

original.

NATIONAL STANDARD (INDIA) LIMITED

Lodha Excelus, N.M. Joshi Marg, Mahalaxmi, Mumbai 400 011, India

Date: 28th August, 2015

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

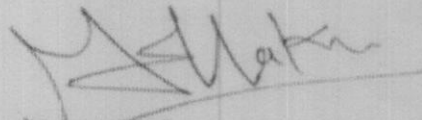
| | | |
|----|--|-----------------------------------|
| 1. | Name of the Company | National Standard (India) Limited |
| 2. | Annual financial statements for the year ended | 31 st March, 2015 |
| 3. | Type of audit observation | Un-qualified |
| 4. | Frequency of Observation | Not Applicable |

For National Standard (India) Limited



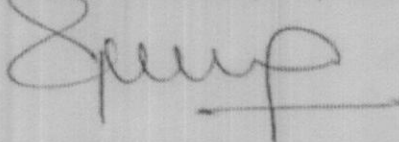
Ramesh Chechani
Chief Financial Officer

For National Standard (India) Limited



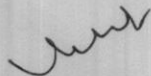
Mahesh Thakur
Chief Executive Officer

For National Standard (India) Limited



Santosh Kumar Ojha
Chairman of Audit Committee

For Shanker and Kapani
Chartered Accountants
(Registration No. 117761W)



S. Sankar
Partner
Membership No. 40476

NATIONAL STANDARD (INDIA) LIMITED

52nd ANNUAL REPORT
2014-2015

BOARD OF DIRECTORS

| | |
|---|-------------------------------------|
| Mr. Deepak Chitnis | Chairman and Non-Executive Director |
| Mr. Santosh Kumar Ojha | Independent Director |
| Ms. Smita Ghag | Non-Executive Director |
| Mr. Narinder Pal Singh | Non-Executive Director |
| Mr. Ananthanarayanan Ariyanayakipuram Lakshminarayanan | Non-Executive Director |

CHIEF EXECUTIVE OFFICER

Mr. Mahesh Thakur

CHIEF FINANCIAL OFFICER

Mr. Ramesh Chechani

COMPANY SECRETARY

Mr. Abhijeet Shinde

REGISTERED OFFICE

412, Floor – 4,
17G Vardhaman Chamber,
Cawasji Patel Road,
Horniman Circle,
Fort, Mumbai – 400001

AUDITORS

M/s. Shanker & Kapani
Chartered Accountants
N.T.C. House, 2nd Floor,
Narottam Morarjee Marg,
Ballard Estate, Mumbai - 400 038

BANKERS

Kotak Mahindra Bank Limited
HDFC Bank Limited

SHARE TRANSFER AGENT

CB Management Services (P) Limited
P-22, Bondel Road, Kolkata-700 019

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTY SECOND ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF NATIONAL STANDARD (INDIA) LIMITED WILL BE HELD ON WEDNESDAY, 30th SEPTEMBER 2015, AT 2.00 P.M. AT LODHA SUPREMUS, GROUND FLOOR, DR. E. MOSES ROAD, WORLI NAKA, WORLI, MUMBAI - 400 018 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2015 and the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Narinder Pal Singh (DIN 00023160), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. **To ratify the appointment and fixing of the remuneration of the Statutory Auditors**
To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s), amendment(s) thereto or re-enactment thereof, for the time being in force), the appointment of M/s. Shanker and Kapani, Chartered Accountants, Mumbai, registered with the Institute of Chartered Accountants of India vide Firm Registration No. 117761W, as the Statutory Auditors of the Company for a term of 5 (Five) years i.e. till the 56th Annual General Meeting (AGM) of the Company, which was subject to ratification by the members of the Company at every AGM, be and is hereby ratified to hold the office from the conclusion of the 52nd AGM till the conclusion of the 53rd AGM of the Company to be held for the financial year 2015-16, on such remuneration as shall be decided by the Board of Directors."

SPECIAL BUSINESS:

4. **To ratify the remuneration of the Cost Auditor for the financial year ended 31st March, 2015**
To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the aggregate remuneration of Rs. 1,75,000/- (Rupees One Lakh and Seventy Five Thousand only) excluding out of pocket expenses and taxes, payable to the Cost Auditor, Mr. Dushyant C. Dave, Cost Accountant (Registration No. 100990), appointed by the Board of Directors of the Company on 24th September, 2014, to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2015, be and is hereby ratified."

5. **To ratify the remuneration of the Cost Auditor for the financial year ending 31st March, 2016**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the aggregate remuneration of Rs. 1,75,000/- (Rupees One Lakh and Seventy Five Thousand only) excluding out of pocket expenses and taxes payable to the Cost Auditor, Mr. Dushyant C. Dave, Cost Accountant (Registration No. 100990), appointed by the Board of Directors of the Company on 14th August, 2015, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016 be and is hereby ratified.”

6. **To approve related party transaction under Clause 49 of the Listing Agreement**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (**‘the Act’**) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (**‘the Rules’**) including any statutory modification(s) or any amendment(s) thereto or any substitution or any re-enactment thereof for the time being in force, pursuant to the provisions of Clause 49 (VII) of the Listing Agreement executed with the stock exchanges and also pursuant to the approval of the Audit Committee and the Board of Directors of the Company, consent of the shareholders be and is hereby accorded for the following arrangements/ transactions (including transfer of resource, service or obligation) to be entered into by the Company for the financial year 2015-16 and for every financial year thereafter as may be deemed fit by the Board of Directors of the Company:

| Name of the related party | Name of the director or key managerial personnel who is related | Nature of relationship | Particulars of the contract or arrangement | Monetary value per financial year Rs. (In Crores) | Nature of transaction / Arrangement | Material terms, and particulars of the contract or arrangement |
|-------------------------------------|---|------------------------|--|---|---|--|
| Lodha Developers Pvt. Ltd | - | Holding Company | Sharing/ reimbursement of expenses | 30 | Availing or rendering of any services, directly or through appointment of agent | The terms of the contract/ arrangement shall be in the best interest of the Company; at arm's length and in the ordinary course of |
| Nabhiraja Software Design Pvt. Ltd. | - | Fellow Subsidiary | Sharing/ reimbursement of expenses | 40 | | |
| Cowtown Land Development Pvt. Ltd. | - | Fellow Subsidiary | Purchase/ sale of goods and material | 30 | Sale Purchase, supply of goods or materials | |

| | | | | | | |
|--|--|--|--|--|---|---|
| | | | | | directly or through appointment of agent | business as may be considered appropriate during the respective terms of the contract. |
|--|--|--|--|--|---|---|

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds, matters and things and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary and/ or expedient to give effect to the aforesaid resolution, in the best interest of the Company."

**By Order of the Board
For National Standard (India) Limited**


Abhijeet Shinde

**Company Secretary
Membership No: A33077**

**Date: 28th August, 2015
Place: Mumbai**

Registered Office:

412, Floor- 4, 17G Vardhaman Chamber,
Cawasji Patel Road, Horniman Circle,
Fort, Mumbai-400001
CIN: L27109MH1962PLC265959
Telephone No. : +9122-23024400
Fax No. : +9122-23024550
Website: www.nsil.net
Email: Investors.nsil@lodhagroup.com

Notes:

- 1) A member entitled to attend and vote at the Annual General Meeting ("**the Meeting**") is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not later than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Annual Report. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate Board resolution / authority, as applicable.
- 2) A person can act as a proxy on behalf of the members upto and not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.
- 3) Corporate member(s) intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution(s) authorising their representative to attend and vote on their behalf at the Meeting.
- 4) Every member entitled to vote at the Meeting of the Company can inspect the proxies lodged at the Company at any time during the normal business hours of the Company during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Meeting and ending on the conclusion of the Meeting. However, a prior notice of not less than 3 (three) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.
- 5) Members/ proxies/ authorised representative should fill the attendance slip for attending the Meeting and bring their attendance slips along with their copy of the Annual Report at the Meeting.
- 6) In case of the joint holders attending the Meeting, only such joint holder whose name appears first in the order of names will be entitled to vote.
- 7) Members who hold shares in dematerialised form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their folio number(s) in the attendance slip for attending the Meeting in order to facilitate identification of membership at the Meeting.
- 8) Members holding shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer agent, CB Management Services (P) Limited, P-22, Bondel Road, Kolkata-700 019, Tel No.: +91 33 40116700/22806692/94/2486, email ID: rta@cbmsl.com enclosing their original share certificate to enable them to consolidate the holdings into one folio.
- 9) The Register of Members and Share Transfer Books of the Company would remain closed from Friday, 25th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.

- 10) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection by the members at the Meeting.
- 11) The relevant details of the Director seeking re-appointment are annexed to the Notice of the Meeting.
- 12) Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office and Corporate Office of the Company on all working days, excluding Saturday, Sunday and Public Holidays between 11.00 A.M. and 1.00 P.M. upto and including the date of AGM. The aforesaid documents will also be available for inspection at the Meeting.
- 13) In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity atleast once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by only those members who have not got their email ID recorded or to update a fresh email ID and not from the members whose e-mail IDs are already registered. In view of the above, the Company hereby request the members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the CB Management Services (P) Limited, the Registrar and Transfer Agent of the Company. Further, the members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in the physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company quoting their folio number(s).
- 14) Physical copy of the Notice of the Meeting, Annual Report, Proxy Form and attendance slip are being sent to all the members of the Company whose address are registered with the Company or with the Depository Participant(s) or with CB Management Services (P) Limited, the Registrar and Share Transfer Agent of the Company.
- 15) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's Registrar and Transfer Agent, CB Management Services (P) Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes either to the Company or to the Company's Registrar and Transfer Agent, CB Management Services (P) Limited.
- 16) The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat form

are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to CB Management Services (P) Limited, the Registrar and Share Transfer Agent of the Company.

- 17) Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the Management to keep the information ready.
- 18) Members holding shares of the Company as on Thursday, 24th September, 2015, shall be entitled to vote at the Meeting of the Company. A person who is not a member as on the cut-off should treat this notice for information purpose only.

E-VOTING

- 1) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members a facility to exercise their right to vote on the business proposed to be transacted at the Annual General Meeting (**AGM**) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM, ("**remote e-voting**") will be provided by Central Depository Services (India) Limited (**CDSL**).
- 2) The facility for voting through ballot form shall be made available at the AGM premises and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
- 3) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- 4) Any person, who acquires shares of the Company and becomes member of the Company after the dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, 24th September, 2015, may obtain their login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting than you can use your existing user ID and password for casting your vote.
- 5) The voting rights of the members shall be in proportion to the number of equity shares held by them as on the cut-off date, Thursday, 24th September, 2015.
- 6) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Thursday, 24th September, 2015 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- 7) The remote e-voting period commences on Sunday, 27th September, 2015 (9:00 am) and ends on Tuesday, 29th September, 2015 (5:00 pm). During this period the members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 24th September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or vote again.
- 8) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- 9) A member can opt for only one mode of voting i.e. either through remote e-voting or by ballot process to be done at the AGM. If a member casts vote by both modes, then voting done through remote e-voting shall prevail and the ballot form shall be treated as invalid.

- 10) The Company has appointed Ms. Nehal Doshi, Practising Company Secretary, as the scrutinizer (the 'Scrutinizer') for scrutizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.
- 11) The Chairman shall, at the AGM, at the end of discussion on the business matters on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of "Ballot Form" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 12) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than 3 (three) days of the conclusion of the AGM, a consolidated scrutinizer's report on the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- 13) The results declared along with the report of the Scrutinizer will be placed on the website of the Company www.nsil.net and on the website of the CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately forwarded to the stock exchanges (BSE Limited and The Calcutta Stock Exchange Limited).
- 14) This notice has been updated with the instructions for voting through electronic means as per the amended Companies (Management and Administration) Rules, 2015.

THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE AS UNDER:

- 15) The voting period begins on Sunday, 27th September, 2015 (9:00 am) and ends on Tuesday, 29th September, 2015 (5:00 pm). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Thursday, 24th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - a. Members who have already voted prior to the AGM date would not be entitled to vote at the meeting venue.
 - b. The Members should log on to the e-voting website www.evotingindia.com
 - c. Click on Shareholders.
 - d. Now Enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - e. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- f. Next enter the Image Verification as displayed and Click on Login.
- g. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- h. If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |

- i. After entering these details appropriately, click on "SUBMIT" tab.
- j. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k. For Members holding shares in physical form, the details can be used only for E-voting on the resolutions contained in this Notice.
- l. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- m. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- q. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

NOTE FOR NON – INDIVIDUAL MEMBERS AND CUSTODIANS

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

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

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF THE BUSINESS MENTIONED IN THE NOTICE OF THE FIFTY SECOND ANNUAL GENERAL MEETING OF THE COMPANY

Item 2

The Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India and Clause 49 of the Listing Agreement requires certain disclosures with respect to re-appointment of Mr. Narinder Pal Singh (DIN: 00023160) as the Director of the Company who is liable to retire by rotation at this Annual General Meeting, which is mentioned below:

| | |
|--|---|
| Date of Birth | 4 th January, 1946 |
| Age | 69 years |
| Qualifications | Degree in Commerce, Law and Management from Delhi University |
| Experience | Mr. Narinder Pal Singh has held senior positions in large Industrial Group in the Country |
| Terms & conditions of the appointment | As per the provisions of Companies Act, 2013 |
| Remuneration last drawn & sought to be paid | Nil |
| Date of Appointment on the Board | 11 th October, 2002 |
| Directorships held in other Companies as on 31st March, 2015 | Adamas Trading Private Limited Avaya Holding And Trading Private Limited Bakelite Coatings & Paint Private Limited Bakelite Hylam Limited BLK Trading Private Limited Ezra Trading And Finance Co Ltd Heritage Surface Textures private Limited (formerly known as Mountain Holding And Trading Private Limited) Shriram Automotive Products Limited Strawberry Trading Private Limited Bakelite Properties Private Limited Mountain Dew Properties Ltd Mystic Woods Holdings And Trading Private Limited National Standard Tyre Moulds (India) Limited Shilpa Medicare Limited |
| Chairmanship/Membership of the | 1. Bakelite Hylam Limited: |

| | |
|---|--|
| Committees of the Board of the other Companies (includes only Audit & Stakeholders Relationship Committee) as on 31st March, 2015 | <ul style="list-style-type: none"> Stakeholders Relationship Committee - Member 2. National Standard Tyre Moulds (India) Limited <ul style="list-style-type: none"> Stakeholders Relationship Committee - Member 3. Shriram Automative Products Limited <ul style="list-style-type: none"> Audit Committee – Member |
| Shareholding in the Company (Equity) | 22,50,180 Equity Shares |
| Relationship with other Directors/ Manager/Key Managerial Personnel | None |
| Number of Board meetings attended during the year | 1 |

The Company has received the necessary consent and disclosures from Mr. Narinder Pal Singh in terms of the provisions of the Companies Act, 2013.

The re-appointment of Mr. Narinder Pal Singh is placed for the approval of the members based on the recommendation of the Nomination and Remuneration Committee.

The Board recommends the Item No. 2 of the Notice for your approval.

None of the Directors, other Key Managerial Personnel and relatives thereof except Mr. Narinder Pal Singh are in any way, concerned or interested financially or otherwise in the above resolution.

Item 4 & 5

The Board of Directors at its Meeting held on 24th September, 2014 i.e. subsequent to the last AGM appointed Mr. Dushyant .C. Dave, Cost Accountant (Registration No: 100990), as the Cost Auditor of the Company for auditing the cost records maintained for the construction activity undertaken by the Company, for the financial year ended 31st March, 2015, at a remuneration amounting to Rs. 1,75,000 /- (Rupees One Lakh and Seventy Five Thousand only) excluding out of pocket expenses and taxes, if any.

Further, the Board of Directors at its Meeting held on 14th August, 2015 appointed Mr. Dushyant .C. Dave, Cost Accountant (Registration No: 100990), as the Cost Auditor of the Company for auditing the cost records maintained for the construction activity undertaken by the Company, for the financial year ending on March 31, 2016, at a remuneration amounting upto Rs. 1,75,000 /- (Rupees One Lakh and Seventy Five Thousand only) excluding out of pocket expenses and taxes, if any.

In terms of the provisions of Section 148 of the Companies Act, 2013 read along with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration

payable to Cost Auditor is required to be ratified by the members of the Company. Accordingly, the consent of the members is sought on the Ordinary Resolution as set out in Item 4 & Item 5 of the Notice.

The remuneration to be paid to the Cost Auditor of the Company is placed for the ratification by the members based on the recommendation of the Audit Committee.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested financially or otherwise in the above resolution.

The Board recommends the Ordinary Resolution as set out in Item 4 & 5 of the Notice for your approval.

Item 6

Pursuant to the Equity Listing Agreement entered into with the stock exchange(s) and the Circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 read with Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014 issued by SEBI, all material related party transactions (i.e entered into individually or taken together with previous transactions during the financial year, exceeding 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company), shall require approval of the shareholders through Special Resolution.

Accordingly, the approval of the shareholders by way of Special Resolution is sought under Clause 49 of the Equity Listing Agreement, to enable the Company to enter into related party transactions in one or more tranches. The particulars of the related party transactions are given hereunder.

| Name of the related party | Name of the director or key managerial personnel who is related | Nature of relationship | Particulars of the contract or arrangement | Monetary value per financial year (Rs. In Crores) | Nature of transaction / Arrangement | Material terms, and particulars of the contract or arrangement |
|-------------------------------------|---|------------------------|--|---|---|---|
| Lodha Developers Pvt. Ltd | - | Holding Company | Sharing/ reimbursement of expenses | 30 | Availing or rendering of any services, directly or through appointment of agent | The terms of the contract/ arrangement shall be in the best interest of the Company; at arm's length and in the ordinary course of business as may be considered appropriate during |
| Nabhiraja Software Design Pvt. Ltd. | - | Fellow Subsidiary | Sharing/ reimbursement of expenses | 40 | | |
| Cowtown Land Development | - | Fellow Subsidiary | Purchase/ sale of goods and material | 30 | Sale Purchase, supply of goods or materials | |

| | | | | | | | | |
|-----------|--|--|--|--|---|----------|---------------------------------|-------------------------|
| Pvt. Ltd. | | | | | directly through appointment agent | or of | the terms of contract. | respective of the |
|-----------|--|--|--|--|---|----------|---------------------------------|-------------------------|

The Board of Directors recommends the resolution in Item No 6 of the accompanying notice for approval by the members as a Special Resolution.

None of the Board of Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out in Item 6. Mr. Mahesh Thakur, Chief Executive Officer of the Company is also a Director of Cowtown Land Development Pvt. Ltd.

