have been transferred to Investment Account.								
Wind Power I Division								
Land	(0.00)	-	-	(0.00)	-	-	(0.00)	(0.00)
Plant & Machinery	465.00	-	-	465.00	6.25	-	403.67	67.58
Total (B)	465.00	-	-	465.00	6.25	-	403.67	67.58
Wind Power II Division								
Land	15.91	-	-	15.91	-	-	15.91	15.91
Plant & Machinery	804.63	-	-	804.63	41.46	-	484.91	361.19
Total (C)	820.54	-	-	820.54	41.46	-	484.91	377.10
Wind Power III Division								
Plant & Machinery	1,001.00	-	-	1,001.00	127.39	-	127.74	1,000.65
Total (D)	1,001.00	-	-	1,001.00	127.39	-	127.74	1,000.65
Solar Division								
Land	16.40	-	-	16.40	-	-	16.40	16.40
Plant & Machinery	1,707.44	-	-	1,707.44	154.00	-	585.32	1,276.12
Total (D)	1,723.84	-	-	1,723.84	154.00	-	585.32	1,292.12
Total As On 31.03.2016	5,765.37	3.56	1,309.46	4,459.48	356.30	3.24	1,933.44	4,185.00
Total As On 31.03.2015	4,078.80	2,318.12	631.54	5,765.38	265.51	480.54	1,580.38	4,185.00

LAHOTI OVERSEAS LIMITED



Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	Face Value	No of Units	₹	Face Value	No of Units	₹
12. Non Current investments						
Investments (At cost):						
A. Trade						
(a) Investment in fully paid up Equity Shares of Subsidiaries						
G. Varadan Limited	-	-	-	-	-	-
Lahoti Spintex Limited						
Total - Trade (A)	-	-	-	-	-	-
B. 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	-	-	510.90	-	-	510.89
Flat at Mumbai	-	-	318.68	-	-	318.68
Office At Arun Chambers 314	-	-	8.83	-	-	8.89
Office At Coimbtore	-	-	6.09	-	-	6.03
Office At Marathon	-	-	1,696.05	-	-	386.59
			2,576.92			1,267.46
(b) Investment in Equity Shares-Fully paid up						
(i) Quoted						
Emami Limited	1.00	3,600.00	0.84	1.00	3,600.00	0.84
Emami Infrastructure Limited	2.00	733.00	-	2.00	733.00	0.00
Jet Airways Limited	10.00	356.00	1.95	10.00	356.00	3.92
TCS Limited	1.00	1,148.00	2.44	1.00	1,148.00	2.44
Punjab National Bank	10.00	3,943.00	4.61	10.00	3,943.00	4.61
Union Bank Limited	10.00	2,900.00	0.46	10.00	2,900.00	0.46
L.G.Balkrishna Limited	10.00	100.00	0.02	10.00	100.00	0.02
Bank of India	10.00	900.00	0.41	10.00	900.00	0.41
Cadila Health Care Limited	5.00	1,500.00	1.24	5.00	1,500.00	1.24
FCS Software Limited	1.00	14,820.00	0.37	1.00	14,820.00	0.37
GSPL Limited	10.00	2,253.00	0.61	10.00	2,253.00	0.61
Reliance Industries Limited	10.00	346.00	1.67	10.00	346.00	1.67
LGB Forge Limited	1.00	1,000.00	0.02	1.00	1,000.00	0.02
Zydus Wellness Limited	10.00	320.00	0.01	10.00	320.00	0.01
(i)	91.00	33,919.00	14.64			16.61
(ii) Un Quoted						
Web Source Tech. Limited	-	-	-	-	-	50.00
Arun Commercial Premises CHS Ltd.	-	-	-	-	-	0.01
(ii)						50.01
(i+ii)	91.00	33,919.00	14.64			66.62
(c) Investment in government or trust securities						
(i) Un Quoted						
National Saving Certificates	-	-	0.20	-	-	0.20
(ii) Quoted						
NABARD Bhavishya Nirman Bond	20,000.00	500.00	50.31	20,000.00	500.00	50.31
			50.51			50.51

