

22nd

Annual Report



PETROCHEMICALS LIMITED

(AN ISO 9001:2000 COMPANY)

2014 - 2015

BOARD OF DIRECTORS

Shri Sandeep Seth

Managing Director

Shri Jaideep Seth

Director

Shri Rajesh Thadani

Director

Shri Naresh N. Chhabria

Director

Mrs. Anisha Seth

Whole Time Director

AUDITORS

S.M. Kapoor & CO.

COMPANY SECRETARY

Mr. S. R. Narayanan

BANKERS

Indian Overseas Bank

HDFC Bank Ltd

Axis Bank Ltd

CORPORATE OFFICE

10 Luthra Industrial Premises

Ground Floor, Andheri Kurla Road

Safed Pool, Mumbai 400072

REGISTERED OFFICE

Shed No.C1B/316, GIDC Panoli, Tal Ankleshwar

Dist. Bharuch, Gujarat Pin.394116

CIN No.: L99999GJ1992PLC018626

REGISTRARS & TRANSFER AGENTS

Big Share Services Pvt. Ltd

E-2 Ansa Industrial Estate

Saki Vihar Road, Saki Naka

Andheri (East) Mumbai 400072.

Tel: 28470652/28475207

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of **LAFFANS PETROCHEMICALS LIMITED** will be held on Saturday, 26th day of September, 2015 at 12.30 p.m. at Shalimar Hotel, Ankleshwar, Bharuch, Gujarat to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2015, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anisha Seth (DIN: 06867960), who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.
3. To ratify the appointment of the Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 139(9) and 142(1) and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, the appointment of M/s. S. M. Kapoor & Co., Chartered Accountants, (Firm Registration No 104809W) approved in the 21st Annual General Meeting until 24th Annual General Meeting is hereby ratified in this Annual General Meeting till conclusion of next Annual General Meeting, with remuneration as may be decided by the Board of Directors.”

SPECIAL BUSINESS:

4. To appoint Mr. Rajesh Thadani (DIN: 00009889) as an Independent Director and in this regard to consider and , if thought fit, to pass, with or without modification the following resolution as an ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Rajesh Thadani (DIN: 00009889), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2020.”

By Order of the Board of Directors

Place: Mumbai
Dated: 29th May, 2015

Sandeep Seth
Managing Director
DIN: 00316075

Regd. Office:

Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.
CIN: L99999GJ1992PLC018626
Email: lplho@vsnl.com
Website: www.laffanspetrochemical.com
Contact: 022-28511919/1918/2929.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a Member of the Company.
2. A proxies in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A

member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the meeting as set out above is annexed hereto and forms part of the Notice.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 16th day of September, 2015 to Saturday, 26th day of September, 2015 (both days inclusive).
5. Share holders seeking any information with regard to accounts are requested to write to the Company early so as to enable the management to keep the information ready.
6. **Voting through electronic means**

In Compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services provided by the Central Depository Services Limited (CDSL). E-voting detailed instructions form is attached.

Notice of the 22nd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.

The e-voting period commences on September 22, 2015 (9.00 am) and ends on September 25, 2015 (5.00 pm). During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 19, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Kindly note that, each Member can opt for only one mode for voting i.e. either by Physical Ballot at Annual General Meeting or through e-voting.

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

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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 demat account/ folio number in the PAN field. • In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on September 22, 2015 (9.00 am) and ends on September 25, 2015 (5.00 pm). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 19, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.

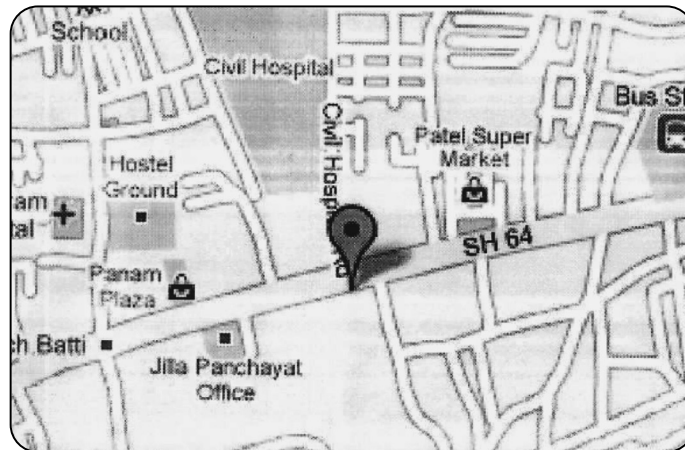
7. In terms of Clause 35 B of the Listing Agreement, those members, who do not have access to e-voting facility, may send their assent or dissent in writing on the Ballot Form sent along with this AGM Notice so as to reach the Scrutinizer at the address- Mrs. Ragini Chokshi, Practicing Company Secretary, (Membership No. FCS 2390), C/o Big Share Services Pvt. Ltd., Unit : Laffans Petrochemicals Limited, E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 on or before September 20, 2015. Any Ballot Form received after this date will be treated as if the reply from the member has not been received.
8. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at Shed No. C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist. Bharuch, Gujarat – 394 116 on all working days of the Company, between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
9. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.
10. The route map of the venue of the AGM is given herein below:

HOTEL SHALIMAR

STATION ROAD
BHARUCH

PHONE: 02642 268435, 243537
FAX: 240482

LOCATION & MAP



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.4:

Mr. Rajesh Thadani (DIN: 00009889) was appointed as an Additional Director and Independent Director by the Board of Directors of the Company at its Meeting held on 14th November, 2014. He holds office up to the date of the forthcoming Annual General Meeting of the Company pursuant to Section 161 of the Companies Act, 2013.