**By Order of the Board
For National Standard (India) Limited**



**Abhijeet Shinde
Company Secretary
Membership No. A33077**

**Date: 28th August, 2015
Place: Mumbai**

Registered Office:
412, Floor- 4, 17G Vardhaman Chamber,
Cawasji Patel Road, Horniman Circle,
Fort, Mumbai-400001
CIN: L27109MH1962PLC265959
Telephone No. : +9122-23024400
Fax No. : +9122-23024550
Website: www.nsil.net
Email: Investors.nsil@lodhagroup.com

NATIONAL STANDARD (INDIA) LIMITED

Regd Office : 412, Floor- 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001

CIN: L27109MH1962PLC265959 E-Mail: Investors.nsil@lodhagroup.com Website: www.nsil.net

Phone No.: +9122-23024400 Fax No.: +9122-23024550

FORM NO. MGT-11

PROXY FORM

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

CIN : **L27109MH1962PLC265959**

Name of the Company : National Standard (India) Limited

Registered Office : 412, Floor- 4, 17G Vardhaman Chamber,
Cawasji Patel Road, Horniman Circle,
Fort, Mumbai-400001

Name of the Member(s) :

Registered address :

E-mail Id :

Folio No. /Client Id & DP. Id :

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

1. Name : _____
Address : _____
E-mail Id : _____
Signature : _____
. , or failing him

2. Name : _____
Address : _____
E-mail Id : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 52nd Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2015 at 2.00 P.M. at Lodha Supremus, Ground Floor, Dr. E. Moses Road, Worli Naka, Worli, Mumbai - 400018 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

| Sr. No | Resolution(s) | For | Against |
|--------|--|-----|---------|
| 1. | Consider and adopt audited financial statements, reports of the Board of Directors and Statutory Auditors' | | |
| 2. | Re-appointment of Mr. Narinder Pal Singh (DIN: 00023160) as the Director, retiring by rotation | | |
| 3. | Ratifying the Appointment of Statutory Auditors and fixing their remuneration | | |
| 4. | Ratifying the remuneration of the Cost Auditor for the financial year ended 31 st March, 2015 | | |
| 5. | Ratifying the remuneration of the Cost Auditor for the financial year ending 31 st March, 2016 | | |
| 6. | To approve related party transaction under Clause 49 of the Listing Agreement | | |

Signed this.....day of2015

Signature of Member(s) :

Signature of Proxy holder(s) :

Affix Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Fifty Second Annual General Meeting.
- * 3. This is optional. Please put a 'V' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate
4. Kindly affix Re. 15 paise revenue stamp on the proxy form before depositing at the Registered Office.

NATIONAL STANDARD (INDIA) LIMITED

Regd Office : 412, Floor- 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001

CIN: L27109MH1962PLC265959 E-Mail: Investors.nsil@lodhagroup.com Website: www.nsil.net

Phone No.: +9122-23024400 Fax No.: +9122-23024550

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE REGISTRATION COUNTER

1. Name of the member / proxy :
2. Folio No. / Client Id & DP Id :
3. Number of shares held :

I certify that I am the member/proxy/authorised representative for the member of the Company.

I hereby record my presence at the Fifty Second Annual General Meeting to be held on Wednesday, 30th September, 2015 at 2.00 P.M. at Lodha Supremus, Ground Floor, Dr. E. Moses Road, Worli Naka, Worli, Mumbai – 400018.

Name of the member / proxy

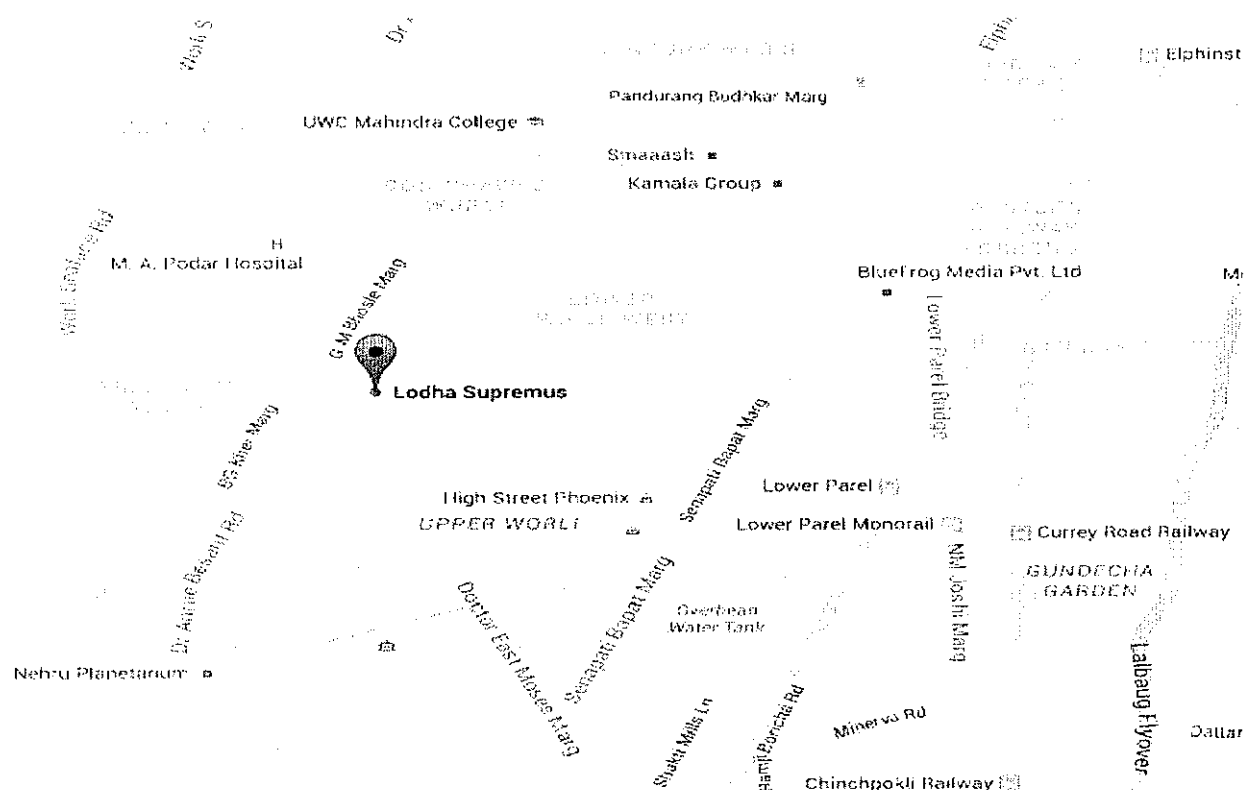
Signature of the member / proxy

Note : Kindly complete the Folio / DP ID - Client ID No. and name, sign this Attendance slip(s) at the entrance of the Meeting hall.

DETAILS OF THE VENUE OF THE ANNUAL GENERAL MEETING

Address: Lodha Supremus, Ground Floor, Dr. E. Moses Road, Worli Naka, Worli, Mumbai-400 018.

Landmark: Behind Konark Empress



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the Fifty Second Directors' Report of your Company along with the audited financial statements for the financial year ended 31st March, 2015.

FINANCIAL RESULTS

The Company's performance during the financial year ended 31st March, 2015 as compared to the previous financial year, is summarized below:

| Particulars | (Rs. in lakhs) | |
|---|---------------------------|---------------------------|
| | Financial year 2014-15 | Financial year 2013-14 |
| Total Income | 16,200.96 | 1,2734.05 |
| Less : Total expenses | 9,554.42 | 8,076.98 |
| Profit Before tax | 6,646.54 | 4,657.07 |
| Less: Tax Expenses | 2,408.63 | 1,585.44 |
| Less: Prior Period Taxation adjustments | 0.01 | (53.33) |
| Profit for the year | 4,237.90 | 3,124.96 |

FINANCIAL OVERVIEW

Results of operations and the state of the Company's affairs

Total revenue: The total income of the Company for the financial year ended 31st March, 2015 increased by 27.22% as against the total income of Rs. 12734.05 Lakhs for the previous financial year ended 31st March, 2014.

Total expenses: The total expenses of the Company increased by 18.29% to Rs. 9,554.42 Lakhs for the financial year ended 31st March, 2015 from Rs. 8,076.98 Lakhs for the financial year ended 31st March, 2014.

Profits: Profit Before Tax (PBT) for the financial year ended 31st March, 2015, increased by 42.72% to Rs. 6,646.54 Lakhs as against Rs. 4,657.07 Lakhs for financial year ended 31st March, 2014. PBT margin improved to 41.03% of income in the financial year 2014- 15 from 36.57% in the financial year 2013-14.

Net Profit of the Company during the financial year 2014-15 was Rs. 4,237.90 Lakhs as compared to Rs. 3,124.96 Lakhs for the financial year 2013-14.

MANAGEMENT DISCUSSION AND ANALYSIS

THE YEAR GONE BY

Indian Economy

Post May, 2014 elections, the global outlook on Indian economy and business confidence improved significantly. Effective actions in speed and effectiveness of governance kick started investments in certain sectors like coal, road and infrastructure. Falling global commodity prices including oil and fossil fuels have fortunately reduced the pressure on balance of payments. This coupled with better

management of food supply chain and a moderated minimum support price has given headroom to Central Bank to moderate interest rate. Though, Reserve Bank of India has cautiously started moderating the rates, the benefits have not been passed to the users by the banks completely due to pressures on NPAs of the past lending. We expect this process to continue in the next fiscal.

Benign inflation and larger disposable incomes have improved discretionary consumer spending as well as household savings. The GDP growth trajectory has shifted from the one witnessed in last 5 (five) years. GDP growth estimates by experts like CSO, RBI, Crisil and other private organisations range from 6.8% to 7.4%. Political and legislative logjam remains a risk to major policy reforms like land and labour as well as GST.

Mumbai Real Estate

While the housing sales continued shrinking in MMR market, the number of launches also went down materially improving the supply-demand balance in the market. Except for Central Suburbs, the number of new units launched went down compared to the financial year 2013-14. Average inventory of unsold units (including under construction) of around 12 Qtrs is higher than cities like Pune & Bangalore but much lower than NCR (19 Qtrs). The inventory replicates a typical construction cycle of three years in MMR. In most of the micro-markets the price appreciation has been muted.

The office market on the other hand is seeing an uptick due to absorption levels overtaking the new deliveries. Although the vacancy has remained high during last few years, there is a dearth of quality large size office spaces. The rental levels which were flat or declining for past few years have inched up at a single digit rate in the financial year 2014-15.

Business Overview

The Company has undertaken an aspirational residential project by the name of Lodha Grandezza in Wagle Estate, opposite LBS Marg, Thane. The project comprises of two 18 storey towers with 2 and 3 BHK premium residences. The target client profile of this project is the higher/upper middle income segment of the market. The Company has also launched a boutique office project under the highly successful Supremus brand in Thane with spaces in the range of 2,000 square feet to 20,000 square feet.

Outlook

The Company expects the financial year 2015-16 to be the start of growth year for the Indian economy as a whole in view of various measures being taken by the new government to boost manufacturing and infrastructure development in the Country. Economists expect India's GDP in the range of 7.0 -8.0 % for Financial Year ended 31st March, 2016. Your Company will target to ensure steady operations and deliver high quality projects for its customers.

Opportunities and Challenges

Opportunities

Despite the lack of a consistent and well articulated government policy on the housing and real estate sector, your company still believes that the demand for Real Estate in Mumbai Metropolitan Region remains strong. Company's well accepted brand, modern architecture, well designed projects in strategic location and stable performance even in testing times make it a preferred choice for customers.

Challenges

While the management of your Company is confident of exploiting the opportunities, it also finds the following challenges:

- Time required to obtain project approvals.
- Swelling cost of construction.
- Availability of skilled workforce.
- Very slow pace of growth in other infrastructure facilities.

Segment Review

The Company has only single reportable business segment i.e real estate development in terms of requirement of accounting standard 17 "Segment Reporting" prescribed under Section 133 of the Companies Act, 2013 read Rule 7 of Companies (Accounts) Rules, 2014.

Risks and Concerns

The Company is exposed to different types of risks viz., credit risk, market risk (including liquidity risk), operational risk, regulatory risk and legal risk. The Company at regular interval monitors this risk. The Company is exposed to specific risks in connection with the management of investments and the environment within which it operates. The Company aims to understand measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

Human Resources

The Company believes that people are the most valued assets and at the same time, we have remained focused on effectiveness of resources. In pursuit to retain and develop the talent, Senior Management is provided with opportunity for active learning and development. There are no significant developments in human resources of the Company.

Cautionary Statement

This report may contain forward looking statements. All statements are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate and will materialize in the said order or manner or realized. The Company's performance and results or achievements could thus differ from those projected in any forward looking statements. The Company assumes no responsibility to publicly amend modify or revise such statements based on subsequent events or developments.

TRANSFER TO RESERVES

The Board do not recommended any amount to be transferred to the reserves for the financial year ended 31st March, 2015.

DIVIDEND

With a view to conserve resources of the Company, the Board of Directors do not recommend any dividend for the financial year ended 31st March, 2015.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is annexed as **Annexure V**.

MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year 2014-15, Mr. Mangesh Puranik (DIN: 02283925) and Mr. Martin Godard (DIN: 02460298) resigned as the Directors of the Company w.e.f 24th April, 2014. To maintain the composition of the Board of Directors, Mr. Deepak Chitnis (DIN: 06711033) and Ms. Smita Ghag (DIN: 02447362) were appointed as the Non-Executive, Non-Independent Directors of the Company w.e.f 24th April, 2014. Further, Mr. Sagar Gawde resigned as the Chairman and Independent Director of the Company w.e.f 30th July, 2015. Pursuant to his resignation, Mr. Deepak Chitnis acts as the Chairman of the Company w.e.f 14th August, 2015.

Mr. Pinkesh Shah, who was re-appointed as the Manager of the Company w.e.f 28th May, 2015, resigned as Manager and Chief Executive Officer (CEO) of the Company w.e.f 14th August, 2015 due to his pre-occupations. The Board places on record its appreciation for the valuable services and guidance given to the Company during his tenure as the Manager and CEO of the Company.

In view of above, the Board of Director at its Meeting held on 14th August, 2015, appointed Mr. Mahesh Thakur as the CEO of the Company in place of Mr. Pinkesh Shah.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Narinder Pal Singh (DIN 00023160) shall retire by rotation at the ensuing Annual General Meeting of the Company. Mr. Narinder Pal Singh, being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

DETAILS OF THE BOARD MEETINGS

During the financial year ended 31st March, 2015, 11 (Eleven) Board meetings were held on 24th April, 2014, 18th July, 2014, 11th August, 2014, 24th September, 2014, 30th September, 2014, 20th October, 2014, 7th November, 2014, 8th January, 2015, 28th January, 2015, 23rd February, 2015 and 18th March, 2015. Details of attendance at the Board Meeting are given below:

| Sr. No. | Name of Director(s) | Category | Total no. of board meetings attended |
|---------|--|-----------------------------------|--------------------------------------|
| 1. | Sagar Gawde ¹ | Independent Director & Chairman | 11 |
| 2. | Santosh Kumar Ojha | Independent Director | 11 |
| 3. | Ananthanarayanan Ariyanayakipuram Lakshminarayanan | Non-Executive Director | 1 |
| 4. | Narinder Pal Singh | Non-Executive Director | 1 |
| 5. | Deepak Chitnis | Non-Executive Director & Chairman | 10 |
| 6. | Smita Ghag | Non-Executive Director | 10 |

¹ Mr. Sagar Gawde resigned from the Board w.e.f 30th July 2015 as the Chairman and Independent

Director. In view of his resignation, Mr. Deepak Chitnis was appointed as the Chairman of the Company w.e.f 14th August, 2015. Further, in absence of Mr. Sagar Gawde, an Independent Director, the Board is in the process of strengthening its composition as per the provisions of Clause 49 of the Listing Agreement and the Companies Act, 2013.

COMMITTEES OF THE BOARD

Details of various Committees formed by the Board are given hereunder:

A. Audit Committee

The Audit Committee has been constituted by the Board of Directors of the Company in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Clause 49(III) (A) of the Listing Agreement. The composition, meetings and attendance of the Audit Committee as on 31st March, 2015 are given in the Corporate Governance Report appended to this Annual Report.

B. Corporate Social Responsibility Committee

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with Section 135 of the Companies Act, 2013. The details required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in CSR Report appended as **Annexure III** to this Report.

C. Nomination and Remuneration Committee:

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board has constituted Nomination and Remuneration Committee (NRC). The composition, meetings and attendance of the Nomination and Remuneration Committee as on 31st March, 2015 are given in the Corporate Governance Report appended to this Annual Report. The Board on recommendation of the Nomination and Remuneration Committee has approved a policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Companies Act, 2013 and is attached herewith as **Annexure II**.

D. Stakeholders Relationship Committee:

The Board has changed the nomenclature of the Shareholders'/ Investors Grievance Committee has been changed to **Stakeholders Relationship Committee** in accordance with Section 178 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. The composition, meetings and attendance of the Stakeholders Relationship Committee as on 31st March, 2015 are given in the Corporate Governance Report appended to this Annual Report.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The Company has received and taken on record declaration received from the Independent Directors of the Company in accordance to Section 149(6) of the Company Act, 2013 confirming their independence vis-à-vis the Company.

CHANGE IN SITUATION OF THE REGISTERED OFFICE OF THE COMPANY AND AMENDMENT TO MEMORANDUM OF ASSOCIATION OF THE COMPANY

The members be informed that the Company had received an order from Regional Director, Eastern

Region, Ministry of Corporate Affairs, Kolkata dated 9th September, 2014 for shifting the Registered Office from State of West Bengal to the State of Maharashtra and pursuant to which the Registered Office of the Company was shifted from Room No# 6, 4th floor, Commerce House 2A, Ganesh Chandra Avenue, Kolkata, West Bengal to 216, Shah & Nahar Industrial Estate, Dr. E. Moses road, Worli, Mumbai-400018 w.e.f 1st July, 2015 vide certificate received from Assistant Registrar of Companies, Mumbai, Maharashtra. Further, the Memorandum of Association of the company was amended in order to reflect the alteration in situation of the Registered Office of the Company from State of West Bengal to the State of Maharashtra.

Furthermore, the Registered Office was again shifted from 216, Shah & Nahar Industrial Estate, Dr. E. Moses road, Worli, Mumbai- 400018 to 412, Floor - 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400001 w.e.f 2nd July, 2015.

AUDITORS AND AUDIT REPORT

The matters related to Auditors and their Reports are as under:

Ratification of Appointment of Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Shanker and Kapani, Chartered Accountants, Mumbai having firm registration number 117761W, had been appointed for a term of 5 (five) years upto the conclusion of the Annual General Meeting to be held in 2019. However, their appointment as Statutory Auditors of the Company is required to be ratified by the members at the ensuing Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as the Auditors of the Company.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of the Annual General Meeting for seeking approval of members.

Observations of Statutory Auditors on Accounts for the year ended 31st March, 2015

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2015 read with the explanatory notes therein are self-explanatory, and therefore do not call for any further explanation or comments.

Cost Auditors

Pursuant to the provisions of Section 148 of Companies Act, 2013 read with Notification/Circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at its Meeting held on 14th August, 2015, appointed Mr. Dushyant C. Dave, (Membership No: 7759) as the Cost Auditor to conduct the audit of cost records of the Company for the financial year 2015-16 subject to the ratification by the members at the ensuing Annual General Meeting.

INTERNAL AUDIT

Pursuant to Section 138 of the Companies Act, 2013 and as per the recommendation of the Audit Committee, the Board of Directors at its Meeting held on 30th September, 2014 appointed Mr. Parag Parekh, Chartered Accountants, Mumbai as an Internal Auditor of the Company. The audit carried out by him is on half yearly basis. Further, the report issued by an Internal Auditor is reviewed on an on-going

basis in the Meetings of the Audit Committee and of the Board and appropriate actions are taken as per the directions of the Audit Committee by the Board.

SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31st MARCH, 2015

Provisions of Section 204 of the Companies Act, 2013 mandates to obtain Secretarial Audit Report from Practicing Company Secretary. Ms. Jinal Dawda (Membership No. A20255, CP No. 9830), Practicing Company Secretary has been appointed to carry out Secretarial Audit for the financial year 2014-15. Secretarial Audit Report issued by Ms. Jinal Dawda in form MR-3 for the financial year 2014-15 forms part of this report and is annexed as **Annexure VI**. The said report does not contain any observation or qualification requiring explanation or comments from the Board under the Section 134(3) of the Companies Act, 2013.

VIGIL MECHANISM

The Company has established Transparency and Ethics Policy (TEP)-Whistle Blower Policy for Directors and employees to report genuine concerns, to deal with instances of fraud and mismanagement, if any, and to ensure a clean and transparent environment for conducting business and also ensures adequate safeguards against victimisation of persons who use such mechanism.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Transparency and Ethics Policy is posted on the Company's website <http://www.nsil.net.in/annualreport.html>

RISK MANAGEMENT POLICY

Risk is regarded as the threat of some event, action or loss of opportunity if it occurs, will adversely affect the business i.e. value to stakeholders, ability to achieve objective, ability to implement business strategies, manner of operation, reputation & brand image due to internal and external factors. The Company has a Risk Management Policy, which lays down active process for identification and mitigation of risks. Risk Management Policy has been adopted by the Board of Directors of the Company. All concerned process owners of the company are regularly identifying & mitigating key risks in their respective domain. The Board reviews the risk management and mitigation plan for key risks from time to time.

INTERNAL FINANCIAL CONTROL SYSTEMS

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

ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD

Nomination and Remuneration Committee of the Board had prepared and sent, through its Chairman, feedback forms for evaluation of the Board as a whole, Independent Directors and individual Director including the Chairman. The Independent Directors at their Meeting considered and evaluated the Board's performance, performance of the Chairman and other Non-Independent Directors. The Board

subsequently evaluated performance of the Board as a whole, the Committees and Independent Directors; without participation of the concerned Director. Criteria for evaluation of performance of the Executive Directors and Non-Executive Directors are given in the Corporate Governance Report, annexed to the Annual Report.

DETAILS WITH RESPECT TO THE PROGRAMME FOR FAMILIARISATION OF INDEPENDENT DIRECTORS:

The Company had hold the familiarization programme for the Independent Directors of the Company and had familiarized the Independent Directors with their their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company. The details of the same are put up on the website of the Company at the link <http://www.nsil.net.in/annualreport.html>

RELATED PARTY TRANSACTIONS POLICY

All related party transactions entered by the Company during the financial year 2014-15 were in the ordinary course of business and on an arm's length basis.

The details of material related party transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements are furnished in **Annexure I** and forms part of this report.

As required under Clause 49 (VIII) of the Listing Agreement, the Company has formulated a Related Party Transactions Policy which is available on the website of the Company.

CODE OF CONDUCT

Pursuant to Clause 49 of the Listing Agreement, the declaration signed by the CEO affirming the compliance of Code of Conduct by the Directors and senior management personnel for the financial year ended 31st March, 2015 is annexed to and forms part of the Corporate Governance Report, appended to this Annual Report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirement as set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of this report.

The Certificate from the Ms. Jinal Dawda (Membership No. A20255, CP No. 9830), Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement and applicable provisions of the Companies Act forms part of this report.

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2015 have been marked as **Annexure IV**.

Since there are no permanent employees on the roll of the Company, the Company is not required to

disclose the details of employees pursuant to Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF LOANS GIVEN, GUARANTEES MADE AND SECURITIES PROVIDED

As per the provisions of Section 186(11) of the Companies Act, 2013, companies providing infrastructural facilities are exempted from providing details of loans made, guarantee given and securities provided and therefore the Company being engaged in the business of providing infrastructural facilities, the details of loans given, guarantee made and securities provided are not forming part of the Boards' Report.

PARTICULARS OF INVESTMENT MADE

During the financial year ended 31st March, 2015, the Company has not made any Investments.

HOLDING AND SUBSIDIARY COMPANY

The Company continues to be the subsidiary of Anantnath Constructions And Farms Pvt. Ltd., which in turn is the subsidiary of Lodha Developers Private Limited and the ultimate holding Company of the Company is Sambhavnath Infrabuild and Farms Private Limited.

During the financial year ended 31st March, 2015, the Company does not have any subsidiaries, joint venture and associates of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors hereby confirms that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the financial year ended on that date;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and been operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

| A | Conservation of Energy | |
|----------|--|---|
| a) | Energy conservation measures taken | <ul style="list-style-type: none"> (i) Use of variable frequency drives for all its elevators and air-conditioning equipment. (ii) Occupation sensor controlled lighting and air-conditioning through home automation in its projects. (iii) Extensive use of materials like fly ash, GGBS, etc. at all its projects resulting in saving of cement thus indirectly saving energy consumed in manufacturing of cement. (iv) At all its major projects electrical designs have been fine tuned to contain the voltage drop to less than 5%. (v) Use of energy efficient and insulated glasses in building facades of commercial buildings to reduce AC load. (vi) Use of low voltage PL lamps. |
| b) | Capital Investment on Energy Conservations Equipment | <ul style="list-style-type: none"> (i) Variable frequency drives for all its elevators and air-conditioning equipment. (ii) Sensor controlled lighting and air-conditioning through home automation. (iii) Solar water heaters and solar powered street lights. |
| c) | Steps taken for utilizing alternate source of energy | Same as Above |
| d) | Impact of measures for reduction of energy consumption | Reduction in overall maximum demand for the electricity in all its projects and consequent energy saving benefits to the residents. |
| e) | Environment protection | <ul style="list-style-type: none"> (i) Measures to achieve eco balance have been taken at the major sites of large developments by providing extensive green cover and creating water bodies by treating waste water and rain harvesting. (ii) Waste water equipment plants are installed at all major projects for treating waste water and utilising it for air-conditioning, watering of green spaces and flushing. (iii) Providing dust control systems for the concrete batching plant across its projects. (iv) Complete ban on use of mud bricks in construction and using light weight blocks which helps soil conservation and utilization of material like fly ash which otherwise would cause air pollution. (v) Minimise use of paper in its offices across all sites. (vi) Regulated water and power supply to labour camps across all sites. (vii) Plantation of large number of trees and providing extensive green cover creating water bodies to enhance the ecology and environment. |

| | | |
|----------|---|---|
| | | <p>(viii) Use of fly ash and other minerals in the construction to reduce cement consumption thus indirectly saving the energy used for manufacture of cement.</p> <p>(ix) State of the art electronic parking management system installed to accommodate and control the movement of large number of vehicles thus helping de-congestion of the roads in the area resulting in smooth and faster passing of traffic thereby reducing fuel consumption and pollution caused due to carbon monoxide by idle running of vehicles.</p> <p>(x) Use of crushed sand in the construction instead of natural sand thus helping environmental degradation as natural sand is normally dredged from the river beds.</p> <p>(xi) Crushing stones obtained from excavation at the construction site itself thus saving the transportation for disposal of stones as well as import of crush aggregate, saving both ways transportation and thus saving fuel.</p> |
| B | Technology Absorption | |
| 1. | Efforts, in brief, made towards technology absorption, adaptation and innovation | <p>(i) The Company has adopted latest state of the art systems for efficient electrical as well as environment air distribution in its high rise buildings and also in the area of waste water treatment, automation and surveillance.</p> <p>(ii) The Company has adopted new techniques such as the use of Automatic Climbing Formwork Systems, Drywalls and Post Tensioning Slabs and Beams in its various projects that in turn help in reduction of the energy consumed.</p> <p>(iii) Snagging Software ensures minimum usage and wastage of Paper.</p> <p>(iv) State of the art BMS system shall be installed to monitor optimum utilization of water treatment plants, timer control lighting, elevator movements, water supply and fire fighting systems in the building.</p> <p>(v) Building management system ensures optimum utilization of equipment thereby utilization of minimum energy and enhancing the service life of the equipment.</p> |
| 2. | Benefits derived as result of above efforts ,e.g., product improvement, cost reduction, product development, import substitution, etc | <p>With respect to PT Slabs and Beams</p> <ul style="list-style-type: none"> • Reduction in use of Concrete thus indirectly saving energy consumed in the manufacturing of concrete (RMC). • Cost Reduction as concrete, steel used is less in quantity. |
| 3. | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished a) Technology imported | Not applicable |

| | | |
|----|--|-----|
| | b) Year of import c) Has technology been fully absorbed? d) If not fully absorbed, areas where this has not taken place, reasons thereof | |
| 4. | The expenditure incurred on Research and Development | Nil |

Foreign exchange earnings and Outgo

During the financial year ended 31st March, 2015, the total foreign exchange used was Rs. 29,09,834/- and there was no foreign exchange earnings.

GENERAL

The Board of Directors of the Company states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No material changes and commitments which could affect the Company's financial position were occurred between the end of the financial year of the Company and date of this report.
5. No Significant or material orders were passed by the Regulators/Courts/Tribunals which impact the going concern status and Company's operations in future.

During the financial year 2014-15, there is no change in the nature of the business of the Company.

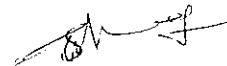
ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and support extended by all stakeholders.

For and on behalf of the Board of Directors
National Standard (India) Limited



Deepak Chitnis
Director
DIN: 06711033



Smita Ghag
Director
DIN: 02447362

Date: 14th August, 2015
Place: Mumbai

ANNEXURE I

FORM AOC -2

Particulars of material contracts or arrangement or transactions at arm's length basis

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

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangement or transactions entered into during the financial year ended 31st March, 2015, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

| Name(s) of the related party and nature of relationship | Nature of contracts/arrangements/transactions | Duration of the contracts / arrangements / Transactions | Value Rs. (in Lakhs) | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions: | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|---|----------------------|---|---|--|---------------------------------|
| Jawala Real Estate Pvt. Ltd. | Loan given | Ongoing | 18,224.09/- | <ul style="list-style-type: none"> Receivable on demand Rate of Interest-Variable Unsecured Loan | The terms of the loan were in the best interest of the Company | * | Not applicable |
| Lodha Developers Pvt. Ltd. | Loan taken | Ongoing | 2,952.01/- | <ul style="list-style-type: none"> Repayable on demand Rate of Interest-Variable Unsecured Loan | | * | |

- * The Company has obtained approval of the Board of Directors at their Meeting held on 11th August, 2014. Further, pursuant to the requirements of Clause 49 of the Listing Agreement, the Company obtained the approval of shareholders by way of Special Resolution passed by the shareholders at their Meeting held on 17th September, 2014.

For and on behalf of the Board of Directors
National Standard (India) Limited



Deepak Chitnis
Director
DIN: 06711033



Smita Ghag
Director
DIN: 02447362

Date: 14th August, 2015
Place: Mumbai

ANNEXURE II

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES**Background & Objectives:**

Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013 ('the Act') requires the Nomination and Remuneration Committee to identify persons who are qualified to become Directors and who may be appointed in Senior Management and to formulate a Policy relating to the remuneration for the Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company and recommend the same for approval of the Board. Further Section 134 of the Act stipulates that the Board Report shall include a statement on Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director and remuneration for Key Managerial Personnel and other employees.

This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

Objective and Role of Committee:

- To attract, recruit and retain good and exceptional talent.
- To identify persons who are qualified to become Directors and who may be appointment in Senior Management in accordance with the criteria laid down in this Policy.
- To guide the Board in relation to appointment and removal of Directors.
- To evaluate the performance of the Members of the Board including Independent Directors.
- Formulation of criteria for evaluation of Independent Director and the Board.
- To determine criteria for payment of remuneration to Directors, Key Managerial Personnel, Senior Management and Employees.
- To recommend to the Board on remuneration payable to the Directors including Key Managerial Personnel, Senior Management and Employees, if required.
- To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a Policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Definitions:

"Act" means the Companies Act, 2013 and rules thereunder.

"Board of Directors" or "Board" means the Board of Directors of National Standard (India) Limited, as constituted from time to time.

"Company" means National Standard (India) Limited.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Director" means a director appointed to the Board of a Company.

"Independent Director" means an independent director referred to in sub-section (5) of Section 149 of the Companies Act, 2013.

"Policy" means Nomination and Remuneration Policy.

"Key Managerial Personnel" (KMP) means:

- a. Chief Executive Officer or the Managing Director or the Manager
- b. Whole-time Director
- c. Chief Financial Officer
- d. Company Secretary
- e. Such other officer as may be prescribed

"Senior Management Personnel" for this purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Director(s), including the functional/vertical heads.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Composition

- The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be independent.
- The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- Minimum two (2) members shall constitute a quorum for Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Chairman of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee

Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required.

Committee Member's Interest:

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives , as it considers appropriate, to be present at the meetings of the Committee.

Voting:

- Matters arising for determination at Committee meetings shall be decided by a majority of votes Members and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Appointment– Criteria Identification

- The Committee shall identify and ascertain the integrity, professional qualification, expertise and experience of the person, who is proposed to be appointed as a Director, KMP or at a Senior Management level and appropriate recommendation shall be made to the Board with respect to his/her appointment. However the Committee while identifying person, who is proposed to be appointed as a Director, KMP or at a Senior Management level, may identify and appoint the employees of the group companies.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment as KMP, Senior Management Personnel of the Company. The Committee, on the recommendation of Human Resource Department (HR Department), if required, shall have the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- Appointment of Independent Directors shall be subject to the provisions of Section 149 of the Act read with schedule IV and rules made thereunder. Before appointment as Independent Director, the Committee shall satisfy itself that the proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act.
- Appointment of Directors on the Board of a Company shall be subject to the recommendation made by the Committee. However, the decision of the Board with respect to appointment of a Director shall be final.
- Appointment of Managing Director and Whole-time Director shall be subject to provisions of Sections 196, 197, 198 and 203 of the Act read with Schedule V and rules made there under. The Committee shall ensure that a person shall not occupy position as a Managing Director/Whole-time Director beyond the age of seventy years, unless his appointment is approved by a special resolution passed by the Company in general meeting. No re-appointment shall be made earlier than one year before the expiry of term.
- No person shall be eligible to be appointed as a Director, if he/she is subject to any disqualifications as stipulated under the Companies Act, 2013 or any other law(s) for the time being in force.

Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance

of the said Act, rules and regulations.

Retirement:

The Director, KMP or Senior Management Personnel, shall retire as per the applicable provisions of the Act and the prevailing Policy of the Company, if any. The Board will have the discretion to retain the Director in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

Evaluation:**A) Independent Directors/Non-Executive Directors**

The Committee shall carry out evaluation of performance of Independent Directors/Non-Executive Directors every year ending 31st March. In case, if a Director is a member of the Committee, he/she shall abstain himself/herself from participation, when he/she is being evaluated.

As a part of evaluation, the Committee shall determine the following criteria:

- Membership & attendance - Committee and Board Meetings
- Contribution during such meetings
- Willingness to spend time and effort learning about the Company and its business
- Active participation in strategic decision making
- Inputs to executive management on matters of strategic importance
- Individual Performance and Contribution
- Such other matters, as the Committee/Board may determine from time to time.

B) Executive Directors

The Committee shall carry out evaluation of performance of Executive Directors every year ending 31st March. In case, if a Director is a member of the Committee, he/she shall abstain himself/herself from participation, when he/she is being evaluated. The evaluation shall be on the basis of Key Performance Indicators (KPI), which would be identified based on a) their commitment to achieve Company's goals and alignment with the strategic direction, b) their decision making ability, and c) their ability and actions to safeguard the interest of shareholders of the Company and weights assigned for each measure of performance keeping in view the distinct roles of each Executive Director. The identified KPI for Executive Directors shall be approved by the Board, pursuant to recommendation of the Committee, if required.

C) Key Managerial Personnel /Senior Management/ Employees

The HR Department shall assign the responsibility of carrying out the evaluation of the aforementioned persons every year ending March 31st, to the concerned department heads. KPI are identified well in advance at the commencement of the financial year. Performance benchmarks shall be set and evaluation of employees would be done by the respective reporting manager(s)/Management to determine whether the performance benchmarks are achieved. The

payment of remuneration/annual increment to the aforementioned persons shall be determined after the satisfactory completion of Evaluation process.

The objective of carrying out the evaluation by the Company is to identify and reward those with exceptional performances during any financial year. Additional Training and Development Orientation programs on need basis shall be provided to employees, whose performance during any financial year do not meet the benchmark criteria.

Further, the performance of the Committees formed by the Board will be evaluated based on the terms of reference assigned to the respective Committees.

Matters relating to remuneration, perquisites for Directors, KMP/Senior Management Personnel & Employees:

Clause 49 of the Listing Agreement and Section 178 of the Act, emphatically specify that the Committee, while formulating the Policy shall ensure the following:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

In the Company, the remuneration structure for Executive Directors/Senior Management & Employees comprises of :

- a) A **fixed base salary**, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- b) **Performance Bonus**, based on achieving the minimum KPI predefined at the commencement of the financial year.
- c) **Retirement benefits** including PF, gratuity, etc.
- d) **Such other emolument(s)** as the HR department may after consultation with the Management determine from time to time.

Criteria for Remuneration:

1) KMP/Senior Management/other employees

Upon the satisfactory completion of Evaluation process and after taking into consideration the performance appraisal of the concerned employee(s) and also taking into consideration the profitability/performance of the Company, salary increments/performance bonus would be decided by the concerned Department Head(s)/Management, as the case may be. The increments/performance bonus declared shall be solely as per Company Policy.

Determination of remuneration/performance bonus for KMP /Senior Management/other employees, so far as there are no regulatory requirements, need not be recommended/approved by the Committee/Board. The concerned Department Head(s)/Management on the recommendation of the HR department shall have the discretion to determine the quantum of remuneration to be payable to KMP/Senior Management and other employees, as the case may be. Regulatory compliance, if any, needs to be complied appropriately before determining/approving remuneration.

2) Executive Director(s) (EDs)

The remuneration/compensation, etc., to Executive Directors (EDs) of the Company during any financial year shall be determined on the basis of they achieving the Key Performance Indicators (KPIs) as is set on them at the commencement of every financial year. The remuneration/compensation shall be determined by the Committee after considering the KPI achieved by EDs. The Committee may consider the recommendation of HR department while determining the remuneration to be paid to EDs.

The remuneration payable to EDs and Whole-time Directors shall be subject to the provisions of Section 197 and 198 of the Companies Act, 2013 or which may be mutually agreed.

3) Non-Executive Director/Independent Director

The Non-executive / Independent Directors (NEDs) of the Company may be paid sitting fees as per the applicable Regulations. Any revision in the quantum of sitting fees shall be subject to approval of Board of Directors of the Company. Further the travelling, boarding and lodging expenses, if any, shall be reimbursed to the Directors based out of Mumbai.

The profit-linked Commission may be paid within the monetary limit approved by the shareholders of the Company and subject to compliance with the provisions of Companies Act, 2013, if any. The aforesaid Commission shall be paid, subject to NEDs, satisfying the criteria approved by the Board for receiving remuneration.

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option (ESOPs) of the Company.