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	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)	-	-	-	-	-	-
(ii) Un Quoted						
Macquaire Finance (India) Private Limited- Structure Product	-	-	-	-	-	-
	-	-	-	-	-	-
(e) Investment in Mutual Funds - Fully paid up						
(i) Quoted						
Bnp Paribas Medium Term Income Fund - Gro	-	-	150.00	-	-	-
Bsl Medium Term Plan-Growth	-	-	150.00	-	-	-
Canara Robeco Medium Term Opportunities Fu	-	-	150.00	-	-	-
Birla Sunlife Floating Rate Fund Long Term Plan - Growth	-	-	7.20	-	-	7.20
(ii) Unquoted						
Religare Fixed Maturity Plan Series XVIII	10.00	50.00	500.00	10.00	50.00	500.00
HDFC Corporate Debt Opporunities Fund - G	10.00	53.10	565.00	10.00	53.10	565.00
			1,522.20			1,072.20
Total - Other investments (B)	-	-	4,164.27	-	-	2,456.78
Total (A+B)	-	-	4,164.27	-	-	2,456.78
Aggregate book value of quoted investments			522.15			66.92
Aggregate market value of listed and quoted investments			584.67			165.39
Aggregate book value of unquoted investments			3,694.66			2,382.66

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
13. Long-term loans and advances		
(a) Security deposits		
Unsecured, considered good	56.85	54.82
(b) Loans and advances to employees		
Unsecured, considered good	1.79	1.49
(c) Advance income tax (Net of Provision for Tax ₹ 909.63 Lakhs)	467.91	409.63
(d) Other advances		
Unsecured, considered good	108.64	101.85
Total	635.19	567.78
14. Other non-current assets		
(a) Miscellaneous Expenditure	0.89	0.78
Total	0.89	0.78
15. Current investments		
(a) Investment in Mutual Funds - Fully paid up		
(i) Quoted Reliance Money Manager Fund	10.55	5.65
Total	10.55	5.65
16. Inventories (At lower of cost and net realisable value)		
Stock-in-trade (acquired for trading)		
-Goods-in-transit	917.59	842.89
Total	917.59	842.89
17. Trade receivables		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	39.37	69.28
(b) Other Trade receivables		
Unsecured, considered good	6,310.40	9,897.12
Total	6,349.76	9,966.40
18. Cash and cash equivalents		
(a) Cash on hand	2.05	2.39
(a)	2.05	2.39
(b) <u>Balances with banks</u>		
(i) In current accounts	305.80	545.72
(ii) In deposit accounts	0.14	0.14
(iii) In earmarked accounts	256.04	307.46
- Balances held as margin money or security against borrowings, and other commitments		
(b)	561.98	853.32
Total (a+b)	564.02	855.71

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
19. Short-term loans and advances		
(a) Prepaid expenses - Unsecured, considered good	23.54	31.17
(b) Balances with government authorities Unsecured, considered good		
(i) VAT credit receivable	1.37	-
(c) <u>Advance to Suppliers for goods and services</u>		
(i) Unsecured, considered good	709.86	734.07
(ii) Doubtful	23.84	23.84
Less : Provision for Doubtful Debts	(29.72)	(29.72)
	703.97	728.18
(d) Loans and advances to employees Unsecured, considered good	1.32	1.21
(e) Other Loans and Advances Unsecured, considered good	-	-
Total	730.20	760.56
20. Other current assets		
(a) <u>Accruals</u>		
(i) Interest accrued on investments	-	-
(ii) Unbilled Revenue	40.55	22.89
Miscellaneous expenditure		
Total (a)	40.55	22.89
(b) <u>Others</u>		
(i) Forward Contract Receivable (Net)	82.17	347.29
(ii) Export Incentive Receivable	390.67	929.06
(iii) MAT Credit Receivable	21.60	-
Total (b)	494.45	1,276.35
Total (a+b)	535.00	1,299.24
21. Revenue from operations		
(a) Sale of products [Note i]	44,323.42	56,970.29
(b) Other operating revenues [Note ii]	1,733.24	1,834.49
Total	46,056.66	58,804.74
Note:		
(i) <u>Sale of products comprises</u>		
-Generation of Power	509.16	411.23
-Traded goods	43,814.25	56,559.06
Total - Sale of products	44,323.42	56,970.28
(ii) <u>Other operating revenues comprise:</u>		
-Duty drawback	1,331.54	1,710.99
-Export incentives	258.92	68.70
-Sale of REC	142.77	54.80
Total - Other operating revenues	1,733.24	1,834.49