The Company has received a notice from a Member signifying his intention to propose Mr. Rajesh Thadani as a candidate for the office of Director of the Company at the ensuing Annual General Meeting. Mr. Rajesh Thadani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Rajesh Thadani that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Rajesh Thadani fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Rajesh Thadani is independent of the management. Mr. Rajesh Thadani is a Post Graduate (M.Com) & MBA and has 25 Years experience in business. He does not hold any shares in the Company.

Mr. Rajesh Thadani is on the Board of Fairprice Traders (India) Pvt Ltd, Sealtite Gaskets Pvt Ltd, Kanishka Properties Pvt Ltd, Ideal Properties Pvt Ltd and Gavotte Traders Pvt Ltd.

Your Directors recommend the Resolution for your approval. None of the other Directors except Mr. Rajesh Thadani is deemed to be concerned or interested in this item of business.

Copy of the draft letter for appointment of Mr. Rajesh Thadani as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Details of the Directors seeking re-appointment/appointment at the Annual General Meeting

Particulars	Mrs. Anisha Seth	Mr. Rajesh Thadani
Date of Birth	09/07/1969	13/01/1970
Date of Appointment	2 nd May, 2014	14 th November, 2014
Expertise in specific area	A qualified M.Ed. with 19 years of experience in Business Administration and human resource development.	A qualified M.com & MBA with 25 years of experience in business.
Directorship held in other public Companies (excluding Foreign Companies And Section 25 Companies)	Nil	Nil
Memberships/ Chairmanships of other Public Companies (includes only Audit and Shareholders'/ Investors' Grievance Committees)	Nil	Nil
Remuneration Committees	Nil	Nil
Number of shares held	Nil	Nil

By Order of the Board of Directors

Place: Mumbai
Dated: 29th May, 2015

Sandeep Seth
Managing Director
DIN: 00316075

Regd. Office:

Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.
CIN: L99999GJ1992PLC018626
Email: lplho@vsnl.com
Website: www.laffanspetrochemical.com
Contact: 022-28511919/1918/2929.

Board's Report

Dear Members,

Your Directors have pleasure in presenting their 22nd Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2015

Financial Performance:

A summary of company's financial performance for 2014-2015:

(₹ in Lakhs)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Sales for the year	65.13	4396.83
Profit before Interest & finance charges, depreciation & taxation	12.52	(68.91)
Less: Interest & finance Charges	0.15	0.61
Operating profit before depreciation & taxation	12.37	(69.52)
Less: Depreciation, amortization & impairment of asset	12.17	9.43
Profit before Exceptional Items	0.20	(78.95)
Add: Exceptional Items	0.00	0.00
Profit before taxation	0.20	(78.95)
Current Tax & Prior Year	0.00	0.00
Deferred Tax Liability	(3.79)	43.92
Profit after taxation	(3.59)	(35.03)
Add: Balance brought forward	3,957.35	3,992.38
Profit available for appropriation	3,953.76	3,957.35
Less: Appropriation:		
Transfer to General Reserve	0.00	0.00
Interim Dividend	0.00	0.00
Tax on Interim Dividend	0.00	0.00
Proposed Dividend	0.00	0.00
Provision for Tax on Proposed Dividend	0.00	0.00
Balance carried forward to Balance Sheet	3,953.76	3,957.35

Operating & Financial Performance, Internal Control:

Your company has generated gross income of Rs. 347.72 Lacs as compared to Rs. 4789.54 lacs for previous year. The income by way of trading during the year amounted to Rs.65.13 lacs compared to Rs. 4323.65 in the previous year. Income from services amounted to Rs. Nil compared to Rs. 73.18 Lacs in the previous year.

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance with various internal controls and other regulatory and statutory compliances. Code of Internal controls which require that the Director review the effectiveness of internal controls and compliances controls, financial and operational risks, risk assessment and management systems and related party transactions, have been complied with.

Company's Policies on Remuneration, Whistle Blower and also Code of Conduct applicable to Directors and Employees of the Company has been complied with. These Policies and Code of Conduct are available on the Company's website www.laffanspetrochemical.com

There is no change in the nature of the business of the Company. There were no companies which became or ceased to be the Subsidiaries, joint ventures or associate companies during the year. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. There were no material changes and commitment affecting the financial position between March 31, 2015 and date of this Report of Directors.

Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2015. There were no unclaimed or unpaid deposits as on March 31, 2015.

Transfer to Reserve:

The Company has not transferred any amount to reserves.

Dividend:

Due to net loss of Rs. 3.59 Lacs, it would not be possible to recommend any dividend for declaration. Your Directors regret their inability to recommend any Dividend for the year under review.

SIGNIFICANCE AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS.

There were no significance and material orders passed by regulators or courts or tribunals impacting the going concern status and company operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2015 and the date of this Report of the Directors.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES COMPANIES DURING THE YEAR:

The Company has no subsidiaries, joint ventures or associated companies therefore disclosures in this regards are not provided in this report.

Number of meeting of the Board:

During the year 2014-15, the Board of Directors met seven times viz. on 2nd May, 2014; 29th May, 2014; 1st July, 2014; 12th August, 2014; 14th November, 2014; 14th February, 2015 and 10th March, 2015.

The details relating to Audit Committee Meetings has been set out in the Corporate Governance Report annexed with this report which forms part of this report.

Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Sections 134(3) (c) read section 134(5) of the Companies Act, 2013 of the Companies Act, 2013:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

D. Statement on declaration given by independent directors under sub-section (6) of section 149:

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

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178:

The Policy of the Company on Directors' appointment and remuneration including criteria for determining

qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as **Annexure A** to this Report.

Particulars of loans, guarantees or investments under section 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

Particulars of contracts or arrangements with related parties referred to in sub-section (I) of section 188 in the form AOC-2:

All the contracts/ arrangements/ transactions that were entered into by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transaction. All Related Party Transactions are placed before the Audit Committee for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.laffanspetrochemical.com.

Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:*

1. **Details of contracts or arrangements or transactions not at arm's length basis: Nil**
2. **Details of material contracts or arrangement or transactions at arm's length basis:**
 - a) **Name of the related party and nature of relationship:** Mr. Sandeep Seth, Managing Director
 - b) **Nature of transaction:** Payment for Office Rent
 - b) **Duration of transaction:** Not Applicable
 - d) **Salient terms of transaction:** Monthly Rent of Rs. 2,00,000/- per month
 - e) **Date of Approval by Board, if any:** Not Applicable
 - f) **Amount paid as advances, if any:** Nil

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure B**".

Risk management policy and its implementation:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and Individual Directors:

The formal annual evaluation has been done by the board of its own performance and that of its committee and individual directors on the basis of evaluation criteria specified in the Nomination and Remuneration policy of the Company. A member of the Board/committee did not participate in the discussion of his/her evaluation.

Directors or key managerial personnel who were appointed or have resigned during the financial year 2014-15:

The Board of Directors had appointed Mrs. Anisha Seth (DIN: 06867960) as a woman director from 2nd May, 2014 and Whole-time Director with effect from 1st July, 2014 and the same was approved by the members in the twenty first Annual General Meeting held on September 26, 2014. She will hold Office for 5 years with effect from 1st July, 2014 as approved by the members in the 21st Annual General Meeting.

The Board also appointed Mr. Naresh Chhabria (DIN: 03463187) as an Independent Director with effect from 2nd May, 2014 and the same was approved by the members in the twenty first Annual General Meeting held on September 26, 2014. Mr. Naresh Chhabria (DIN: 03463187) will hold office till 31st March, 2019.

Mr. Rajesh Sharma ceased to be associated with the Company on account of vacation of office under section 167 of the Companies Act, 2013. Mr. Rajesh Thadani (DIN 00009889) was appointed as an Additional Director with effect from 14th November, 2014. Board hereby recommends appointing Mr. Rajesh Thadani as Independent Director at the ensuing Annual General Meeting of the Company.

During the year Company had also appointed Mr. Mahalinga B. Kotian as a Chief Financial Officer of the Company w.e.f. 10th March, 2015. During the year Company accepted resignation of Mr. Ambalal C. Patel from the post of Independent Director w.e.f. 1st July, 2014.

Re-appointments

As per the provisions of the Companies Act, 2013 and the Articles of Association of the company, Mrs. Anisha Seth (DIN 06867960) will retire in the ensuing Annual General Meeting and being eligible, seek re-appointment. The Board of Directors recommends his re-appointment.

AUDITORS

At the Annual General Meeting held on 26th September, 2014 M/s. S. M. Kapoor & Co., Chartered Accountants, Statutory Auditors of the Company having registration number FRN No. 104809W were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017. In terms of first proviso of section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification by members at every annual general meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S. M. Kapoor & Co., Statutory Auditors, in their report.

Internal Auditors

M/s Govind Prasad & Co, Chartered Accountants were appointed as an Internal Auditor with effect from 14th February, 2015, they performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

In order to prevent sexual harassment of women at work place the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year Company has not received any complaint of such harassment.

The Extract of the Annual Return in form MGT-9:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure C".

PARTICULARS OF INVESTMENTS HELD BY THE COMPANY UNDER SECTION 186 WITH DETAILS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of every director's performance was carried out. An evaluation sheet was given to each director wherein certain criteria were set out for which ratings are to be given.