Where any insurance is taken by the Company on behalf of its KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Amendments to the Policy:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s),

clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

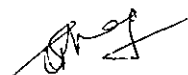
ANNEXURE III

REPORT ON CSR ACTIVITIES/ INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

| Sr. No. | Particulars | Details | |
|---------|--|---|---|
| 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 and programs | <p>The Policy emphasizes initiatives in specific areas of social development that would include primary and secondary education, skills development, vocational training, health and hygiene, preventive health care and sanitation, women empowerment, environment and ecological protection, character building by providing training opportunities in sports and cultural activities etc.</p> <p>The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the Company's website at the web-link : http://www.lodhagroup.com/corporate/social_initiatives/CSR_Policy.htm</p> | |
| 2. | Composition of the CSR Committee | Ms. Smita Ghag | Chairman of the Committee |
| | | Mr. Deepak Chitnis | Member of the Committee |
| | | Mr. Sagar Gawde | Member of the Committee (upto 30 th July, 2015) |
| | | Mr. Santosh Kumar Ohja | Member of the Committee (w.e.f 14 th August 2015). |
| 3. | Average Net Profit of the Company for last three financial years | Rs. 40,04,68,333/- | |
| 4. | Prescribed CSR Expenditure (two percent of the amount as per item 3 above) | Rs. 80,09,367/- | |
| 5. | Details of CSR spent during the financial year; a. Total amount spent for the financial year b. Amount unspent, if any c. Manner in which the | <p>NIL</p> <p>Rs. 80,09,367/-</p> <p>N.A.</p> | |

| | | |
|----|---|---|
| | amount spent during the financial year is detailed below: | |
| 6. | In case the Company has failed to spend the two percent 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. | The real estate market had been going through a sluggish phase due to the uncertain economic conditions prevalent in the Country for the last few years. The Company has one land parcel wherein the construction of projects is in the completion stage and it might explore new areas for real estate development for which it requires funds. The Company understands its responsibility and will contribute towards CSR initiatives in the coming years as per the policy adopted by the Company. |

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



Ms. Smita Ghag
Chairman of CSR Committee
DIN: 02447362



Mr. Deepak Chitnis
Director
DIN: 06711033

ANNEXURE IV

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 are given as under:

| Sr. No | Name of Director/ KMP and Designation | Remuneration of Director/KMP for financial year 2014-15 (Amount in Rs.) | % increase in remuneration in the financial year 2014-15 | Ratio of remuneration of each Director to the median remuneration of employees |
|--------|---|---|--|--|
| 1. | Ramesh Chechani* Chief Financial Officer | 63,48,126/- | Not Applicable [#] | Not Applicable ^{##} |
| 2. | Abhijeet Shinde* Company Secretary | 6,08,737/- | Not Applicable [#] | Not Applicable ^{##} |

* Mr. Ramesh Chechani and Mr. Abhijeet Shinde are not on the payroll of the Company and are deputed by Lodha Developers Private Limited, holding Company. Their remuneration is being reimbursed by the Company to the said holding company.

[#] The Company has not paid / reimbursed any remuneration to the Key Managerial Personnel during the last financial year. Hence, the disclosure pertaining to the above is not applicable.

^{##} Since there were no employees on the rolls of the Company during the year under review, the criteria for increase in remuneration ratio of remuneration of each director to the median remuneration of employees are not applicable.

- (ii) There are no permanent employees on the rolls of Company and hence, the percentage increase in the median remuneration of employees of the Company & relationship between average increase in remuneration and Company's performance during the financial year ended 31st March, 2015 is not applicable;

- (iii) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the company:

| Sr. No | Name of Director/ KMP and Designation | Comparison of the remuneration of the each KMP against the performance of the Company | Comparison of the remuneration of the KMP against the performance of the Company |
|--------|---|--|---|
| 1. | Ramesh Chechani* Chief Financial Officer | Remuneration paid forms 0.95% of the total net profit before tax in the financial year 2014-15 | Total remuneration paid forms 1.04% of the total net profit before tax in the financial year 2014-15. |
| 2. | Abhijeet Shinde* Company Secretary | Remuneration paid forms 0.09% of the total net profit before tax in the financial year 2014-15 | |

* Mr. Ramesh Chechani and Mr. Abhijeet Shinde are not on the payroll of the company and are deputed by Lodha Developers Private Limited, holding Company. Their remuneration is being reimbursed by the Company to its holding company.

- (iv) a) As the trading in shares of the Company is suspended since 3rd February 2003, variations in the market capitalisation and price earnings ratio of the Company cannot be ascertained and hence the same is not disclosed.
- b) Percentage increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer – The Company was incorporated on 20th August, 1962. However, the rate at which the company came out with the last public offer is not available with the present management of the Company as the same was acquired by the present management in the financial year 2011-2012. Presently, the Company is suspended from trading and as per records available on the website of BSE limited, the last trading price was Rs. 17.55 on 3rd February, 2003. However, the networth of the Company as at the close of the current financial year is Rs. 7,570.85 lakhs and was Rs. 3,332.95 lakhs as on the last financial year.
- (v) Since the Company has not paid any remuneration to any of its managerial personnel either in previous financial year or in current financial year, the point pertaining to average percentage increase / decrease in the salaries of employees other than the managerial personnel is not applicable.
- (vi) The key parameters for the variable component of remuneration availed by the directors is not applicable as none of the Directors draw any remuneration from the Company.
- (vii) 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 – Not applicable; and
- (viii) It is hereby confirmed that the remuneration / reimbursement is as per the Remuneration Policy for Directors, Key managerial Personnel and other employees.

- (ix) Since there are no permanent employees on the rolls of the Company, the Company is not required to disclose the details of employees pursuant to Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ANNEXURE V

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015
of

National Standard (India) Limited

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | | |
|------|--|---|---|
| i) | CIN | : | L27109MH1962PLC265959 |
| ii) | Registration Date | : | 20-Aug-1962 |
| iii) | Name of the Company | : | National Standard (India) Limited |
| iv) | Category of the Company | : | Company limited by shares |
| | Sub-Category of the Company | : | Indian Non-Government Company |
| v) | Address of the Registered Office and contact details | : | 412, Floor - 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001 Telephone No. : +9122-23024400 Fax No. : +9122-23024550 Website: www.nsil.net Email: Investors.NSIL@lodhagroup.com |
| vi) | Whether listed company | : | Yes |
| vii) | Name, Address and contact details of Registrar & Transfer Agents (RTA), if any | : | C B Management Services (P) Limited P-22, Bondel Road, Kolkata- 700019 Telephone No.: +9133-4011 6700/2280 6692/2282 Fax no. +9133-22870263 E-mail: rta@cbmsl.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1. | Development of real estate | 410 | 91.28% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

| Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/Associate | % of shares held | Applicable Section |
|---|---------------------------|----------------------------------|------------------------|-----------------------|
| Anantnath Constructions and Farms Pvt Ltd Address: 412, Floor - 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400 001 | U45400MH2007PT C173512 | Holding Company | 73.94% | 2(46) |

The Company does not have any subsidiary or associate companies

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

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year 1 st April, 2014 | | | | No. of Shares held at the end of the year 31 st March, 2015 | | | | % Chang during the year |
|--|--|----------|----------|-------------------------|---|----------|----------|-------------------------|----------------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| (a) Individual/HUF | - | - | - | - | - | - | - | - | - |
| (b) Central Govt | - | - | - | - | - | - | - | - | - |
| (c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| (d) Bodies Corp. | - | 14788099 | 14788099 | 73.94 | - | 14788099 | 14788099 | 73.94 | - |
| (e) Banks / FI | - | - | - | - | - | - | - | - | - |
| (f) Others | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (1):- | - | 14788099 | 14788099 | 73.94 | - | 14788099 | 14788099 | 73.94 | - |
| (2) Foreign | - | - | - | - | - | - | - | - | - |
| (a) NRIs -Individuals | - | - | - | - | - | - | - | - | - |
| (b) Other- Individuals | - | - | - | - | - | - | - | - | - |
| (c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| (d) Banks / FI | - | - | - | - | - | - | - | - | - |
| (e) Any Others | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2):- | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2) | - | 14788099 | 14788099 | 73.94 | - | 14788099 | 14788099 | 73.94 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |

| | | | | | | | | | |
|--|---|---------|---------|-------|----|---------|---------|-------|----------|
| (a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| (b) Banks / FI | - | 90 | 90 | 0 | - | 90 | 90 | 0 | - |
| (c) Central Govt | - | - | - | - | - | - | - | - | - |
| (d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| (e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| (f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| (g) FII's | - | - | - | - | - | - | - | - | - |
| (h) Foreign Venture Capital | - | - | - | - | - | - | - | - | - |
| (i) Other (specify) | - | - | - | - | - | - | - | - | - |
| (j) Foreign Financial Institutional | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | - | 90 | 90 | 0 | - | 90 | 90 | 0 | - |
| 2. Non-Institutions | | | | | | | | | |
| (a) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| (i) Indian | - | 998996 | 998996 | 5 | - | 998996 | 998996 | 5 | - |
| (ii) Overseas | - | - | - | - | - | - | - | - | - |
| (b) Individuals | | - | - | - | - | - | - | - | - |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | | 59729 | 59729 | 0.30 | 91 | 67706 | 67797 | 0.34 | 0.04% |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | | 4152822 | 4152822 | 20.76 | - | 4144754 | 4144754 | 20.72 | (0.04) % |
| (c) Others (specify) | | | | | | | | | |
| 1. NRI | - | 232 | 232 | 0 | | 232 | 232 | 0 | - |
| 2. Foreign National | - | 32 | 32 | 0 | | 32 | 32 | 0 | - |
| 3. Clearing Member | - | - | - | - | - | - | - | - | - |
| 4. OCB | - | - | - | - | - | - | - | - | - |
| 5. Trust | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | |
|--|---|----------|----------|-------|----|----------|----------|-------|---|
| 6. Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - |
| 7. Foreign Body Corporate | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | | 5211811 | 5211811 | 26.06 | 91 | 5211720 | 5211811 | 26.06 | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | | 5211901 | 5211901 | 26.06 | 91 | 5211810 | 5211901 | 26.06 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | - | 20000000 | 20000000 | 100 | 91 | 19999909 | 20000000 | 100 | - |

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year 1 st April, 2014 | | | Share holding at the end of the year 31 st March, 2015 | | | % change In share holding during the year |
|--------|--|--|--|--|--|--|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbe d to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbe d to total shares | |
| 1. | Anantnath Constructions And Farms Private Limited | 14788099 | 73.94 | 0 | 14788099 | 73.94 | 0 | - |

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

| Sl. No. | Particulars | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|------------|---|----------------------------------|---|----------------------------------|
| | | Date | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 01-04-2014 | 14788099 | 73.94 | 14788099 | 73.94 |
| | Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | No change in Shareholding during the year | | | |
| | At the end of the year | 31-03-2015 | | | 14788099 | 73.94 |

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

| Sl. No. | For Each of the Top 10 Shareholders | Date | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---------|-------------------------------------|------------|---|----------------------------------|---|----------------------------------|
| | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Gurpreet Kaur Shinh | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 1314118 | 6.57 | 1314118 | 6.57 |
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 1314118 | 6.57 |
| 2 | Niharika Realtors Private Limited | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 990501 | 4.95 | 990501 | 4.95 |
| | b)Changes during the year | | | | | |
| | i) Date and Reason | 15-08-2014 | 15 | 0.00 | 990486 | 4.95 |
| | | Sale | | | | |
| | c)At the end of the year | 31-03-2015 | | | 990486 | 4.95 |
| 3 | Ramnika Singh | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 507611 | 2.54 | 507611 | 2.54 |
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 507611 | 2.54 |
| 4 | Narinder Pal Singh | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 248567 | 1.24 | 248567 | 1.24 |
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 248567 | 1.24 |
| 5 | Manita Shinh | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 122500 | 0.61 | 122500 | 0.61 |

| | | | | | | |
|---|---|------------|--------|------|--------|------|
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 122500 | 0.61 |
| 6 | Amrita Shinh | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 122500 | 0.61 | 122500 | 0.61 |
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 122500 | 0.61 |
| 7 | Mangala Ananthanarayanan | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 120000 | 0.60 | 120000 | 0.60 |
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 120000 | 0.60 |
| 8 | Arundhati Maya Subramoney –U/G Mangala Ananthanarayanan | | | | | |
| | a)At the beginning of the year | 01-04-2014 | 50000 | 0.25 | 50000 | 0.25 |
| | b)Changes during the year | NIL | | | | |
| | c)At the end of the year | 31-03-2015 | | | 50000 | 0.25 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No | For Each of the Directors and KMP | Designation | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|-------------|---|----------------------------------|---|----------------------------------|
| | | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Narinder Pal Singh | Director | | | | |
| | a)At the beginning of the year | 01-04-2014 | 2250180* | 11.25% | 2250180* | 11.25% |
| | b)Changes during the year | | NIL | | NIL | |
| | c)At the end of the year | 31-03-2015 | | | 2250180* | |
| 2 | Ananthanarayanan Ariyanayakupuram Lakshminarayanan | Director | | | | |
| | a)At the beginning of the year | 01-04-2014 | 887896* | 4.44% | 887896* | 4.44% |
| | b)Changes during the year | | NIL | | NIL | |
| | c)At the end of the year | 31-03-2015 | | | 887896* | |

* Includes Shares held jointly.

V. INDEBTEDNESS

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

(Amount in Rs.)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 94,70,35,601 | - | - | 94,70,35,601 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during | | | | |

| the financial year | | | | |
|--|----------------------|---------------------|----------|----------------------|
| • Addition | 1000,000,000 | 29,72,01,073 | - | 129,72,01,073 |
| • Reduction | (57,02,38,224) | (17,76,14,334) | - | (747852558) |
| Net Change | (42,97,61776) | 11,95,86,739 | - | 549348515 |
| Indebtedness at the end of the financial year | 137,67,97,377 | - | - | 137,67,97,377 |
| i) Principal Amount | - | 11,95,86,739 | - | 11,95,86,739 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 28,83,629 | - | 28,83,629 |
| Total (i+ii+iii) | 137,67,97,377 | 12,24,70,368 | - | 149,92,67,745 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sl. No | Particulars of Remuneration | Name of the Directors | | | | | | Total Amount |
|--------|---|-----------------------|--|-----|--|--|--|--------------|
| 1. | Gross salary | | | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | NIL | | | | |
| | (c) Profits in lieu of salary under | | | | | | | |
| 2. | Stock Option | | | | | | | |
| 3. | Sweat Equity | | | | | | | |

| | | | | | | | | | |
|----|--|--|--|-----|--|--|--|--|--|
| 4. | . Commission - as % of profit - others, specify... | | | | | | | | |
| 5. | Others, please specify | | | NIL | | | | | |
| | Total (A) | | | | | | | | |
| | Ceiling as per the Act | | | | | | | | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|-------------------|-----|--|--|--------------|
| | 1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify | | | | | |
| | Total (1) | | | | | |
| | 2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify | | NIL | | | |
| | Total (2) | | | | | |
| | Total (B)=(1+2) | | | | | |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD
(Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|-------------------|-------------------------|--------------|
| | | CEO | Company Secretary | Chief Financial Officer | Total Amount |
| 1 | Gross salary* | NA | 6,08,737 | 63,48,126 | 69,56,863 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NA | NIL | NIL | NIL |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NA | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | NA | NIL | NIL | NIL |
| 2 | Stock Option | NA | NIL | NIL | NIL |
| 3 | Sweat Equity | NA | NIL | NIL | NIL |
| 4 | Commission - as % of profit - others, specify... | NA | NA | NA | NA |
| 5 | Others, please specify | NA | NA | NA | NA |
| | Total | NA | 6,08,737 | 63,48,126 | 69,56,863 |

* Mr. Ramesh Chechani, Chief Financial Officer and Mr. Abhijeet Shinde, Company Secretary are not on the payroll of the Company and are deputed by Lodha Developers Private Limited, Holding Company. Their remuneration is being reimbursed by the Company to Lodha Developers Private Limited.

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 | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

ANNEXURE VI

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED: 31.03.2015

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

To,
The Members,
NATIONAL STANDARD (INDIA) LIMITED
412, Shah & Nahar Industrial Estate,
Dr. E. S. Mosses Road. Worli,
Mumbai – 400018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National Standard (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2015 (the 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. - **There was no Foreign Direct Investment (FDI), Overseas Direct Investment (ODI), External Commercial Borrowing (ECB).**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period);**

- 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 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014 - (**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**);
6. The other laws applicable to the Company, as per the representations made by the Management of the Company:

I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Ltd.

I have not examined compliance by the Company with

- (a) the Secretarial Standards issued by the Institute of Company Secretaries of India as they had not been notified by the Central Government upto March 31, 2015.
- (b) applicable financial laws, like direct and indirect tax laws, accounting laws since the same have been subject to review by statutory financial audit and other designated professionals.

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

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per provisions of the Act, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate

with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Mumbai
Date: 14th August, 2014

Sd/-
Jinal Dawda
Practicing Company Secretary
Membership No : A20255
Certificate of Practice: 9830

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

'Annexure A'

To,
The Members
NATIONAL STANDARD (INDIA) LIMITED
412 Shah & Nahar Industrial Estate,
Dr. E. S. Mosses Road. Worli,
Mumbai – 400018

My report of even date is to be read along with this letter:

1. Maintenance of the Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I follow, provide a responsible basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Mumbai
Date: 14th August, 2014

Sd/-
Jinal Dawda
Practicing Company Secretary
Membership No: A20255
Certificate of Practice: 9830

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance

The Company's philosophy on Corporate Governance envisages transparency, accountability and equity for its operations, and for interactions with its stakeholders.

2. Board of Directors – Composition and Particulars of Directors

Composition of the Board

As on 31st March, 2015, the Board of Directors of the Company ("the Board") comprised of 6 (six) Non- Executive Directors, out of which 2 (two) were Independent directors and 4 (four) Non-Executive Director including 1 (one) women Director.

Board Meeting and Annual General Meeting

During the financial year ended 31st March, 2015, 11 (Eleven) Board Meetings were held on 24th April, 2014, 18th July, 2014 11th August, 2014, 24th September, 2014, 30th September, 2014, 20th October, 2014, 7th November, 2014, 8th January, 2015, 28th January, 2015, 23rd February, 2015 and 18th March, 2015. The previous Annual General Meeting of the Company was held on 17th September, 2014.

| Sr. No | Name of Director(s) | Category | No. of Board meetings held during the year: 11 | Attendance in last AGM | As on 31st March 2015 | | |
|--------|--|---|--|------------------------|--|--|---|
| | | | Attended | | Directorship in other companies ² | Membership and Chairmanship of the committees of the Board of other companies ³ | |
| 1. | Sagar Gawde ¹ (DIN: 02082205) | Independent Director & Chairman (upto 30.07.2015) | 11 | Yes | 18 | 1 | - |
| 2. | Santosh Kumar Ojha (DIN: 02494357) | Independent Director | 11 | Yes | 5 | 1 | 2 |
| 3. | Ananthanarayanan Lakshminarayanan (DIN: 00495490) | Non-Executive Director | 1 | No | 5 | - | 1 |

| | | | | | | | |
|----|---------------------------------------|---|----|----|----|---|---|
| 4. | Narinder Pal Shinh (DIN: 00023160) | Non-Executive Director | 1 | No | 14 | - | 3 |
| 5. | Deepak Chitnis (DIN: 06711033) | Non-Executive Director & Chairman (w.e.f 14.08.2015) | 10 | No | 1 | - | - |
| 6. | Smita Ghag (DIN:02447362) | Non-Executive Director | 10 | No | 7 | - | - |

¹ Mr. Sagar Gawde resigned from the Board w.e.f 30th July 2015 as the Chairman and Independent Director. In view of his resignation, Mr. Deepak Chitnis was appointed as the Chairman of the Company. Further, in absence of Mr. Sagar Gawde, an Independent Director, the Company is in process of strengthening its Board as per the provisions of Clause 49 of the Listing Agreement and the Companies Act, 2013.