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
22. Other income		
(a) Interest income	16.22	30.61
(b) Dividend Income	2.02	1.41
(c) <u>Net gain on sale of:</u>		
(i) Current investments	3.45	1.57
(ii) Fixed Assets	-	273.87
	3.45	275.44
(d) Forward Premium	46.52	68.54
(e) Gain on Exchange Rate Difference	66.15	80.17
(f) Gain on Cancellation of Forward Contract	(5.51)	548.79
(g) Other non-operating income	28.75	-
(g) Interest on Income tax	17.35	35.40
(h) Rent Income	-	4.80
	174.95	1,045.16
	Total	
(i) Other non-operating income comprises:		
Rental income from investment properties	17.43	26.00
Insurance Claim received	9.52	0.06
Miscellaneous income	0.03	0.28
Sundry balances written back	1.77	9.07
	28.75	35.40
	Total - Other non-operating income	
23. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
(a) <u>Inventories at the end of the year:</u>		
Stock-in-trade	917.59	842.89
(b) <u>Inventories at the beginning of the year:</u>		
Stock-in-trade	842.89	206.74
	(74.70)	(636.15)
	Net (increase) / decrease	
24. Employee benefits expense		
(a) Salaries and wages	174.23	157.34
(b) Contributions to provident and other funds	14.72	17.48
(c) Staff welfare expenses	3.01	3.23
	191.96	178.05
	Total	

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



(₹ in Lakhs)

Particulars	As at	
	March 31, 2016	March 31, 2015
25. Finance costs		
(a) Interest expense on Borrowing	445.95	596.84
(ii) Others		
- Interest on delayed payment of TDS and other overdue Interest		
(b) Other finance costs	359.35	298.03
Total	805.30	894.87
26. Other expenses		
(a) <u>Office & Administrative expenses:</u>		
Auditor's Remuneration [Note(i)]	3.91	3.82
Directors' Remuneration	46.80	46.80
Donation	0.09	0.42
Electricity Expenses	5.54	4.93
Insurance Premium	14.07	82.87
Legal and Professional Charges	49.21	46.31
Other Accidental Loss	3.06	6.77
Office & General Expenses	69.89	41.87
Operational Expenses (Wind Power)	0.61	48.06
Postage and Telephone Charges	31.89	29.64
Printing and Stationary	6.21	5.59
Rent, Rates and Taxes	92.68	62.06
Repairs & Maintenance	37.51	25.75
Travelling & Conveyance	58.21	82.94
Training Charges	-	0.01
(a)	419.69	487.83
(b) <u>Selling and Distribution expenses</u>		
Ocean Freight	695.99	1,062.69
Local Freight & other Shipment cost	680.41	932.63
Overseas Commission	334.89	273.58
Sales Promotion Expenses	22.58	19.76
Local Commission & Brokerage	37.98	40.71
(b)	1,771.85	2,329.38
Total (a+b)	2,191.55	2,817.21
Note (i)		
<u>Payments to the auditors comprises</u>		
As Auditors - Statutory audit	3.33	3.16
For Taxation matters	0.12	0.21
For Tax Audit	0.14	0.30
For Certification & Consultancy Services	-	-
For Other Matters	0.32	0.16
Total	3.91	3.82

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



27. The list of subsidiaries included in the consolidated financial statements are as under:-

Sr. No.	Name of Company	Country of Incorporation	Relationship	As at March 31, 2016	
				Proportion of ownership interest (%)	Proportion of voting power held (%)
1	G Varadan Limited	India	Subsidiary	100	100
2	Lahoti Spintex & Energy Limited (Formerly known as Lahoti Spintex Limited)	India	Subsidiary	100	100

28. 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.