RESEARCH & DEVELOPMENT:

As Company is not into manufacturing activity, there was no Research and Development activity carried out by the Company during the financial year under review.

WEBSITE OF THE COMPANY:

The Company maintains a website www.laffanspetrochemical.com where detailed information of the company and its products are provided

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.laffanspetrochemical.com. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Requirements of Rule 5(1)	Details
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Sandeep Seth - 9.74 : 1 (974%)
	Mr. Jaideep Seth - 3.08 : 1 (308.44%)
	Mr. Rajesh Sharma – 0 : 1 (Nil %)
	Mr. Naresh Chhabria - 0 : 1 (Nil %)
	Mrs. Anisha Seth - 3.71 : 1 (340.91%)
	Mr. Rajesh Thadani - 0 : 1 (Nil%)
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Sandeep Seth - No increase
	Mr. Jaideep Seth - No increase
	Mr. Rajesh Sharma - No increase
	Mr. Naresh Chhabria - No increase
	Mrs. Anisha Seth - No increase
	Mr. Mahalinga B. Kotian (CFO)– No increase
	Mr. S. R. Narayanan (CS) - No increase
Mr. Rajesh Thadani - 0 : 1 (Nil%)	
iii) the percentage increase in the median remuneration of employees in the financial year;	No increase
(iv) the number of permanent employees on the rolls of company;	6 employees as on 31 st March, 2015
(v) the explanation on the relationship between average increase in remuneration and company performance;	Average increase in remuneration of all employees was Nil % for the year 2015 which is based on the individual's employee's performance. The total sales in the year reduced by 98.49% over previous year.
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Average increase in remuneration of all employees was Nil % for the year 2015.

Requirements of Rule 5(1)	Details																								
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	<table border="1"> <thead> <tr> <th></th> <th>As on 31. 03. 2014</th> <th>As on 31. 03. 2015</th> <th>% increase</th> </tr> </thead> <tbody> <tr> <td>Share Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>BSE</td> <td>8.30</td> <td>9.25</td> <td>11.45%</td> </tr> <tr> <td>Vadodara</td> <td>Not Traded</td> <td>Not Traded</td> <td>Not Traded</td> </tr> <tr> <td>Stk Ex</td> <td>Not Traded</td> <td>Not Traded</td> <td>Not Traded</td> </tr> <tr> <td>DelhiStk Ex</td> <td>Not Traded</td> <td>Not Traded</td> <td>Not Traded</td> </tr> </tbody> </table> <p>The Company has not made any public issue or right issue of the securities in the last 15 years, so comparison have not been made of current share price with public offer price. The Company's shares are listed on Bombay, Vadodara and Delhi Stock Exchanges.</p>		As on 31. 03. 2014	As on 31. 03. 2015	% increase	Share Price				BSE	8.30	9.25	11.45%	Vadodara	Not Traded	Not Traded	Not Traded	Stk Ex	Not Traded	Not Traded	Not Traded	DelhiStk Ex	Not Traded	Not Traded	Not Traded
	As on 31. 03. 2014	As on 31. 03. 2015	% increase																						
Share Price																									
BSE	8.30	9.25	11.45%																						
Vadodara	Not Traded	Not Traded	Not Traded																						
Stk Ex	Not Traded	Not Traded	Not Traded																						
DelhiStk Ex	Not Traded	Not Traded	Not Traded																						
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	No increase in Salaries of Employees during the Financial Year 2014-15.																								
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	The remuneration of Key Managerial Personnel has not been increased in 2014-15, compared to 2013-14, whereas the Net loss during the 2014-15 reduced substantially compared to 2013-14.																								
(x) the key parameters for any variable component of remuneration availed by the directors;	There is no variable component of remuneration availed by any of the directors.																								
(xi) 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; and	The Managing Director is the highest paid Director. No employee received remuneration higher than the Managing Director																								
(xii) affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2015 is as per Remuneration policy of the Company																								

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f. 10th March, 2015

** Mr. Rajesh Thadani has been appointed as an Additional Director w.e.f 14th November, 2014

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Secretarial Audit

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report from M/s. Ragini Chokshi & Co., Company Secretaries in Practice which is annexed herewith as "**Annexure D**".

Certain observations made in the report with regard to non filing of some forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the company would ensure in future that all the provisions are complied with the fullest extent. Regarding observation relating to taking on records the disclosure of interest given by all the directors in second Board Meeting instead of first Board Meeting of the financial year, the same happened because in the first Board Meeting 2 new directors were appointed and they also gave their disclosures in that Board Meeting, therefore it was decided to take on record disclosure of interest received from all the directors in next Board Meeting.

With respect to the observation relating to Clause 41 of the Listing Agreement, it is hereby clarified that the intimation of Board Meetings were published in newspaper but Company has not kept Newspaper cuttings in its records which will be taken care henceforth.