² Excludes directorship in NSIL. None of the Directors hold directorship in more than 20 companies including 10 public companies and private companies that are either holding or subsidiary company of a public company. Also, none of the Independent Director serves as an Independent Director in more than 7 (seven) listed companies.

³ For the purpose of considering the limit of Committee memberships and chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of public limited companies have been considered

The Directors of the Company are not related to each other. As required under clause 49 VIII (E) (1), particulars of Directors seeking re-appointment has been annexed to the Notice of Annual General Meeting.

3. Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Management in accordance with the provisions of Clause 49 of the Listing Agreement entered into with the stock exchanges. All the members of the Board and the Senior Management have affirmed compliance with the Code of Conduct as on 31st March, 2015 and a declaration to that effect signed by the Chief Executive Officer of the Company is enclosed and forms a part of this report.

4. Committees of the Board:

A. Audit Committee

Terms of reference of Audit Committee are wide enough covering all the matters specified for Audit Committee under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

(i) Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

- 1) To investigate any activity within its terms of reference.
- 2) To seek information from any employee.

- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

(ii) **Composition, meetings and attendance**

6 (Six) Meetings of the Audit Committee were held during the financial year under review i.e. 24th April, 2014, 11th August, 2014, 24th September, 2014, 30th September, 2014, 7th November, 2014, and 28th January, 2015 respectively. The composition of the Audit Committee as on date of the report and attendance during financial year 2014-15 is given below:

| Sr. No. | Name of the member | Designation | Category | No. of meetings attended |
|---------|---------------------------------|------------------------|-------------------|--------------------------|
| 1. | Sagar Gawde ¹ | Independent Director | Member & Chairman | 6 |
| 2. | Santosh Kumar Ohja ² | Independent Director | Member & Chairman | - |
| 3. | Mangesh Puranik ³ | Non-Executive Director | Member | 1 |
| 4. | Smita Ghag ³ | Non-Executive Director | Member | 5 |
| 5. | Deepak Chitnis ⁴ | Non-Executive Director | Member | - |

¹ Mr. Sagar Gawde resigned as the Director of the Company w.e.f 30th July 2015 and consequently ceased to be the Member and Chairman of the Committee.

² Mr. Santosh Kumar Ohja was appointed as the Chairman in place of Mr. Sagar Gawde w.e.f 14th August, 2015.

³ Mr. Mangesh Puranik, member of the Committee, resigned as the Director w.e.f. 24th April, 2014 and consequently ceased to be the member of the committee. In view of his resignation, the Committee was reconstituted by the Board and Ms. Smita Ghag was inducted as the member of the Committee on 24th April, 2014.

⁴ The Committee was reconstituted by the Board and Mr. Deepak Chitnis was inducted as the member of the Committee on 14th August, 2015. The Board is in process to fill up the vacancy and reconstitute as per Clause 49 of the Listing Agreement. Till the time Independent Director is appointed to fill up the casual vacancy caused by the said resignation, quorum will be two Director out of which one shall be an Independent Director.

All the members of Audit Committee are financially literate.

The Company Secretary acts as the secretary to the Committee.

The Manager and the Chief Financial Officer were the permanent invitees to the Audit Committee. The Statutory Auditors, the Internal Auditors and Executives of the Company are also invited to the Audit Committee Meetings, whenever required.

B. Nomination and Remuneration Committee:**(i) Composition, meetings and attendance**

The Meetings of the Nomination and Remuneration Committee was held during the financial year under review i.e. on 24th April, 2014 and 8th January 2015. The composition and attendance of the Nomination and Remuneration Committee is given as under:

| Sr. No. | Name of the member | Designation | Category | No. of meetings attended |
|---------|-----------------------------|------------------------|----------|--------------------------|
| 1. | Santosh Kumar Ojha | Independent Director | Chairman | 2 |
| 2. | Sagar Gawde ¹ | Independent Director | Member | 2 |
| 3. | Smita Ghag | Non-Executive Director | Member | 2 |
| 4. | Deepak Chitnis ¹ | Non-Executive Director | Member | - |

- ¹ Mr. Sagar Gawde resigned as the Director of the Company w.e.f 30th July, 2015 and consequently ceased to be the member of the committee. In view his resignation, the committee was reconstituted by the Board and Mr. Deepak Chitnis was inducted as the member of the Committee on 14th August, 2015. The Board is in process to fill up the vacancy and reconstitute the Committee to fulfil the criteria of composition of Committee as per Clause 49 of the Listing Agreement. Till the time an Independent Director is appointed to fill up the casual vacancy caused by the said resignation, quorum will be two Director out of which one shall be an Independent Director

(ii) Terms of Reference of the Committee, inter alia, includes the following:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees, if required ;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in the Nomination and Remuneration Committee Policy and recommend to the Board their appointment and removal of Directors and Senior Management and shall carry out evaluation of every Director's performance;
- To devise a policy on Board diversity;
- To formulate criteria for evaluation of Independent Director and the Board;
- To ensure that remuneration to Director, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal;
- To ensure that the level and composition of remunerations is reasonable and sufficient, To attract, recruit and retain and motivate the Directors of the quality required to run the Company successfully;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- To perform such other functions as may be necessary or appropriate for the performance of its duties;

(iii) Nomination and Remuneration Policy

The Company's Nomination and Remuneration policy is driven by success and performance of the individual employee/Executive Directors.

No remuneration/ sitting fees was paid to any director during the financial year ended 31st March, 2015.

Further, there are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any of ESOPs to its Non-Executive Directors.

As on 31st March, 2015, Mr. Narinder Pal Singh and Mr. Anantnarayanan Lakshminarayanan holds 22,50,180 and 8,87,896 equity shares respectively. Apart from them, none of the Directors have any shareholding in the Company.

Nomination and Remuneration Committee of the Board had prepared and sent, through its Chairman, feedback forms for evaluation of the Board, Independent Directors and the Chairman. The Independent Directors at their Meeting considered and evaluated the Board's performance, performance of the Chairman and other Non-Independent Directors. The Board subsequently evaluated performance of the Board as a whole, the Committees of the Board and Independent Directors; without participation of the concerned Director.

C. Stakeholders Relationship Committee

Pursuant to provisions of Section 178 of the Companies Act, 2013 the nomenclature of Shareholders' / Investors' Grievance Committee was changed to Stakeholders Relationship Committee by Board of Directors of the Company at its Meeting held on 24th April, 2014.

(i) Scope of the Stakeholders Relationship Committee:

The Stakeholders Relationship Committee inter-alia deals with various matters relating to redressal of shareholders and investors complaints like delay in transfer/ transmission of shares, non-receipt of balance sheet, non-receipt of dividends etc. and also recommends measures to improve the performance of investor services.

(ii) Composition, meetings and attendance:

The Stakeholders Relationship Committee consists of following two Independent Directors as on 31st March, 2015 and an attendance of the members during the financial year 2014-15 is noted as under:

The Stakeholders Relationship Committee members met 4 (four) times during the financial year i.e. on 24th April, 2014, 11th August, 2014, 7th November, 2014 and 28th January, 2015 to review and redress the investor complaints.

| Name of Member(s) | Chairman/ Member | Category | Number of meetings held | Number of meetings attended |
|--------------------------|-------------------------|-------------------------------|----------------------------|-----------------------------------|
| Sagar Gawde ¹ | Chairman | Independent Director | 4 | 4 |
| Santosh Kumar Ojha | Member | Independent Director | 4 | 4 |
| Smita Ghag ¹ | Chairperson & Member | Non- Executive Director | - | - |

¹ Mr. Sagar Gawde resigned as the Director of the Company w.e.f 30th July, 2015 and consequently ceased to be the member & Chairman of the committee. In view his resignation, the committee was reconstituted by the Board and Ms. Smita Ghag was inducted as the member & the Chairperson of the Committee on 14th August, 2015.

Compliance officer

Mr. Abhijeet Shinde is the Company Secretary and Compliance officer of the Company for complying with the requirements of Securities Laws and the Listing Agreement with the stock exchanges in India.

Investor Grievance Redressal

The number of complaints received and resolved during the financial year 2014-15 and their break-up are as under:

| Received from | Pending as on 01.04.2014 | Received during 2014-15 | Redressed during 2014-15 | Pending as on 31.03.2015 |
|--------------------------|-----------------------------|----------------------------|-----------------------------|-----------------------------|
| Direct from investors | Nil | Nil | Nil | Nil |
| BSE | Nil | Nil | Nil | Nil |
| CSE | Nil | Nil | Nil | Nil |
| SEBI | Nil | Nil | Nil | Nil |

Pursuant to Clause 5A.I. (g) of the Listing Agreement entered into between the Company and stock exchanges, none of the shares are lying in the suspense account.

D. Corporate Social Responsibility Committee:

- (i) The Corporate Social Responsibility Committee (CSR) was formed by the Board of Directors of the Company on 24th April, 2014 with the following composition:

| Sr. No. | Name | Category | Designation |
|---------|-------------------------------------|------------------------|-------------|
| 1. | Ms. Smita Ghag | Non Executive Director | Chairperson |
| 2. | Mr. Deepak Chitnis | Non Executive Director | Member |
| 3 | Mr. Sagar Gawde ¹ | Independent Director | Member |
| 4 | Mr. Santosh Kumar Ohja ¹ | Independent Director | Member |

¹ Mr. Sagar Gawde, the member of Committee, resigned as Director w.e.f. 30th July, 2015 and consequently ceased to be a member and Mr. Santosh Kumar Ohja was inducted as member of the Committee on 14th August 2015.

The CSR Committee met on 18th July, 2014 and 18th March, 2015 during the financial year.

5. Meeting of Independent Directors:

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Clause 49 II (B)(6) of the Listing Agreement entered into with the stock exchanges, the Meeting of Independent Directors of the Company was held on 18th March, 2015 inter-alia to review the performance of non-independent Directors and Board as a whole, the Chairperson of the Company and to assess the quality, quantity and flow of information between the Management and the Board.

6. Familiarisation programme

The Company had hold the familiarization programme for the Independent Directors of the Company and had familiarized the Independent Directors with their their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company. The details of the same are put up on the website of the Company at the link <http://www.nsil.net.in/annualreport.html>

7. General Body Meetings

(i) Details of previous three Annual General Meetings are as follows:

| Financial Year | Date | Venue | Time |
|----------------|------------|--|------------|
| 2013-14 | 17.09.2014 | Room No. 6, 4 th Floor, Commerce House, 2A, Ganesh Chandra Avenue, Kolkata 700013 | 1.00 P.M |
| 2012-13 | 27.09.2013 | Room No. 6, 4 th Floor, Commerce House, 2A, Ganesh Chandra Avenue, Kolkata 700013 | 12.00 Noon |
| 2011-12 | 27.09.2012 | Room No. 6, 4 th Floor, Commerce House, 2A, Ganesh Chandra Avenue, Kolkata 700013 | 12.00 Noon |

(ii) Special Resolutions passed at the last 3 Annual General Meetings

| AGM Date | Item No. | Particulars |
|------------|----------|--|
| 17.09.2014 | 8 | Authority to Board of Directors to borrow monies under Section 180(1)(c) of the Companies Act, 2013 upto Rs. 2500 Crore. |
| | 9 | Authority to Board of Directors for creation of Mortgage, charge, hypothecation, lien and other encumbrances |
| | 10 | Authority to Board of Directors to invest /acquire the securities of any body corporate or any other person by way of subscription/purchase or otherwise, upto a sum of Rs. 1000 Crores. |
| | 11 | Adoption of new Articles of Association of the Company |
| | 12 | To enter into contract or arrangement with the related parties |
| 27.09.2013 | - | - |
| 27.09.2012 | 7 | Alteration of Article of Association of the Company |

All the aforesaid resolutions were passed with requisite majority

Pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof, for the time being in force), no resolutions were passed during the financial year 2014-15 by way of postal ballot.

8. Disclosures**(i) Related Party Transactions**

During the financial year 2014-15, apart from the transactions reported in Notes to accounts, there were no related party transactions with the Promoters, Directors, Management, Subsidiaries and other Related Parties. None of the contracts/transactions with Related Parties had a potential conflict with the interest of the Company at large. The interest of Director, if any, in the transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. Details of transactions with related parties are placed before the Audit Committee on a quarterly basis. All transactions entered into between the Company and Related Parties were in ordinary course of business and at arm's length.

(ii) Compliances by the Company

The Company has complied with the requirements of the stock exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three financial years and no penalties, strictures have been imposed against it by such authorities during such period.

(iii) Transparency and Ethics Policy (TEP) - Whistle Blower Policy and access of personnel to the Audit Committee

The Company has established Transparency and Ethics Policy (TEP)-Whistle Blower Policy for Directors and employees to report genuine concerns, to deal with instances of fraud and mismanagement, if any, and to ensure a clean and transparent environment for conducting business and also to ensure adequate safeguards against victimisation of persons who use such mechanism.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Transparency and Ethics Policy is posted on the Company's website at <http://www.nsil.net.in/annualreport.html>

(iv) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements

The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement. As a part of the non-mandatory requirements, the Company has appointed Mr. Deepak Chitnis, Non-executive director as the Chairman and Mr. Mahesh Thakur, Chief executive officer (CEO) of the Company. Apart from this, the Company has not adopted any non-mandatory requirement of Corporate Governance during the financial year 2014-15.

(v) Web-site

The Company's Web-site <http://www.nsil.net> contains a special dedicated section 'Investor Relations' where the information pertaining to the financial results, shareholding pattern, press release, Corporate Governance, Annual Reports, listing information, etc. is available and can be downloaded.

(vi) Risk management

The Company has laid down procedures for risk assessment and its minimization. These are reviewed by the Board to ensure that the Management manages the risk through a properly defined framework.

(vii) CEO/CFO Certification

A Certificate signed by Mr. Mahesh Thakur (Chief Executive Officer) and Mr. Ramesh Chechani (Chief Financial Officer) was placed before the Board of Directors at its meeting held on 14th August, 2015 in compliance with Clause 49 (IX) of the Listing Agreement.

(viii) Compliance Certificate

Certificate conforming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, forms part of Annual Report.

(ix) Policy to prevent sexual harassment at the work place:

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by Law and by the Company. During the year under review, there was no complaint of any sexual harassment at work place.

9. Means of Communication:

- 1) The quarterly and annual financial results of the Company were published in Financial Express (all editions) and Duranto Barta (Kolkata) newspapers in compliance with the provisions of Clause 41 of the Listing Agreement. However, with effect from 1st July, 2015, the quarterly and annual results are published in Financial Express (all editions) and in Apala Mahanagar (Mumbai

edition) pursuant to change in situation of the Registered Office of the Company from the state of West Bengal, Kolkata to the State of Maharashtra, Mumbai. As the results of the Company are published in the newspapers, half-yearly reports are not sent to each shareholder.

- 2) The financial results, official news releases are displayed on the Company's website <http://www.nsil.net> in addition to the same being disseminated by the BSE Limited (BSE) on www.bseindia.com and Calcutta Stock Exchange Limited (CSE) on www.cse-india.com as the copies of the financial results and official press releases are sent to the stock exchanges from time to time.
- 3) The Management Discussion and Analysis Report forms part of this Annual Report.

10. General Shareholder Information

| | | |
|---|--|---|
| Company Registration Details | The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L27109MH1962PLC265959. | |
| 52 nd Annual General Meeting | Date: 30 th September, 2015 Time: 2.00 P.M. Venue: Lodha Supremus, Ground Floor, Dr. E. Moses Road, Worli Naka, Mumbai- 400 018 | |
| Financial Calendar | 1 st April, 2014 to 31 st March, 2015 | |
| Book closure period | 25 th September, 2015 to 30 th September, 2015 (both days inclusive) | |
| Financial reporting for the quarter/year (Tentive and subject to change) | 30 th June, 2015 30 th September, 2015 31 st December, 2015 31 st March, 2016 | By 14 th August, 2015 By 14 th November, 2015 By 14 th February, 2016 By 30 th May, 2016 |
| Dividend payment date | No dividend on equity is recommended by the Board. | |
| E – mail address for shareholders | Investors.nsil@lodhagroup.com | |
| Listing on stock exchange | BSE Limited (BSE) Calcutta Stock Exchange Limited (CSE) The Company has paid annual listing fees for the financial year 2015-16 to both the stock exchanges. | |
| Stock Code: | BSE: 504882 CSE: 24063 | |

| | |
|--|---|
| Trading | <p>The Company is suspended from trading on BSE limited and CSE Limited.</p> <p>The Company is in the process of completing all pending Corporate Actions with BSE Limited, in order to revoke the suspension of shares of the Company. Also, as a prerequisite, the Company has obtained ISIN (Permanent ISIN: INE166R01015) from Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for all shares listed on BSE Limited i.e. 2,00,00,000 Equity Shares for providing dematerialisation facility to the Shareholders of the Company.</p> <p>However, pursuant to SEBI Circular No. CIR/MRD/DP/21/2012 dated 2nd August, 2012, temporary ISIN (ISIN: IN8166R01014) has been created for NSDL for crediting shares for which final listing/trading permission from BSE Limited is awaited. Further, the members are informed that Registrar and Transfer Agent (RTA), CB Management Service (P) Limited will confirm the dematerialisation requests in the temporary ISIN and upon receipt of the final listing/trading permission from BSE Limited and upon revocation of suspension, the shares credited in the temporary ISIN will be debited and accordingly the same would get credited in the pre-existing ISIN i.e. permanent ISIN.</p> |
| Market price data and performance in comparison to broad based indices such as BSE Sensex | As the trading in shares of the Company is suspended since 3 rd February, 2003, current market price data cannot be ascertained and hence the same is not disclosed. |
| Outstanding GDRs/ADRs/Warrants/Convertible Instruments | Not Applicable |
| Subsidiary | Since the Company does not have any subsidiary companies, the Company was not required to formulate a policy for determining material subsidiaries, neither disclose the same on the its website. |
| Investors correspondence for change in address, change of Bank or any query on Annual Report | <p>Registrar and Transfer Agent CB Management Services (P) Limited P-22, Bondel Road Kolkata 700019 Tel: 40116700 / 22806692/94/2486 Email: rta@cbmsl.com</p> |

| | Corporate Office 10 th Floor, The Company Secretariat Department, Lodha Excelus, Apollo Mills compound, N.M Joshi Marg, Mahalaxmi, Mumbai 400011 Tel: +9122 2302 4517 Fax : +9122 2302 4550 Email: Investors.nsil@lodhagroup.com | | | | | | | | | | | | | | | | | | |
|--|---|---|--|--|--|---------------|----------|--|---|---|--|-------------|-------|-----------------|-----------|-------|--------------|--------------------|---------------|
| Registrar and Share Transfer Agent (For both physical and demat - Common Registry) | CB Management Services (P) Limited P-22, Bondel Road Kolkata 700019 Tel: 40116700 / 22806692/94/2486 Email: rta@cbmsl.com | | | | | | | | | | | | | | | | | | |
| Share transfer system | Share transfers, which are received in physical form, are processed and the share certificate are returned within a period of 15 (Fifteen) days, subject to the documents being valid and complete in all respects. | | | | | | | | | | | | | | | | | | |
| Distribution of shareholding and shareholding pattern | Please see Annexure 'A' and Annexure 'B' given hereunder | | | | | | | | | | | | | | | | | | |
| Dematerialization of shares and liquidity | <p>The International Securities Identification Number (ISIN) allotted to Company is INE166R01015. The Company has achieved 100% of promoter's and promoter group's shareholding in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The Company has connectivity with National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) for demat facility. As on 30th June, 2015, 73.94% of the total equity capital was held in the demat form with CDSL.</p> <table><tr><th colspan="3">Physical and Demat Shares as on 30th June, 2015</th></tr><tr><th></th><th>Shares</th><th>%</th></tr><tr><td>No. of Shares held in dematerialised form NSDL</td><td>-</td><td>-</td></tr><tr><td>No. of Shares held in dematerialised form CDSL</td><td>1,47,88,265</td><td>73.94</td></tr><tr><td>Physical Shares</td><td>52,11,735</td><td>26.06</td></tr><tr><td>Total</td><td>2,00,00,000</td><td>100.00</td></tr></table> | Physical and Demat Shares as on 30th June, 2015 | | | | Shares | % | No. of Shares held in dematerialised form NSDL | - | - | No. of Shares held in dematerialised form CDSL | 1,47,88,265 | 73.94 | Physical Shares | 52,11,735 | 26.06 | Total | 2,00,00,000 | 100.00 |
| Physical and Demat Shares as on 30th June, 2015 | | | | | | | | | | | | | | | | | | | |
| | Shares | % | | | | | | | | | | | | | | | | | |
| No. of Shares held in dematerialised form NSDL | - | - | | | | | | | | | | | | | | | | | |
| No. of Shares held in dematerialised form CDSL | 1,47,88,265 | 73.94 | | | | | | | | | | | | | | | | | |
| Physical Shares | 52,11,735 | 26.06 | | | | | | | | | | | | | | | | | |
| Total | 2,00,00,000 | 100.00 | | | | | | | | | | | | | | | | | |
| Site location | The Company's project is at Plot No. F/4, Road No. 22, Wagle Industrial Estate, Thane 400604, Maharashtra. | | | | | | | | | | | | | | | | | | |

| | |
|-------------------|---|
| Registered Office | 412, Floor- 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001 CIN: L27109MH1962PLC265959 Website: www.nsil.net Email: Investors.nsil@lodhagroup.com Tel: +9122 23024517 Fax: +9122 23024550 |
|-------------------|---|