29. **Expenditure in foreign currency:**

(₹ in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Foreign Bank Charges	126.87	129.95
Foreign Traveling Expenses	31.61	55.23
Overseas Commission	334.89	273.58
Liaison Office at Bangladesh	25.40	23.11
TOTAL	518.77	481.87

30. **Earning in Foreign Exchange:**

FOB value export: ₹43,102.60/- Lakhs
(Previous Year ₹55,399.12/- Lakhs)

31. **Contingent Liabilities:**

- Contingent Liabilities not provided for in respect of Bills Discounted ₹3507.89 lakhs (Previous Year ₹2,907.02 lakhs).
- Claims not acknowledged by the Company relating to cases contested by the Company:

(₹ in Lakhs)

Sr. No.	Particulars	As At March 31, 2016	As At March 31, 2015
(i)	Income Tax (Pending before Appellate Authorities in respect of which the Company is in appeal)	99.16	269.10

32. 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.

33. 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.

34. **Related Party Disclosure:**

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

a. Related Companies / Firm:

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

b. Key Management Personnel:

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
Ms. Mrunal Vaidya - Company Secretary

LAHOTI OVERSEAS LIMITED



Notes forming part of the Consolidated Financial Statements

i) Transactions during the year with related parties:

Nature of Transaction	Entities in which KMP / relatives of KMP have significant influence (PSWare Information Pvt. Ltd. & Bauble Investments Pvt. Ltd., Step By Step Pvt. Ltd. Varadan Ltd.) Bhalchandram Clothing Pvt.Ltd and Parvati Textiles Pvt. Ltd.)		Subsidiary (Lahoti Spintex Ltd & G. Personnel (KMP)		Key Management	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Rent Paid	9.90	9.36	5.04	4.80	-	-
Advance against order	-	535.00	-	-	-	-
Advance Returned on Cancellation Supply	-	535.00	-	-	-	-
Loan Taken	-	-	-	-	-	835.00
Loan Repaid	-	168.79	-	-	812.90	336.34
Interest Paid	-	7.84	-	-	36.90	36.82
Managerial Remuneration	-	-	-	-	64.70	61.55
Outstanding balances						
<u>Loans and Advances</u>						
Receivable (Deposit)	51.00	51.00	-	-	-	-
Payable (Loan)	-	-	3.72	4.22	-	812.90

(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	As % of Consolidated Net Assets	(₹ in Lacs)	As % of Consolidated Net Profits	(₹ in Lacs)
Parent				
Lahoti Overseas limited	99.88%	9434.73	98.72%	295.47
Subsidiaries				
1. G. Vardan Ltd.	0.18%	17.31	1.28%	3.84
2. Lahoti Spintex Ltd.	0.01%	1.28	0.00%	0.00

35. Earning Per Share:

Sr. No	Particulars	As At March 31, 2016	As At March 31, 2015
1.	Net profit available for Equity shareholders (₹ in Lakhs)	299.30	756.21
2.	Number equity shares for basic Earning Per Share	2,91,71,500	2,91,71,500
3.	Basic Earning Per Share (in ₹)	1.01	2.59/-
4.	Face value per share	₹ 2/-	₹ 2/-

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, 2016 and in respect of assets/liabilities as at March 31, 2016)

Primary Segments - Business Segments:

(₹ in Lakhs)