Vigil mechanism/whistle Blower Policy:

The Company has established a vigil mechanism/Whistle Blower Policy for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

Following details are also available on the website of the Company i.e on www.laffanspetrochemical.com

1. The details of such familiarisation programmes
2. The policy on Related Party Transactions
3. Code of conduct for Board of Directors and Employees
4. Code of internal procedure and conduct under insider trading regulation.
5. Policy on Board Diversity
6. Nomination & Remuneration Policy etc.

Management Discussion and Analysis Report:

In terms of the provisions of Clause 49 of the Listing Agreement, the Management's discussion and analysis is set out in this Annual Report.

CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax, regime, other statutes, market forces and other associated and individual factors may however lead to variation in actual results. Readers are cautioned not to place undue reliance on the forward looking statements.

Report on Corporate Governance

A separate report on Corporate Governance is attached to this report along with Statutory Auditor's certificate on its compliance.

Acknowledgments

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Governments of Gujarat & Maharashtra, Authorities and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

Place: Mumbai

Dated: May 29, 2015

Sandeep Seth
Managing Director
(DIN 00316075)

Jaideep Seth
Director
(DIN 03130620)

ANNEXURE – A
NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION:

This policy has been formulated by the Committee and approved by the Board of Directors.

2. OBJECTIVE OF THE COMMITTEE:

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Director and the Board
- c. Devising a policy on Board diversity.
- d. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- e. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3. DEFINITIONS:

3.1 **Board** means Board of Directors of the Company.

3.2 **Director** means Directors of the Company.

3.3 **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

3.4 **Company** means Goldiam International Limited.

3.5 **Independent Director** means Independent Director as provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013.

3.6 **Key Managerial Personnel** means Key Managerial Personnel as defined Section 2(51) of the Companies Act, 2013.

3.7 **Senior Management** The expression “senior management” means 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 directors, including the functional 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.

4. GENERAL APPOINTMENT CRITERIA:

4.1 The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

4.2 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

4.3 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

5. ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

The appointment of Independent director shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and the Companies Act, 2013.

6. TERM / TENURE:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time, and as per listing agreement.

7. REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

8. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

8.1 Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the Board from time to time.

The Independent Directors shall take the views of the executive director(s) and non-executive director(s) to review the performance of the Chairman of the Company.

8.2 Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the company;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence
- f. inform the Board immediately when they lose their independence,
- g. assist the Company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- m. Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. Provide various directions in the best interest of the Company on key issues.

Apart for aforesaid criteria, the Non-Executive Directors (including Independent Directors) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

8.3 Board (including Various Committees):

The Board (including various committees) shall be evaluated on the basis of the following criteria i.e. whether:

- a. the Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. the Board oversees the management of risk and review the effectiveness of risk management process.
- c. the Board of directors works as a team.
- d. the Board is robust in taking and sticking to decisions.
- e. the Board as a whole up to date with latest developments in the regulatory environment and the market.
- f. sufficient Board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. the relationships and communications with shareholders are well managed.
- h. the relationships and communications within the board constructive.

- i. all directors allowed or encouraged to participate fully in board discussions.
- j. the Board take the Initiative to maintain moral value of the Company.
- k. the Board contribute to enhance overall brand image of the Company.

Apart from aforesaid criteria, the Board (including Committees) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

9. POLICY ON BOARD DIVERSITY:

The appointment of director(s) on the Board should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination & Remuneration Committee is (among other things) responsible for:

reviewing the structure, size and composition of the Board and the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board.

10. REMUNERATION:

10.1 The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

10.2 Director/ Managing Director

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.3 Non executive Independent Directors

The Non- Executive Independent Director may receive remuneration by way of sitting fees as decided by the Board from time to time for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed the ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.4 KMPs / Senior Management Personnel etc.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.5 Other employees:

Without prejudice to what is stated in para 10.1 to 10.4, the remuneration to be paid to the other employees shall be decided by the management of the Company based on the experience, qualification, expertise of the employees or any other criteria as may be decided by the Management.

11. SUCCESSION PLANNING:

The Nomination & Remuneration Committee shall work with the Board on the Leadership succession plan, and shall also prepare contingency plan for succession in case of any exigencies.

ANNEXURE – B

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy- Not Applicable

(B) Technology absorption- Not Applicable

(C) Foreign exchange earnings and Outgo-

The Company's main line of business is Trading. The Company has achieved Export Turnover of Rs. Nil during the year under report 2014-2015, as compared to ₹ Nil in the previous year, 2013-2014.