Annexure 'A'Distribution of shareholding as on 31st March, 2015

| Range | No. of shareholders | % | No. of shares | % |
|---------------|---------------------|---------------|-----------------|---------------|
| 1- 500 | 1006 | 97.58 | 53315 | 0.27 |
| 501- 1000 | 5 | 0.48 | 3227 | 0.02 |
| 1001- 2000 | - | - | - | - |
| 2001- 3000 | - | - | - | - |
| 3001- 4000 | 1 | 0.10 | 3952 | 0.02 |
| 4001- 5000 | - | - | - | - |
| 5001- 10000 | 2 | 0.19 | 16167 | 0.08 |
| 10001-9999999 | 17 | 1.65 | 19923339 | 99.61 |
| Total | 1031 | 100.00 | 20000000 | 100.00 |

Annexure 'B'Categories of shareholding as on 31st March, 2015

| Category | No. of Shares | Percentage (%) |
|---|--------------------|----------------|
| Promoters & Promoters group | 1,47,88,099 | 73.94 |
| Mutual Fund & Unit Trust of India | - | - |
| Banks, Financial Institutions & Insurance Companies | 90 | 0.00 |
| Foreign Institutional Investors | - | - |
| Bodies Corporate | 9,98,996 | 5.00 |
| Indian Public | 42,12,551 | 21.06 |
| Non-Resident Indians | 232 | 0.00 |
| Foreign National | 32 | 0.00 |
| Total | 2,00,00,000 | 100.00 |

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management team, an affirmation, of compliance with the code of conduct for Directors and Senior Management in respect of financial year ended 31st March, 2015.

Place: Mumbai
Date: 14th August, 2015

Sd/-
Mahesh Thakur
Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
National Standard (India) Limited

I have examined the available records of National Standard (India) Limited ("**the Company**") for the purpose of certifying compliance of conditions of Corporate Governance by the Company, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India for the financial year ended 31st March 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof. This certificate 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.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-referred Listing Agreement.

Sd/-
Jinal Dawda
Company Secretary in Practice
Membership No. A20255
Certificate of Practice No.: 9830
Place: Mumbai
Date: 14th August, 2015

NATIONAL STANDARD (INDIA) LIMITED

Lodha Excelus, N.M. Joshi Marg, Mahalaxmi, Mumbai 400 011, India

Date: 28th August, 2015

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

| | | |
|----|--|-----------------------------------|
| 1. | Name of the Company | National Standard (India) Limited |
| 2. | Annual financial statements for the year ended | 31 st March, 2015 |
| 3. | Type of audit observation | Un-qualified |
| 4. | Frequency of Observation | Not Applicable |

For National Standard (India) Limited



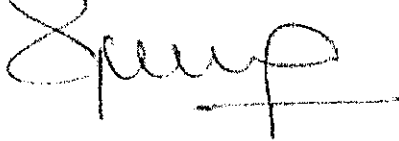
Ramesh Chechani
Chief Financial Officer

For National Standard (India) Limited



Mahesh Thakur
Chief Executive Officer

For National Standard (India) Limited



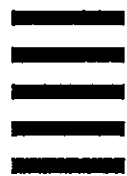
Santosh Kumar Ojha
Chairman of Audit Committee

For Shanker and Kapani
Chartered Accountants
(Registration No. 117761W)



S. Sankar
Partner
Membership No. 40476

ORIGINAL



LODHA

BUILDING A BETTER LIFE

ANNUAL ACCOUNTS

2014-15

NATIONAL STANDARD (INDIA) LIMITED

SHANKER AND KAPANI

CHARTERED ACCOUNTANTS

N.T.C. House, 2nd Floor, 15, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400038.
Tel.: 2269 5719 • Fax: 2269 5720 • E-mail: kapani@gmail.com / admin@shankerkapani.in

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
M/s. NATIONAL STANDARD (INDIA) LIMITED

REPORT ON THE FINANCIAL STATEMENTS

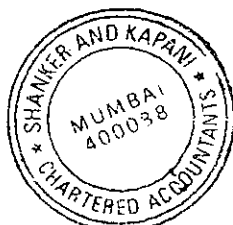
We have audited the accompanying financial statements of **M/s. NATIONAL STANDARD (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

AUDITORS' RESPONSIBILITY:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of 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 control system over financial reporting and the operating effectiveness of the such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

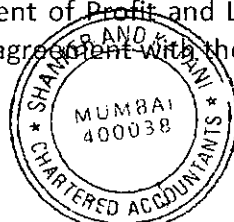
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of affairs of the Company as at 31st March, 2015; its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by The Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the Directors of the Company as on 31st March, 2015 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015, from being appointed as a Director in terms of sub - Section (2) of Section 164 of the Act; and
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Clause 1 to 3 of Note 23 to the financial statements.
 - (ii) The Company does not have any Long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR SHANKER AND KAPANI
Chartered Accountants
(FIRM REGISTRATION NO.: 117761W)

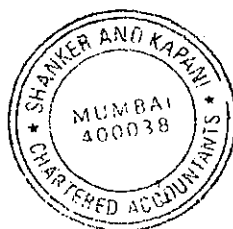

S.SANKAR
PARTNER
MEMBERSHIP NO: - 40476

PLACE:- MUMBAI
DATE:- 28-April-2015

M/s. NATIONAL STANDARD (INDIA) LIMITED

ANNEXURE TO INDEPENDENT AUDITORS' REPORT
(Referred to in Paragraph (1) of our report of even date)

- (i) a. The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
- b. As informed to us, all fixed assets have been physically verified by the management. No material discrepancies were noticed on such physical verification.
- (ii) a. The inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- b. The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c. The Company is maintaining proper records of inventory. Discrepancies noticed on verification have been properly dealt with in the books of account.
- (iii) As the Company has not granted any loans, secured or unsecured, to parties covered in the register maintained under Section 189 of the Act, the provisions of clause (iii)(a) and (b) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the internal control system is commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services (developed units of buildings/ flats). During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) The Company has not accepted any deposits from the public within the provisions of the Act and the Rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.



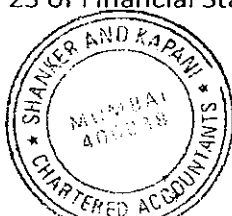
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of real estate operations, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- b. According to the records of the Company, there are no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess, which have not been deposited on account of any dispute except for the following:

| Particulars | Assessment Year | Forum where dispute is pending | Rs. In Lakhs |
|-------------|-----------------|--------------------------------|--------------|
| Excise Duty | 1996-97 | CESTAT, Mumbai | 11.22 |
| Income Tax | 1995-96 | High Court, Kolkatta | 38.90 |
| Income Tax | 2006-07 | CIT(A) | 138.51 |
| Income Tax | 2009-10 | CIT(A) | 356.84 |
| Income Tax | 2011-12 | Appeal to be filed in ITAT | 23.95 |
| Income Tax | 2011-12 | CIT(A) | 4,843.29 |
| Income Tax | 2012-13 | CIT(A) | 44.46 |

Also refer clause 3 of note 23 of Financial Statements regarding Sales Tax (MVAT).



- c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company is generally regular in repayment of dues to the Financial Institutions. As the Company has not issued any debentures nor borrowed any money from Banks, the question of dues payable to debenture holders or Banks does not arise.
- (x) As the Company has not given any guarantee or security for loans taken by others from Banks or Financial Institutions, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

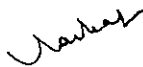
For SHANKER AND KAPANI
Chartered Accountants
FIRM REGISTRATION No.: 117761W


S.SANKAR
PARTNER
MEMBERSHIP NO: - 40467

Place:- Mumbai
DATE:- 28-April-2015





| | Notes | As at 31st March, 2015 ₹ in Lakhs | As at 31st March, 2014 ₹ in Lakhs |
|---|--------|---|---|
| <u>EQUITY AND LIABILITIES</u> | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 2,000.00 | 2,000.00 |
| Reserves and Surplus | 3 | 5,570.85 | 1,332.95 |
| | | <u>7,570.85</u> | <u>3,332.95</u> |
| Non-Current Liabilities | | | |
| Other Long Term Liabilities | 4 | 224.76 | 209.94 |
| Current Liabilities | | | |
| Short-Term Borrowings | 5 | 14,963.84 | 9,470.36 |
| Trade Payables | 6 | 1,525.54 | 1,201.17 |
| Other Current Liabilities | 7 | 5,806.57 | 4,447.25 |
| Short-Term Provisions | 8 | 2,150.86 | 796.33 |
| | | <u>24,446.81</u> | <u>15,915.11</u> |
| Total | | <u><u>32,242.42</u></u> | <u><u>19,458.00</u></u> |
| <u>ASSETS</u> | | | |
| Non-Current Assets | | | |
| Fixed Assets (Net) | | | |
| Tangible Assets | 9 | 20.98 | 54.83 |
| Deferred Tax Assets | 10 | 58.69 | 46.04 |
| Long-Term Loans and Advances | 11 | 16.70 | 16.70 |
| | | <u>96.37</u> | <u>117.57</u> |
| Current Assets | | | |
| Inventories | 12 | 5,496.36 | 5,468.78 |
| Trade Receivables | 13 | 2,780.42 | 752.91 |
| Cash and Bank Balances | 14 | 362.47 | 1,251.46 |
| Short-Term Loans and Advances | 15 | 22,287.70 | 10,473.26 |
| Other Current Assets | 16 | 1,219.10 | 1,394.02 |
| | | <u>32,146.05</u> | <u>19,340.43</u> |
| Total | | <u><u>32,242.42</u></u> | <u><u>19,458.00</u></u> |
| Summary of Significant Accounting Policies | 1 | | |
| The accompanying notes form an integral part of the Financial Statements | 1 - 23 | | |

As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number : 117761W


S. Sankar
Partner

Place : Mumbai
Date : 28-Apr-2015

For and on behalf of the Board

 Director  Director  Chief Financial Officer  Company Secretary

NATIONAL STANDARD (INDIA) LIMITED

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


| | Notes | For the Year ended 31st March, 2015 ₹ in Lakhs | For the Year ended 31st March, 2014 ₹ in Lakhs |
|--|--------|--|--|
| REVENUE | | | |
| Revenue from Operations | 17 | 14,788.62 | 11,080.19 |
| Other Income | 18 | 1,412.34 | 1,653.86 |
| Total | | 16,200.96 | 12,734.05 |
| EXPENSES | | | |
| Cost of Projects | 19 | 7,288.65 | 5,915.56 |
| Employee Benefits Expense | 20 | 469.56 | 270.74 |
| Finance Costs | 21 | 1,266.41 | 1,550.47 |
| Depreciation and Amortisation Expense | 9 | 33.95 | 34.21 |
| Other Expenses | 22 | 495.85 | 306.00 |
| Total | | 9,554.42 | 8,076.98 |
| Profit Before Tax | | 6,646.54 | 4,657.07 |
| Tax Expense: | | | |
| Current Tax | | (2,419.37) | (1,014.48) |
| Deferred Tax | | 10.74 | (570.96) |
| Profit After Tax | | 4,237.91 | 3,071.63 |
| Prior Period Taxation Adjustments | | (0.01) | 53.33 |
| Net Profit for the Year | | 4,237.90 | 3,124.96 |
| Earnings Per Equity Share (in ₹) (Face value of ₹ 10 per Equity Share) | | | |
| Basic and Diluted | | 21.19 | 15.62 |
| Summary of Significant Accounting Policies | 1 | | |
| The accompanying notes form an integral part of the Financial Statements | 1 - 23 | | |

As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number : 117761W


S. Sankar
Partner

Place : Mumbai
Date : 28-Apr-2015

For and on behalf of the Board


Director


Director


Chief Financial
Officer


Company
Secretary

NATIONAL STANDARD (INDIA) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| | For the Year ended 31st March, 2015 ₹ in Lakhs | For the Year ended 31st March, 2014 ₹ in Lakhs |
|---|--|--|
| Cash flow from Operating Activities | | |
| Profit Before Tax | 6,646.54 | 4,657.07 |
| Adjustments for: | | |
| Depreciation and Amortisation Expense | 33.95 | 34.21 |
| Sundry Balances written back (Net) | (20.18) | (0.27) |
| Provision for doubtful advances | - | 14.68 |
| Interest Income | (1,256.11) | (1,529.92) |
| Finance Costs | 1,266.41 | 1,550.47 |
| Operating profit before working capital changes | 6,670.61 | 4,726.24 |
| (Increase) / Decrease in Inventories | (27.58) | 343.91 |
| (Increase) / Decrease in Trade Receivables | (2,027.51) | 21.03 |
| (Increase) / Decrease in Loans and Advances and Other Current Assets | 118.43 | (113.16) |
| Increase in Trade Payables, Other Current Liabilities and Provisions | 1,690.62 | 208.84 |
| Cash generated from operations | 6,424.57 | 5,186.86 |
| Income Tax Paid | (1,066.75) | (216.73) |
| Net cash flow from Operating Activities (A) | 5,357.82 | 4,970.13 |
| Cash flow from Investing Activities | | |
| Purchase of Fixed Assets (Including movements in advances and payables) | (0.10) | (15.92) |
| Divestment in Fixed Deposit held as Margin Money | 62.47 | - |
| Loans Given (net) | (11,932.86) | (1,623.49) |
| Interest Received | 1,501.22 | 1,443.27 |
| Net cash flow used in Investing Activities (B) | (10,369.27) | (196.14) |
| Cash flow from Financing Activities | | |
| Proceeds from Borrowings | 10,972.01 | - |
| Repayment of Borrowings | (5,478.53) | (2,025.54) |
| Finance Costs Paid | (1,308.55) | (1,703.75) |
| Net cash flow from / (used in) Financing Activities (C) | 4,184.93 | (3,729.29) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (826.52) | 1,044.70 |
| Add : Cash and Cash Equivalents at the beginning of the year | 1,188.99 | 144.29 |
| Cash and Cash Equivalents at the end of the Year | 362.47 | 1,188.99 |

Notes:

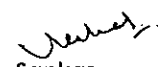
1 Cash and Cash Equivalents as disclosed in Note 14*

| | | |
|---|---------------|-----------------|
| Cash and Bank Balances | 362.47 | 1,251.46 |
| Less: Margin money balance | - | (62.47) |
| Cash and Cash Equivalents at the end of the Year | 362.47 | 1,188.99 |

* Includes Cheques on Hand Nil (Previous year ₹ 275.00 Lakhs)





2 Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.

As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number : 117761W


S. Sankar
Partner

Place : Mumbai
Date : 28-Apr-2015

For and on behalf of the Board

 Director  Director  Chief Financial Officer  Company Secretary

Note 1

Summary of Significant Accounting Policies

A. Basis of Accounting :

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards as notified under Companies (Accounting Standards) Rules, 2006, read with general circular 15/2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, the Provisions of the Companies Act, 2013 and on the accounting principle of going concern. Expenses and Income to the extent considered payable and receivable, respectively, are accounted for on accrual basis, except those with significant uncertainties.

B. Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates are made to the best of the management's knowledge considering all necessary information. Some such estimates, particularly those under the percentage of completion method, relating to costs, degree of completions, costs to completion and expected revenues, are of a technical nature and are relied upon by the auditors. Differences, if any, between actual results and estimates are recognized in the period in which the results are ascertained.

C. Fixed Assets :

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and borrowing cost in case of construction.

The carrying amount of cash generating units / assets is reviewed at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated at the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

D. Depreciation :

- a) Depreciation on Tangible Assets is provided on Written Down Value method in the manner specified in Schedule II of the Companies Act, 2013 except for the following:
 - i) Costs of 'Site / Sales Office and Sample Flats' which are being amortized over a period of project life cycle or demolition whichever is earlier.
 - ii) The carrying values of Tangible Fixed Assets as on 1st April, 2014 which are depreciated equally over the remaining useful life of the asset.
- b) Depreciation on Additions / Deletions of assets is provided on a pro-rata basis.
- c) The Depreciation on assets other than used for construction of Capital Assets is treated as period Cost.

E. Inventories :

- i) Stock of Building Materials is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- ii) a) Work-in-Progress is stated at Cost or Net Realizable value, whichever is lower. Work-in-Progress includes costs of incomplete projects for which the Company has not entered into contracts and the costs incurred on the projects where the revenue is yet to be recognized.
 - b) Completed unsold inventory is valued at lower of cost or net realizable value.



c) Cost for this purpose includes cost of land, construction costs, borrowing cost and other overheads incidental to the projects undertaken.

d) Net realizable value is the estimated selling price in the ordinary course of business.

F. Operating Cycle :

The Company's normal operating cycle varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and liabilities are classified into current and non-current based on the operating cycle.