Particulars	Trading		Power		Total	
	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015
Gross Segment Revenue	45,511.89	59,036.25	509.16	411.23	46,021.05	59,447.47
Less:- Inter segment Revenue	-	-	-	-	-	-
Net Segment Revenue	45,511.89	59,036.25	509.16	411.23	46,021.05	59,447.47
Segment Results : (Profit / Loss Before Tax, Interest and Investment Income from each segment)	289.56	667.34	110.45	59.42	400.01	726.76
Add:- Rental Income	-	-	-	-	12.39	26.00
Add:- Dividend and Other Income	-	-	-	-	13.34	10.82
Add:- Profit/(Loss) on sale of investments	-	-	-	-	3.45	1.57
Add:- Profit/(Loss) on sale of Fixed Assets	-	-	-	-	-	273.87
Profit before Interest and Tax	-	-	-	-	429.19	1,039.02
Profit Before Tax	-	-	-	-	429.19	1,039.02
Provision for Tax Current	-	-	-	-	-	-
Deferred	-	-	-	-	-	-
Profit After Tax	-	-	-	-	429.19	1,039.02
Capital Employed						
Segment Assets						
Fixed Assets	117.28	1,447.16	2,408.76	2,737.85	2,526.04	4,185.01
Assets,Loans and Advances (Excluding Tax Assets)	8,875.26	13,650.90	387.48	224.16	9,262.74	13,875.06
Unallocable (Tax Assets & Investments)	-	-	-	-	4,677.52	2,910.70
Total Assets	8,992.54	15,098.06	2,796.24	2,962.02	16,466.30	20,970.78

LAHOTI OVERSEAS LIMITED

Notes forming part of the Consolidated Financial Statements



Particulars	Trading		Power		Total	
	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015	As At 31-Mar- 2016	As At 31-Mar- 2015
Segment Liabilities						
Loan Funds	3,598.08	9,465.09	2,267.85	916.18	5,865.93	10,381.27
Liabilities & Provisions (Excluding Tax Liabilities)	326.77	561.52	419.57	338.24	746.35	899.76
Unallocable (Tax Liabilities & Loans)	-	-	-	-	417.49	503.60
Total Liabilities	3,924.85	10,026.61	2,687.42	1,254.42	7,029.76	11,784.63
Net Segment Assets	5,067.69	5,071.44	108.82	1,707.59	9,436.54	9,186.14
Capital Expenditure	3.56	1,317.12	-	1,001.00	3.56	2,318.12
Segment Depreciation	27.21	36.31	329.09	54.07	356.30	90.38
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

Sachin Ghadialli

Partner

Membership Number: 133178

For and on behalf of

P C Ghadialli and Co LLP

Chartered Accountant

Firm No. 103132W/W-100037

Place: Mumbai

Dated: May 27, 2016

For and on behalf of Board of Directors

Ujjwal R.Lahoti

Executive Chairman

(DIN 00360785)

Pradeep Bacchuka

Chief Financial Officer

Place: Mumbai

Dated: May 27, 2016

Umesh R. Lahoti

Managing Director

(DIN 00361216)

Mrunal Vaidya

Company Secretary

ACHIEVEMENTS

From TEXPROCIL

2013- 14	Grey Cotton Fabrics	Gold
2013- 14	Count 50 & Above	Silver
2012- 13	Counts 50 & Below	Gold
2010 - 11	Merchant Exports	Bronze
2009 - 10	Counts 51 & Above	Gold
2009 - 10	Merchant Exports	Gold
2008 - 09	Merchant Exports	Gold
2007 - 08	Merchant Exports	Gold
2006 - 07	Merchant Exports	Gold
2005 - 06	Merchant Exports	Gold
2004 - 05	Merchant Exports	Bronze
2003 - 04	Merchant Exports	Silver
2002 - 03	Merchant Exports	Gold
2000 - 01	Non-quota Exports	Silver
1999 - 00	Non-quota Exports	Bronze
1998 - 99	Non-quota Exports	Silver
1997 - 98	Merchant Exports	Gold
1997 - 98	Non-quota Exports	Silver
1996 - 97	Merchant Exports	Bronze
1995 - 96	Non-quota Exports	Gold

From Government of India (FIEO)

“Niryat Shree” Award for Excellence in Export Performance for the 2003-04

From Government of Maharashtra

Silver Plaque Award in Merchant Exporter Category & Bronze Plaque Award in Trading House Category for the year 2010-11.

Gold Plaque Award for the year 2009-10 in Trading House Category.

Two Silver Plaque Awards for the year 2005-2006 in Merchant Exporter & Export House Category.

The Silver Plaque Awards, consistently for 2 years in 1995-96 and 1996-97, bestowed for the highest performance in Maharashtra State for exports under the Merchant Exporters category.

Besides above, Company has received Business World International Business Award for Category “Best Export House” for excellent performance in exports.