Sr. No.	Particulars	2014-2015	2013-2014
1	Foreign Exchange Earned	00	00
	Export of Goods of F.O.B basis		
2	Outgo of Foreign Exchange		
	i) Raw Materials	22,69,740.00	19,89,220.00
	ii) Consumable Store	-	-
-	iii) Capital Goods	-	-
	iv) Foreign Travels	-	-
	v) Others	00	14,75,850.00
	vi) Dividend	-	-

ANNEXURE – C**MGT-9 – EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. Registration and other Details

CIN	L99999GJ1992PLC018626
Registration Date	27 th November, 1992
Name of the Company	LAFFANS PETROCHEMICALS LIMITED
Category	Company Limited by shares
Sub-Category	Indian Non-Government Company
Address of the Registered Office	SHED NO. C1B/316, GIDC PANOLI, ANKLESHWAR – 394116, GUJARAT
Contact details	Tel: (022) 28511918 / 28512929 / 28518862, Fax: (022) 28513186; Email: Laffans1@vsnl.com Website: www.laffanspetrochemical.com
Whether Listed Company	Yes, Listed on Bombay BSE, Vadodara Stock Exchange and Delhi Stock Exchange
Name, Address and Contact details of Registrar and Transfer Agent	M/s. Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East) Mumbai – 400 072 Tel.: + 91-22-4043 0200, Fax: +91-22-2847 5207 Email: investor@bigshareonline.com

II. Principal Business Activities

All the business activities contributing 10 % or more of the total turnover of the Company

Sl. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1	Dealing in Petroleum Chemicals	51102	100%

III. Particular of Holding, Subsidiary and Associate Companies: Nil

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				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3907702	4750	3912452	48.91	3907702	4750	3912452	48.91	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	227700	-	227700	2.85	227700	-	227700	2.85	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	4135402	4750	4140152	51.75	4135402	4750	4140152	51.75	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	4135402	4750	4140152	51.75	4135402	4750	4140152	51.75	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	10600	10600	0.13	0	10600	10600	0.13	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	10600	10600	0.13	0	10600	10600	0.13	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	209593	57000	266593	3.33	130767	57000	187767	2.34	(0.99)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1626349	663610	2289959	28.62	1638996	658910	2297906	28.72	0.10

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1212505	65500	1278005	15.98	1248811	65500	1314311	16.43	0.45
c) Others (specify)									
Clearing member	756	-	756	0.009	100	-	100	0.001	-0.0082
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians (Repat)	13935	-	13935	0.17	49164	-	49164	0.61	0.44
Non Resident Indians (Non-Repat)	-	-	-	-	-	-	-	-	-
Foreign Companies	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	3063138	786110	3849248	48.12	3067838	781410	3849248	48.12	-0.0006
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3063138	796710	3859848	48.25	3067838	792010	3859848	48.25	-0.0006
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7198540	801460	8000000	100	7203240	796760	8000000	100	-

(ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Mr. Sandeep Prem Seth	3911952	48.90	N.A	3911952	48.90	N.A	No change
Laffans India Ltd	227700	2.85	N.A	227700	2.85	N.A	No change
Mrs. Urmila Seth	500	0.00625	N.A	500	0.00625	N.A	No change

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

	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
Mr. Sandeep Prem Seth				
At the beginning of the year	3911952	48.90	3911952	48.90
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 During the year			
At the End of the year	3911952	48.90	3911952	48.90
Laffans India Limited				
At the beginning of the year	227700	2.85	227700	2.85
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 During the year			
At the End of the year	227700	2.85	227700	2.85
Mrs. Urmila Seth				
At the beginning of the year	500	0.00625	500	0.00625
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 During the year			
At the End of the year	500	0.00625	500	0.00625

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

	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. LAFFANS INDIA LIMITED				
At the beginning of the year	227,700	2.85	227,700	2.85
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	227,700	2.85	227,700	2.85
2. RAHUL DILIPBHAI JHAVERI				
At the beginning of the year	121500	1.52	121500	1.52
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	20.6.14 -121500 22.8.14 +121500			
At the End of the year	121500	1.52	121500	1.52
3. MAHENDRA GIRDHARILAL				
At the beginning of the year	133,242	1.67	133,242	1.67
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	02.1.2015 +60, 09.01.2015 +1000, 06.03.2015 +2620, 13.03.2015 +3013, 20.03.2015 +530, 31.03.2015 +81.			
At the End of the year	140546	1.76	140546	1.76
4. SAS BROKING PRIVATE LIMITED				
At the beginning of the year	65442	0.82	65442	0.82
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	31.12.2015 -64113, 02.01.2015 -827.			
At the End of the year	502	0.01	502	0.01
5. ARUN RAMGOPAL MEHRA				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	31.12.2015 +57862,			
At the End of the year	57862	0.72	57862	0.72
6. NARAYAN MANGILAL MALU				
At the beginning of the year	87266	1.09	87266	1.09
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	87266	1.09	87266	1.09
7. SANJAY SETHI				
At the beginning of the year	99000	1.24	99000	1.24
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	99000	1.24	99000	1.24

	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
8. ARUNA VAGERIA				
At the beginning of the year	48201	0.60	48201	0.60
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	48201	0.60	48201	0.60
9. JALPA HITESH JHAVERI				
At the beginning of the year	39000	0.49	39000	0.49
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	39000	0.49	39000	0.49
10. NATHALIA MENEZES				
At the beginning of the year	35558	0.44	35558	0.44
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	29.08.2014 +940, 12.09.2015 +1000, 16.01.2015 +900, 23.01.2015 +550, 20.02.2015 +550.			
At the End of the year	39498	0.49	39498	0.49
11. S N RAJAN				
At the beginning of the year	44978	0.56	44978	0.56
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	06.06.2014 -1000, 20.06.2014 -10,			
At the End of the year	43968	0.55	43968	0.55
12. KONDEPUDI PALLAVI				
At the beginning of the year	46000	0.58	46000	0.58
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	46000	.58	46000	0.58