G. Revenue Recognition :

i) Income from Property Development:

a) Income from property development is recognized on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However, if at the time of transfer, substantial acts are yet to be performed under the contract, revenue is recognized on proportionate basis as the act are being performed and monies received i.e. on the percentage completion method, on incurring at least 25% of estimated construction and development cost excluding land and borrowing cost, atleast 25% of the total saleable area is secured by contract with buyers and receipt of 10% of the sales consideration per contract. The percentage of completion is worked out based on the total project costs incurred to total estimated project costs including land.

As the projects necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the said estimates are revised.

b) Determination of revenue under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion. Provision for foreseeable losses, determination of profit from real estate projects and valuation of construction work in progress is based on such estimates.

ii) Revenue from Sale of Building Materials is recognised when significant risk and rewards in respect of ownership of materials are transferred to customers.

H. Borrowing Costs :

Borrowing costs that are directly attributable to long term project development activities are inventorised as part of project cost. Other borrowing costs are recognized as an expense in the period in which they are incurred.

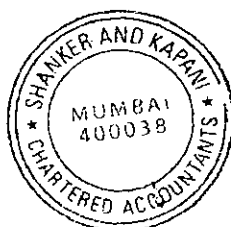
Borrowing costs are inventorised as part of project cost when the activities that are necessary to prepare the asset for its intended use or sale are in progress. Inventorisation of Borrowing costs are suspended once development work on the project is interrupted for extended periods.

I. Foreign Exchange Transactions :

The transactions in foreign exchange are accounted at the exchange rates prevailing on the date of transactions. All monetary assets and liabilities in foreign currency are translated at the exchange rate prevailing at the date of the Balance Sheet. Any exchange gain or loss arising on the translation or settlement of such transactions are accounted for in the Statement of Profit and Loss.

J. Leases :

Lease arrangements where the risks and rewards incidental to ownership of assets substantially vest with the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.



K. Taxation :

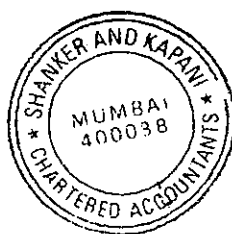
Provision for the current income tax is made on the basis of the estimated taxable income for the current accounting year in accordance with Income Tax Act, 1961.

MAT credit asset is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the tax rate and tax laws enacted or substantively enacted at the balance sheet date, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual / reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

L. Provisions and Contingent Liabilities :

Provisions are recognized in the accounts in respect of present probable obligation, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.



| | | As at 31st March, 2015 ₹ in Lakhs | | As at 31st March, 2014 ₹ in Lakhs |
|--|-------------------|---|-------------------|---|
| Note : 2 | | | | |
| Share Capital | Numbers | | Numbers | |
| (A) Authorised | | | | |
| Equity Shares of ₹ 10 each | 20,000,000 | 2,000.00 | 20,000,000 | 2,000.00 |
| Total | | 2,000.00 | | 2,000.00 |
| (B) Issued, Subscribed and Paid-up | | | | |
| Equity Shares of ₹ 10 each fully paid up | 20,000,000 | 2,000.00 | 20,000,000 | 2,000.00 |
| Total | | 2,000.00 | | 2,000.00 |
| (C) Reconciliation of number of Shares and Amount | | | | |
| As per Last Financial Statement | 20,000,000 | 2,000.00 | 20,000,000 | 2,000.00 |
| Changes during the year | - | - | - | - |
| Total | 20,000,000 | 2,000.00 | 20,000,000 | 2,000.00 |

(D) Rights and preferences attached to Equity Shares

Each Shareholder is entitled for one vote per share. The Shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.

In the event of liquidation, the Shareholders will be entitled, in proportion to the number of Equity Shares held by them, to receive remaining assets of the Company, after distribution of all preferential amounts.

(E) Shares held by Holding Company and Shareholders Holding more than 5%

| | Numbers | % | Numbers | % |
|--|----------------|----------|----------------|----------|
| Anantnath Constructions and Farms Pvt. Ltd., the Holding Company | 14,788,099 | 73.94% | 14,788,099 | 73.94% |
| Gurpreet Kaur Shinh | 1,174,118 | 5.87% | 1,174,118 | 5.87% |

Note : 3

Reserves and Surplus

Capital Reserve

As per Last Financial Statement

₹ in Lakhs

11.44

11.44

₹ in Lakhs

11.44

11.44

Capital Subsidy Reserve

As per Last Financial Statement

16.67

16.67

16.67

16.67

Securities Premium Account

As per Last Financial Statement

0.02

0.02

0.02

0.02

Surplus / (Deficit) in the Statement of Profit and Loss

As per Last Financial Statement

1,304.82

(1,820.14)

Add: Profit as per annexed Statement of Profit and Loss

4,237.90

3,124.96

5,542.72

1,304.82

Total

5,570.85

1,332.95

Note : 4

Other Long Term Liabilities

Trade Payables

Micro, Small and Medium Enterprises

1.31

1.31

(Refer Clause 15 of Note 23)

Others

223.45

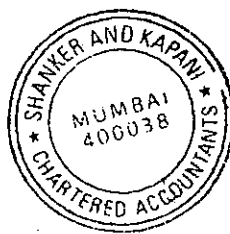
208.63

224.76

209.94



| | As at 31st March, 2015 ₹ in Lakhs | As at 31st March, 2014 ₹ in Lakhs |
|--|---|---|
| Note : 5 | | |
| Short-Term Borrowings | | |
| a. Secured | | |
| Term Loan | | |
| Other than Banks | 13,767.97 | 9,470.36 |
| (Refer Clause 4 of Note 23) | | |
| B. Unsecured | | |
| Related Party | 1,195.87 | - |
| (Repayable on Demand) | | |
| Rate of Interest - 13.40%; (Previous year: NA) | | |
| Total | 14,963.84 | 9,470.36 |
| Note : 6 | | |
| Trade Payables | | |
| Micro, Small and Medium Enterprises | 42.18 | 15.41 |
| (Refer Clause 15 of Note 23) | | |
| Others | 1,483.36 | 1,185.76 |
| Total | 1,525.54 | 1,201.17 |
| Note : 7 | | |
| Other Current Liabilities | | |
| Interest Accrued but not due on Borrowings | 28.84 | - |
| Advance Received from Customers | 5,470.72 | 4,153.00 |
| Other Payables : | | |
| Duties and Taxes | 207.29 | 188.75 |
| Cancelled flats | 99.07 | 105.40 |
| Other Liabilities | 0.65 | 0.10 |
| Total | 5,806.57 | 4,447.25 |
| Note : 8 | | |
| Short-Term Provisions | | |
| Income Tax (Net of Payments of ₹ 1,290.72 Lakhs; Previous year ₹ 223.97 Lakhs) | 2,150.86 | 796.33 |
| Total | 2,150.86 | 796.33 |



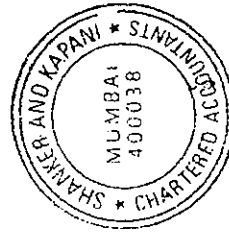
Note : 9

Fixed Assets :

| Particulars | Gross Block (At Cost) | | Depreciation / Amortisation | | | Net Block | |
|--|--------------------------|------------------------------|-----------------------------|--------------------------|------------------|--------------------------|---------------------------|
| | As at 1st April, 2014 | Additions during the year | As at 31st March, 2015 | Upto 31st March, 2014 | For the year* | Upto 31st March, 2015 | As at 31st March, 2015 |
| Tangible Assets: | | | | | | | |
| Site / Sales Office and Sample Flat | 154.01 | - | 154.01 | 123.21 | 30.80 | 154.01 | - |
| Plant and Equipment | 23.09 | - | 23.09 | 5.76 | 1.31 | 7.07 | 16.02 |
| Furniture and Fixtures | 6.63 | - | 6.63 | 2.75 | 0.47 | 3.22 | 3.41 |
| Office Equipment | 4.71 | 0.10 | 4.81 | 1.89 | 1.37 | 3.26 | 1.55 |
| | | | | | | | |
| Total | 188.44 | 0.10 | 188.54 | 133.61 | 33.95 | 167.56 | 20.98 |
| Previous Year | 172.52 | 15.92 | 188.44 | 99.40 | 34.21 | 133.61 | 54.83 |

(₹ in Lakhs)

* Refer clause 6 of Note 23.



| | As at 31st March, 2015 ₹ in Lakhs | As at 31st March, 2014 ₹ in Lakhs |
|--|---|---|
| Note : 10 | | |
| Deferred Tax Assets | | |
| Timing Difference on Account of Book and Tax Depreciation | 32.11 | 25.35 |
| Others | 26.58 | 20.69 |
| Total | 58.69 | 46.04 |

The Management is reasonably / virtually certain that sufficient future taxable income would be available for reversal of Deferred Tax Assets.

| | | |
|---|--------------|--------------|
| Note : 11 | | |
| Long-Term Loans and Advances (Unsecured, Considered Good) | | |
| VAT Refund Receivable | 16.70 | 16.70 |
| Total | 16.70 | 16.70 |

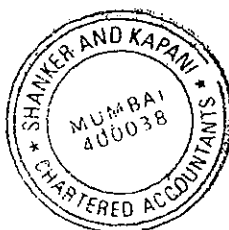
| | | |
|---|-----------------|-----------------|
| Note : 12 | | |
| Inventories (at lower of cost and Net Realisable Value) | | |
| Building Materials | 147.18 | 228.25 |
| Land and Property Development Work-in-Progress | 5,349.18 | 5,240.53 |
| Total | 5,496.36 | 5,468.78 |

| | | |
|--|-----------------|---------------|
| Note : 13 | | |
| Trade Receivables (Unsecured, Considered good) | | |
| Outstanding for a period more than six months from the date they became due for payment | 31.21 | 353.89 |
| Others | 2,749.21 | 399.02 |
| Total | 2,780.42 | 752.91 |

| | | |
|---|---------------|-----------------|
| Note : 14 | | |
| Cash and Bank Balances | | |
| Cash and Cash Equivalents | | |
| Balances with Banks | 362.39 | 899.93 |
| Cheques on Hand | - | 275.00 |
| Cash on Hand | 0.08 | 2.79 |
| Fixed Deposits with less than 3 months Maturity | - | 11.27 |
| | 362.47 | 1,188.99 |
| Other Bank Balances | | |
| Fixed Deposits held as Margin Money | - | 62.47 |
| | - | 62.47 |
| Total | 362.47 | 1,251.46 |

| | | |
|--|------------------|------------------|
| Note : 15 | | |
| Short-Term Loans and Advances (Unsecured, Considered Good unless otherwise Stated) | | |
| Loans and advances to Related Parties | | |
| In the nature of Loans | 22,194.93 | 10,262.07 |
| Others | 15.00 | - |
| Advances to : | | |
| Suppliers and Contractors | 32.05 | 50.48 |
| Employees | 0.67 | 0.89 |
| Prepaid Expenses | - | 2.32 |
| Other Receivables | 14.68 | 14.68 |
| Less : Provision for Doubtful Advances | (14.68) | - |
| Indirect Tax Credit Receivable | 45.05 | 157.50 |
| Total | 22,287.70 | 10,473.26 |

| | | |
|-----------------------------------|-----------------|-----------------|
| Note : 16 | | |
| Other Current Assets | | |
| Interest Receivables | 1,130.36 | 1,375.47 |
| Unamortised Other Borrowing Costs | 88.74 | 18.55 |
| Total | 1,219.10 | 1,394.02 |

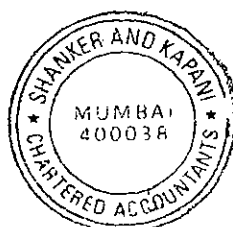


| | For the Year ended 31st March, 2015 ₹ in Lakhs | For the Year ended 31st March, 2014 ₹ in Lakhs |
|----------------------------------|--|--|
| Note : 17 | | |
| Revenue from Operations | | |
| Income From Property Development | 14,766.63 | 11,072.49 |
| Other Operating Revenue | 21.99 | 7.70 |
| Total | 14,788.62 | 11,080.19 |

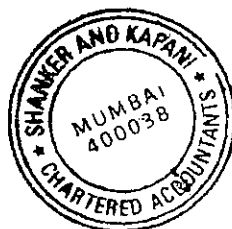
| | | |
|------------------------------------|-----------------|-----------------|
| Note : 18 | | |
| Other Income | | |
| Interest Income on: | | |
| Loans Given | 1,255.95 | 1,528.14 |
| Customers' Overdues | 128.01 | 112.31 |
| Others | 0.16 | 1.78 |
| | 1,384.12 | 1,642.23 |
| Sundry Balances written back (Net) | 20.18 | 0.27 |
| Miscellaneous Income | 8.04 | 11.36 |
| Total | 1,412.34 | 1,653.86 |

| | | |
|--|-----------------|-----------------|
| Note : 19 | | |
| Cost of Projects | | |
| Opening Stock | | |
| Land and Property Development Work-in-Progress | 5,240.53 | 5,734.58 |
| Add: Expenditure during the Year | | |
| Building Materials Consumed (Net) | 3,092.51 | 2,311.52 |
| Construction Contracts | 3,169.44 | 2,250.03 |
| Project Consultancy | 275.45 | 169.87 |
| Insurance | 3.06 | 2.18 |
| Rates and Taxes | 86.49 | 71.92 |
| Electricity | 104.10 | 66.85 |
| Repairs and Maintenance | 11.17 | 7.99 |
| Other Construction Expenses | 62.72 | 34.61 |
| Overheads Allocated | 622.95 | 526.52 |
| | 12,668.42 | 11,176.07 |
| Less: Scrap Sales | (30.59) | (19.98) |
| | 12,637.83 | 11,156.09 |
| Less: Closing Stock | | |
| Land and Property Development Work-in-Progress | (5,349.18) | (5,240.53) |
| Total | 7,288.65 | 5,915.56 |

| | | |
|-------------------------------------|---------------|---------------|
| Note : 20 | | |
| Employee Benefits Expense | | |
| Salaries and Wages | 984.80 | 703.78 |
| Staff Welfare | 10.43 | 0.38 |
| | 995.23 | 704.16 |
| Less: Allocated to Cost of Projects | (525.67) | (433.42) |
| Total | 469.56 | 270.74 |



| | For the Year ended 31st March, 2015 ₹ in Lakhs | For the Year ended 31st March, 2014 ₹ in Lakhs |
|---|--|--|
| Note : 21 | | |
| Finance Costs | | |
| Interest Expense on : | | |
| Borrowings and Others | 1,230.90 | 1,516.93 |
| Other Borrowing Costs | 35.51 | 33.54 |
| Total | 1,266.41 | 1,550.47 |
| Note : 22 | | |
| Other Expenses | | |
| Rent | 0.37 | 1.37 |
| Rates and Taxes | 4.95 | 0.36 |
| Printing and Stationery | 4.26 | 8.71 |
| Postage / Telephone / Internet | 1.51 | 2.66 |
| Legal and Professional | 9.25 | 3.59 |
| Insurance | 0.88 | 0.01 |
| Payments to Auditor (excluding Service Tax) as: | | |
| Audit Fees | 25.35 | 3.00 |
| Other Services | 6.00 | 0.50 |
| Infrastructure and Facility | 179.79 | 134.51 |
| Brokerage | 221.22 | 140.01 |
| Advertisement and Publicity | 46.26 | 43.12 |
| Provision for Doubtful Advances | - | 14.68 |
| Miscellaneous Expenses | 93.29 | 46.58 |
| | 593.13 | 399.10 |
| Less: Allocated to Cost of Projects | (97.28) | (93.10) |
| Total | 495.85 | 306.00 |



Note : 23
Other Notes on accounts

1 Contingent Liabilities not provided for in respect of :

(₹ in Lakhs)

| Particulars | 2014-2015 | 2013-2014 |
|---|-----------|-----------|
| Disputed Central Excise Duty | 11.22 | 11.22 |
| Disputed Income Tax Liability | 1,325.84 | 1,259.27 |
| Outstanding Bank Guarantees | - | 54.31 |
| Disputed demands of few Customers for higher compensation for flats cancelled | 653.22 | 650.00 |

2 Demand arising out of penalties under Sec 271D and 271E of the Income Tax Act, 1961 amounting to ₹ 4,843.29 (Previous Year Nil) has not been provided for, as in the opinion of the management based on expert legal opinion obtained and decisions by appellate tribunal and courts in favour of the Company in similar matters, the same is not sustainable.

3 The Supreme Court (Larger Bench) has upheld the constitutional validity of levy of MVAT on sale of under construction flats / units and sent the matters (including levy of interest) back to the Regular Bench for final disposal. By virtue of the "Agreement for Sale" with the purchasers of the Unit / Flat, the purchaser is liable to bear MVAT and interest thereon and hence, no provision for interest on delays in payments has been considered necessary.

4 Disclosure of details of security, terms of repayments and rate of interest of borrowings :

i) Secured Term Loans from Housing Development Finance Corporation Limited (HDFC) for ₹ 12,500.00 Lakhs (Current Year ₹ 5,767.97 Lakhs; Previous Year ₹ 9,470.36)

Secured by mortgage of its land situated at Thane, construction thereon of its realty project, exclusive charge on the Scheduled receivables, proceeds from Insurance both present and future and personal guarantee of others.

Exclusive charge on the scheduled receivables under the documents entered with the customers of the funded project and all insurance proceeds, both present and future. Scheduled receivables includes receivables/cash flows/revenues including booking amount arising out of or in connection with or related to the project. 25% is transferred to Loan account from customer collection.

Repayable in monthly instalment of ₹ 25 crore each from October 2015 onwards.

Rate of Interest: (HDFC CPLR minus 560 bps, Current Year 12.75%; Previous Year 13.85%)

ii) Secured Term Loans from Housing Development Finance Corporation Limited (HDFC) for ₹ 10,000.00 Lakhs (Current Year ₹ 8,000.00 Lakhs; Previous Year Nil)

Extension of Mortgage of its property situated at Thane, construction thereon present and future, exclusive charge on the Scheduled receivables under the documents entered into with the customers of the funded project by the borrower, all the Insurance proceeds, both present and future and personal guarantee of others.

Exclusive charge on the Scheduled receivables under the documents entered into with the customers of the funded project by the borrower, all the Insurance proceeds, both present and future and personal guarantee of others. Scheduled receivables includes receivables/cash flows/revenues including booking amount arising out of or in connection with or related to the project. 50% is transferred to Loan account from customer collection.

Repayable in monthly instalment of ₹ 25 crore each from November 2017 onwards.

Rate of Interest: (HDFC CPLR minus 535 bps, Current Year 12.50%; Previous Year N.A.)

5 In the opinion of the management, the assets other than fixed assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

6 Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing from 1-April-2014, the Company has realigned the remaining useful life of its fixed assets in accordance with the provisions prescribed under Schedule II to the Companies Act, 2013. Consequently, tangible fixed assets whose useful life has not been completed as at 1-April-2014, the carrying values of such assets are being depreciated over the revised remaining useful life. However, the same has no material impact on the results for the year.

7 As the Company has only one segment, segment reporting in terms of Accounting Standard 17 is not applicable.

8 Balances in certain accounts of Trade Payables are subject to reconciliation / confirmation.

9 The information as required by Accounting Standard 18 relating to 'Related Party Disclosures' is given below:

A. List of related parties:

(As identified by the management)

a) Individual Controlling the Company and his Relatives:

Mr. Mangalprabhat Lodha, Controlling Shareholder of Ullimate Holding Company

Mr. Abhishek Lodha, Relative

Mr. Abhinandan Lodha, Relative

b) Ultimate Holding Company:

Sambhavnath Infrabuild and Farms Pvt. Ltd. (Holding Company of LDPL w.e.f. 17-July-2013)

c) Entities as at 1st April, 2014

i) Holding Companies:

Lodha Developers Pvt. Ltd. (LDPL) (Holding Company of ACFPL)

Anantnath Constructions and Farms Pvt. Ltd. (ACFPL)



ii) Fellow Subsidiary Companies:

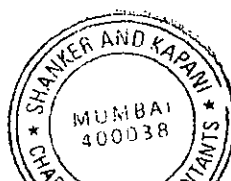
Aasthavinayak Estate Company Pvt. Ltd. (merged with Lodha Land Developers Pvt. Ltd. w.e.f. 24-December-14, Appointed date being 1-April-13)
Aasthavinayak Real Estate Pvt. Ltd. (merged with Ajitnath Hi-Tech Builders Pvt. Ltd. w.e.f. 6-January-15, Appointed date being 1-April-14)
Adinath Builders Pvt. Ltd.
Ajitnath Hi-Tech Builders Pvt. Ltd.
Arihant Premises Pvt. Ltd.
Cowtown Land Development Pvt. Ltd.
Dalhousie Leasing & Financial Services Pvt. Ltd.
Galaxy Premises Pvt. Ltd. (merged with Palava Dwellers Pvt. Ltd. w.e.f. 17-February-15, Appointed date being 1-April-13)
Gandhar Builders Pvt. Ltd.
Hi-Class Buildcon Pvt. Ltd.
Hotel Rahat Palace Pvt. Ltd.
International Airport Builders & Management Services Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-April-13)
Ishwer Realty and Technologies Pvt. Ltd.
Jawala Real Estate Pvt. Ltd.
Kidderpore Holdings Ltd.
Krona Realities Pvt. Ltd.
Kundan Realtors Pvt. Ltd.
Lodha Attentive Developers and Farms Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-April-13)
Lodha Aviation Pvt. Ltd.
Lodha Buildcon Pvt. Ltd.
Lodha Building and Construction Pvt. Ltd.
Lodha Buildtech Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-February-14)
Lodha Crown Buildmart Pvt. Ltd.
Lodha Designer Construction Pvt. Ltd.
Lodha Developers International Ltd. (Formerly known as Lodha Developers International (Mauritius) Ltd.)
Lodha Developers International (Netherlands) B. V.
Lodha Developers 48CS Ltd. (Formerly known as Lodha Developers International (Jersey) Ltd.)
Lodha Developers 1GSQ Ltd. (Formerly known as Lodha Developers International (Jersey) II Ltd.)
Lodha Developers International (Jersey) I Holdings Ltd.
Lodha Developers UK Ltd.
Lodha Elevation Buildcon Pvt. Ltd.
Lodha Estate Pvt. Ltd.
Lodha Glowing Construction Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-April-13)
Lodha Hi-Rise Builders Pvt. Ltd.
Lodha Home Developers Pvt. Ltd.
Lodha Home Styles Pvt. Ltd. (merged with Ajitnath Hi-Tech Builders Pvt. Ltd. w.e.f. 6-January-15, Appointed date being 1-April-14)
Lodha Impression Real Estate Pvt. Ltd.
Lodha Land Developers Pvt. Ltd.
Lodha Pinnacle Buildtech and Farms Pvt. Ltd.
Lodha Pranik Landmark Developers Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-February-14)
Lodha Prime Buildfarms Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-April-13)
Lodha Properties Development Pvt. Ltd.
Lodha Strategic Development Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-January-14)
Mahavir Build Estate Pvt. Ltd. (merged with Palava Dwellers Pvt. Ltd. w.e.f. 17-February-15, Appointed date being 1-April-13)
Mahavir Premises Pvt. Ltd.
Manan Finserve Pvt. Ltd.
Microtec Constructions Pvt. Ltd.
Nabhiraia Software Design Pvt. Ltd.
Naminath Builders and Farms Pvt. Ltd. (merged with Ajitnath Hi-Tech Builders Pvt. Ltd. w.e.f. 6-January-15, Appointed date being 1-April-14)
Odeon Theatres and Properties Pvt. Ltd.
Palava City Management Pvt. Ltd. (Formerly known as Palava Utilities Pvt. Ltd.)
Palava Dwellers Pvt. Ltd.
Proficient Buildwell Pvt. Ltd.
Roselabs Finance Ltd.
Sahajanand Hi-Tech Constructions Pvt. Ltd.
Sai Ishwer Finvest Pvt. Ltd.
Sambhavnath Realty and Farms Pvt. Ltd. (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-January-14)
Samvara Buildtech Pvt. Ltd.
Sanathnagar Enterprises Ltd.
Saravasa Buildtech and Farms Pvt. Ltd.
Shantinath Designer Construction Pvt. Ltd. (merged with Ajitnath Hi-Tech Builders Pvt. Ltd. w.e.f. 6-January-15, Appointed date being 1-April-14)
Shree Sainath Enterprises Construction and Developers Pvt. Ltd.
Shreenivas Abode and House Ltd. (Formerly known as Shreenivas Abode and House Pvt. Ltd.)
Shreenivas Cotton Mills Ltd.
Shri Nakoda Bhirav Realtors Pvt. Ltd.
Shri Vardhvinayak Builders Pvt. Ltd. (merged with Ajitnath Hi-Tech Builders Pvt. Ltd. w.e.f. 6-January-15, Appointed date being 1-April-14)
Siddhnath Residential Paradise Pvt. Ltd.
Simtools Pvt. Ltd.
Sitaldas Estate Pvt. Ltd.
Suryakrupa Constructions Pvt. Ltd.

iii) Limited Liability Partnerships :

Lodha Fincorp Distribution Services LLP

iv) Partnership Firms Under Control:

Lodha Construction (Dombivli) (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-April-13)
Lodha Palazzo (merged with Lodha Developers Pvt. Ltd. w.e.f. 27-February-15, Appointed date being 1-January-14)
Mahavir Associates
Vivek Enterprises



v) Others (Enterprises owned by controlling shareholder and / or his relatives with whom the Company had transactions):

Lodha Charitable Trust
Lodha Healthy Constructions and Developers Pvt. Ltd.
Sitaben Shah Memorial Trust

d) Entities added during the year

Fellow Subsidiaries

Lodha Developers International (Jersey) III Ltd.
Lodha Ideal Buildcon Private Limited
Odeon Theatres Pvt. Ltd. (Formerly known as Shri Mangalya Constructions and Farms Pvt. Ltd.)
Lodha Developers International Holding Ltd.
Tropical Adventures Ltd.
Anant Developers Pvt. Ltd.
Lodha Developers Dorset Close Ltd.

From
17-April-2014
15-June-2014
05-August-2014
20-October-2014
01-November-2014
10-December-2014
26-January-2015

e) Entities ceased / Struck off during the year

Limited Liability Partnerships under control :

Ajeethnath Hi-Tech Buildtech LLP
Lodha Dwellerz LLP

30-December-2014
30-December-2014

Association :

Palava City Management Association (Section 8 Company)

30-December-2014

f) Key Managerial Personnel:

Smita Ghag

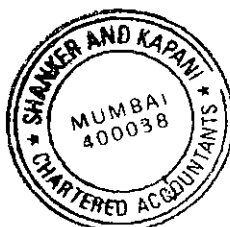
Upto

B. Transactions during the year ended and Balances Outstanding as at 31st March, 2015 with related parties are as follows:

(i) Transactions:

(₹ in Lakhs)

| Sr. No. | Nature of Transactions | Holding Company / Individual Controlling the Company and his Relatives | Fellow Subsidiaries | Partnership Firms Under Control | Others |
|---------|--------------------------------|--|--------------------------|---------------------------------|--------------|
| 1 | Purchase of Building Materials | 0.53 (5.08) | 37.49 (37.40) | - (1.66) | - (-) |
| 2 | Sale of Building Materials | 0.44 (0.69) | 4.56 (1.51) | - (0.30) | 2.78 (-) |
| 3 | Interest Income | - (828.30) | 1,255.95 (699.84) | - (-) | - (-) |
| 4 | Interest Expenses | 30.77 (-) | 3.52 (1.49) | - (-) | - (-) |
| 5 | Infrastructure and Facility | - (-) | 202.01 (151.13) | - (-) | - (-) |
| 6 | Reimbursements Given | - (13.90) | - (243.50) | - (-) | 36.13 (-) |
| 7 | Amount paid on behalf of | - (-) | - (0.07) | - (-) | - (-) |
| 8 | Amount paid on behalf by | - (-) | 93.60 (16.51) | - (-) | - (-) |
| 9 | Loan Given | 828.31 (3,248.67) | 18,414.21 (14,030.35) | - (-) | - (-) |
| 10 | Loan Taken | 2,952.01 (-) | 20.00 (-) | - (-) | - (-) |
| 11 | Deposit Taken | 4.00 (-) | - (-) | - (-) | - (-) |
| 12 | Guarantee Taken | 10,000.00 (-) | 5,000.00 (-) | - (-) | - (-) |



(ii) Outstanding Balances:

(₹ in Lakhs)

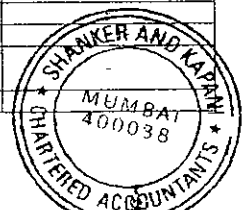
| Sr. No. | Nature of Transactions | Holding Company / Individual Controlling the Company and his Relatives | Fellow Subsidiaries | Partnership Firms Under Control |
|---------|------------------------------|--|--------------------------|---------------------------------|
| 1 | Loan Taken | 1,195.87 (-) | - (-) | - (-) |
| 2 | Trade Payables | - (-) | 199.44 (160.80) | - (-) |
| 3 | Other Liabilities | - (-) | 0.46 (0.10) | 0.19 (-) |
| 4 | Loan Given | - (230.91) | 22,194.93 (10,031.16) | - (-) |
| 5 | Advances Given | - (-) | 15.00 (-) | - (-) |
| 6 | Interest Receivables | - (745.47) | 1,130.36 (629.86) | - (-) |
| 7 | Interest Accrued but not due | 27.69 (-) | 1.15 (-) | - (-) |
| 8 | Guarantee Taken | 22,500.00 (12,500.00) | 5,000.00 (-) | - (-) |

(iii) Disclosure in respect of material transactions with Related parties:

(₹ in Lakhs)

| Sr. No. | Nature of Transactions | Particulars | 2014-2015 | 2013-2014 |
|---------|--------------------------------|---|-----------|-----------|
| 1 | Purchase of Building Materials | Arihant Premises Pvt. Ltd. | 0.39 | - |
| | | Cowtown Land Development Pvt. Ltd. | 7.76 | 30.77 |
| | | Lodha Buildcon Pvt. Ltd. | 2.42 | 1.20 |
| | | Lodha Crown Buildmart Pvt. Ltd. | 0.05 | 0.05 |
| | | Lodha Developers Pvt. Ltd. | 0.53 | 5.08 |
| | | Palava Dwellers Pvt. Ltd. | 11.29 | 0.19 |
| | | Lodha Hi-Rise Builders Pvt. Ltd. | 0.09 | - |
| | | Lodha Impression Real Estate Pvt. Ltd. | 0.55 | 0.13 |
| | | Lodha Land Developers Pvt. Ltd. | 0.02 | 0.15 |
| | | Macrotech Constructions Pvt. Ltd. | - | 2.04 |
| | | Odeon Theatres and Properties Pvt. Ltd. | - | 2.58 |
| | | Shree Sainath Enterprises | - | 1.66 |
| | | Shree Sainath Enterprises Construction and Developers Pvt. Ltd. | 13.83 | 0.01 |
| | | Shreeniwas Cotton Mills Ltd. | - | 0.06 |
| 2 | Sale of Building Materials | Microtec Construction Pvt. Ltd. | 0.72 | - |
| | | Simtools Pvt. Ltd. | 0.37 | 0.23 |
| | | Arihant Premises Pvt. Ltd. | - | 0.01 |
| | | Lodha Buildcon Pvt. Ltd. | 0.33 | 0.07 |
| | | Ishwer Realty and Technologies Pvt. Ltd. | 0.50 | - |
| | | Lodha Charitable Trust | 2.73 | - |
| | | Lodha Developers Pvt. Ltd. | 0.44 | 0.69 |
| | | Palava Dwellers Pvt. Ltd. | 2.90 | 0.80 |
| | | Shree Sainath Enterprises | - | 0.30 |
| | | Shree Sainath Enterprises Construction and Developers Pvt. Ltd. | 0.60 | - |
| | | Sitaben Shah Memorial Trust | 0.05 | - |
| | | Jawala Real Estate Pvt. Ltd. | 0.13 | - |
| | | Simtools Pvt. Ltd. | 0.10 | 0.63 |
| | | Lodha Developers Pvt. Ltd. | - | 828.30 |
| 3 | Interest Income | Lodha Crown Buildmart Pvt. Ltd. | 210.74 | 210.99 |
| | | Jawala Real Estate Pvt. Ltd. | 1,045.21 | 488.60 |
| | | Krona Realities Pvt. Ltd. | - | 0.25 |
| | | Cowtown Land Development Pvt. Ltd. | 0.85 | 1.32 |
| 4 | Interest Expenses | Krona Realities Pvt. Ltd. | 1.27 | - |
| | | Lodha Developers Pvt. Ltd. | 30.77 | - |
| | | Nabhiraja Software Design Pvt. Ltd. | 1.40 | 0.17 |
| | | Nabhiraja Software Design Pvt. Ltd. | 202.01 | 151.13 |
| 5 | Infrastructure and Facility | Nabhiraja Software Design Pvt. Ltd. | - | 243.50 |
| 6 | Reimbursements Given | Lodha Crown Buildmart Pvt. Ltd. | - | 13.90 |
| 7 | Amount paid on behalf of | Lodha Developers Pvt. Ltd. | - | 0.02 |
| | | Lodha Elevation Buildcon Pvt. Ltd. | - | - |
| | | Lodha Healthy Constructions and Developers Pvt. Ltd. | 36.13 | - |
| | | Nabhiraja Software Design Pvt. Ltd. | - | 0.05 |
| 8 | Amount paid on behalf by | Shreeniwas Cotton Mills Ltd. | - | 1.64 |
| | | Palava Dwellers Pvt. Ltd. | 90.86 | - |
| | | Microtec Construction Pvt. Ltd. | 2.56 | - |
| | | Lodha Pranik Landmark Developers Pvt. Ltd. | - | 4.51 |
| | | Shree Sainath Enterprises Construction and Developers Pvt. Ltd. | 0.18 | - |
| | | Macrotech Constructions Pvt. Ltd. | - | 10.36 |
| | | Lodha Developers Pvt. Ltd. | 828.31 | 3,248.67 |
| 9 | Loan Given | Lodha Crown Buildmart Pvt. Ltd. | 189.89 | 3,310.35 |
| | | Krona Realities Pvt. Ltd. | 0.23 | 20.00 |
| | | Jawala Real Estate Pvt. Ltd. | 18,224.09 | 10,700.00 |
| | | Lodha Developers Pvt. Ltd. | 20.00 | - |
| 10 | Loan Taken | Krona Realities Pvt. Ltd. | 2,952.01 | - |
| 11 | Deposit Taken | Anantnath Constructions and Farms Pvt. Ltd. | 4.00 | - |
| 12 | Guarantee Taken | Abhishek Lodha | 10,000.00 | - |
| | | Abhinandan Lodha | - | - |
| | | Palava Dwellers Pvt. Ltd. | 5,000.00 | - |

Note: No amount pertaining to related parties have been written off / back or provided for.



- 10 Disclosure as per clause 32 of the Equity Listing Agreement : Loans and advances in the nature of loans where there is no repayment schedule and are repayable on demand :

| Particulars | (₹ in Lakhs) | | | |
|---------------------------------|---------------------------|--|---------------------------|--|
| | As On 31st March, 2015 | Maximum Balance During the year ended 31st March, 2015 | As On 31st March, 2014 | Maximum Balance During the year ended 31st March, 2014 |
| Lodha Developers Pvt. Ltd. | - | 976.37 | 230.91 | 10,809.86 |
| Lodha Crown Buildmart Pvt. Ltd. | 1,661.33 | 1,851.28 | 1,661.39 | 2,654.90 |
| Krona Realties Pvt. Ltd. | - | 0.23 | - | 20.00 |
| Jawala Real Estate Pvt. Ltd. | 20,533.60 | 20,533.60 | 8,369.77 | 8,784.77 |

11 Basic and Diluted Earnings Per Share:

| | 2014-2015 | 2013-2014 |
|--|--------------------------|--------------------------|
| Basic and Diluted Earnings Per Share | 4,237.90 | 3,124.96 |
| (a) Net Profit after Tax (₹ in Lakhs) | 20,000,000 | 20,000,000 |
| (b) No. of Equity Shares as on April 1, Add: Shares Allotted No. of Equity Shares as on March 31, Weighted average no. of Equity Shares outstanding during the Year | 20,000,000 20,000,000 | 20,000,000 20,000,000 |
| (c) Face Value of equity shares (in ₹) | 10 | 10 |
| (d) Basic and Diluted Earnings Per Share (in ₹) | 21.19 | 15.62 |

12 Building Materials Consumption (Net):

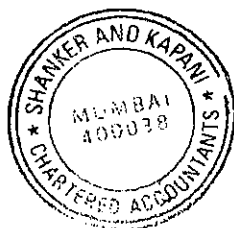
| Materials | 2014-2015 | 2013-2014 |
|-----------------|-----------------|-----------------|
| | (₹ in Lakhs) | (₹ in Lakhs) |
| Concrete | 2,483.16 | 510.39 |
| Steel | 8.29 | 900.39 |
| Tile & Flooring | 165.33 | 390.12 |
| Others | 435.73 | 510.62 |
| Total | 3,092.51 | 2,311.52 |

13 Value of Imports on CIF Basis :

| | 2014-15 | 2013-14 |
|--------------------|---------|---------|
| Building Materials | 34.26 | 688.77 |

14 Value of Imported and Indigenous Materials Consumed :

| | ₹ in Lakhs | % |
|----------------------|--------------------------------|------------------------------|
| Building Materials - | | |
| - Imported | 40.24 (757.13) | 1.30% (32.75%) |
| - Indigenous | 3,052.27 (1,554.39) | 98.70% (67.25%) |
| Total | 3,092.51 (2,311.52) | 100.00% (100.00%) |



15 Details of dues to Micro, Small and Medium Enterprises as per The Micro, Small and Medium Enterprises Development Act, 2006 :

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding is given below :

| Particulars | 2014-2015 (₹ in Lakhs) | 2013-2014 (₹ in Lakhs) |
|--|---------------------------|---------------------------|
| Amount unpaid as at year end - Principal | 43.49 | 16.72 |
| Amount unpaid as at year end - Interest | - | - |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006 | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | - | - |

16 (a) Previous year figures have been regrouped / rearranged wherever necessary.

(b) Figures in brackets are related to previous year.

As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number: 117761W

S. Sankar
Partner

Place : Mumbai
Date : 28-Apr-2015

For and on behalf of the Board


Director


Director


Chief Financial
Officer


Company
Secretary