(v) Shareholding of Directors and Key Managerial Personnel:

	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
Mr. Sandeep Prem Seth (Managing Director)				
At the beginning of the year	3911952	48.90	3911952	48.90
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	3911952	48.90	3911952	48.90
Mr. Jaideep Seth (Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			

	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
At the End of the year	0	0	0	0
Mr. Naresh N. Chhabria (Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mr. Rajesh Sharma (Director) *				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mrs. Anisha Seth (Whole-Time Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mr. Mahalinga Booba Kotian (CFO) **				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mr. Rajesh Thadani (Additional Director) ***				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0.0000	0	0.0000
Mr. S R Narayanan (Company Secretary)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0.0000	0	0.0000

* Mr. Rajesh Sharma ceased to be director w.e.f.10th March, 2015

**Mr. Mahalinga Booba Kotian was appointed as CFO w.e.f. 10th March, 2015

*** Mr. Rajesh Thadani was appointed as Additional Director w.e.f. 14th November, 2014.

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year	-	-	-	-
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Particulars of Remuneration	Mr. Sandeep Seth (Managing Director)	Mr. Anisha Seth (Whole-time Director)	Total Amount
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	6,30,000	24,30,000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission			
- as % of profit	-	-	-
- others	-	-	-
Others	233,133	-	-
Total (A)	20,33,133	6,30,000	24,30,000
Ceiling as per the Act	As per Section II of Schedule V of the Companies Act, 2013	As per Section II of Schedule V of the Companies Act, 2013	Rs. 42,00,000/- (Overall limits as per Section II of Schedule V of the Companies Act, 2013)

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors				Total Amount
	Mr. Jaideep Seth	Mr. Rajesh Sharma*	Mr. Naresh Chhabria	Mr. Rajesh Thadani**	
Independent Directors					
• Fee for attending board / committee meetings		-	-		-
• Commission	-	-	-		-
• Others	-	-	-		-
Total (1)					
4. Other Non-Executive Directors					
• Fee for attending board / committee meetings	-	-	-		-
• Commission	-	-	-		-
• Others	5,70,000	-	-		5,70,000
Total (2)	5,70,000	-	-		5,70,000
Total (B)=(1+2)	5,70,000	-	-		5,70,000

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f. 10th March, 2015

** Mr. Rajesh Thadani has been appointed as an Additional Director w.e.f. 14th November, 2014

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	Company Secretary Mr. S R Narayanan	CFO* Mr. Mahalinga B. Kotian	
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,000	1,84,800	2,44,800
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit	-	-	-
- others	-	-	-
Others	-	-	-
Total	60,000	1,84,800	2,44,800

*Mr. Mahalinga B. Kotian was appointed as Chief Financial Officer w.e.f. 10th March, 2015

VII. Penalties / Punishment/ Compounding of Offences:

During the year there were no penalties, punishment, compounding charges paid by the company.

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)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE – D
SECRETARIAL AUDIT REPORT
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE PERIOD 01-04-2014 TO 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,

Laffans petrochemicals limited

Shed no.C1b/316 Gidc Panoli, Ankleshwar

Gujarat - 394116

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **LAFFANS PETROCHEMICALS LIMITED (CIN: L99999GJ1992PLC018626)** hereinafter called (the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **LAFFANS PETROCHEMICALS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering **1st April, 2014 to 31st March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **LAFFANS PETROCHEMICALS LIMITED** (“the Company”) for the audit period **1st April, 2014 to 31st March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act,1999 and the Rules and Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable as there was no Substantial Acquisition of Shares & Takeover made during the year**
 - 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 as the Company did not issue any security during the financial year under review.**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not applicable as the Company did not have any scheme for its employees during the financial year under review.**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable as the Company has not issued any debt securities during the financial year under review.**
 - 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 as the Company has not delisted its equity shares from any stock exchange during the financial year under review.**
- h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2009- **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. Income Tax Act, 1961
2. Service tax, 1994
3. Income Tax Act, 1961
4. Corporate Laws
5. Securities & Exchange Board of India Act, 1992
6. Stock Exchanges- Listing Agreement Compliances

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India. **Not applicable since these Secretarial Standards will come into effect from 1st July, 2015 hence not applicable to the Company during the audit period under review**
- b) Listing Agreement with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

There was delay in filing E- forms with MCA.

Disclosure of Interest by Interested Directors is taken in the 2nd Board meeting instead of first meeting as required under section 184(1) Companies Act, 2013

As per clause 41 of the Listing Agreement, intimation of Board meeting was not published in newspapers.

During the financial year, the following e-forms are pending to be file:

<i>Sr. No</i>	<i>Details of forms filed</i>	<i>Purpose of Filing</i>
<i>1)</i>	<i>Form MGT-14</i>	<i>Appointment of Mrs. Anisha Seth as Whole Time Director</i>
<i>2)</i>	<i>Form MGT-14</i>	<i>Approval of quarterly financial results for quarter ended 30th June, 2014</i>

We further report that:

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

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

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

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

For Ragini Chokshi & Co.

Mrs. Ragini Chokshi
(Partner)

C.P.NO. 1436
FCS NO. 2390

Place: Mumbai
Date : 29/05/2015

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

‘Annexure A’

To,

The Members,

Laffans petrochemicals limited

Shed no.C1b/316 Gidc Panoli, Ankleshwar

Gujarat - 394116

1. Maintenance of secretarial records is the responsibility of the management of the company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Ragini Chokshi & Co.

Mrs. Ragini Chokshi
(Partner)

C.P. No. 1436
FCS No. 2390

Place : Mumbai

Date: 29/05/2015

REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on March 31, 2015 has been issued in compliance with the requirement of Clause 49 of the Listing Agreement with Stock Exchange and forms the part of Report of the Directors to the Members of the Company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Laffans benchmarks its Corporate Governance with the application of sound management practices and it conforms to the mandatory requirements. The Company is constantly striving to adopt the emerging good corporate governance practices.

2. BOARD OF DIRECTORS:

2.1. Composition and Category of Directors

Composition of Board of Directors as on March 31, 2015

Name of Director	Category
Mr. Sandeep Seth	Executive - Managing Director
Mrs. Anisha Seth	Whole-Time Director
Mr. Jaideep Seth	Non-Executive
Mr. Naresh Chhabria	Independent-Non-Executive
Mr. Rajesh Thadani **	Independent-Non-Executive
Mr. Ambalal Patel***	Independent-Non-Executive

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015

* Mr. Rajesh Thadani was appointed as Additional Director w.e.f 14th November, 2014.

*** Mr. Ambalal Patel ceased to be associated with the Company w.e.f. 01st July, 2014.

There is no Chairman as such appointed by the Board. As required under Section 149(3) of the Companies Act, 2013, Mrs. Anisha Seth has been appointed as Woman Director on the Board.

2.2. Directorship and Committee Membership in other Companies:

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49(II)(D) of revised Listing Agreement with Stock Exchange) across all the Companies in India in which he is a Director.

Independent Directors do not serve in more than 7 listed Companies. None of the Independent Directors are Whole Time Directors in any listed company so the limitation mentioned in Clause 49(II)(B)(2) of the revised Listing Agreement with Stock Exchange are not applicable.

Directorships and membership of Committees in other companies held by Directors as on March 31, 2015 are given below:

Name of Director	*Number of Directorship(s) held in other Indian public limited Companies	**Committees Positions	
		Committee Chairmanship	Committee Membership
Mr. Sandeep Seth	0	Nil	Nil
Mrs. Anisha Seth	0	Nil	Nil
Mr. Jaideep Seth	0	Nil	Nil
Mr. Rajesh Sharma***	0	Nil	Nil
Mr. Naresh Chhabria	0	Nil	Nil
Mr. Rajesh Thadani****	0	Nil	Nil
Mr. Ambalal Patel*****	0	Nil	Nil

*Directorships do not include directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**Chairmanship/ Membership of committees of Board of Directors include only Audit and Stakeholder Relations Committees of other Public Limited Companies.

*** Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015.

**** Mr. Rajesh Thadani was appointed as Additional Director w.e.f. 14th November, 2014.

*****Mr. Ambalal Patel ceased to be associated with the Company w.e.f. 01st July, 2014.

2.3. Board Meetings Held:

Seven Board meetings were held during the financial year ended on 31st March, 2015. These were held on 2nd May, 2014; 29th May, 2014; 1st July, 2014; 12th August, 2014; 14th November, 2014; 14th February, 2015 and 10th March, 2015.

2.4. Attendance of each director at the Board meetings held during the financial year ended 31st March, 2015 and the last AGM held on September 26, 2014:

Director	No. of Board meetings held	No. of Board meetings attended	Last AGM Yes/No
Mr. Sandeep Seth	7	7	Yes
Mrs. Anisha Seth*	7	6	Yes
Mr. Jaideep Seth	7	7	Yes
Mr. Ambalal C. Patel**	2	0	No
Mr. Rajesh Sharma***	7	0	No
Mr. Naresh Chhabria*	7	6	Yes
Mr. Rajesh Thadani****	2	2	No

* Mr. Naresh Chhabria and Mrs. Anisha Seth were appointed on 2nd May, 2014.

**Ambalal C. Patel resignation was accepted w.e.f 1st July, 2014

*** Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015

**** Mr. Rajesh Thadani was appointed as Additional Director w.e.f 14th November, 2014

INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors met on 25th March, 2015, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

COMMITTEES OF THE BOARD

3. AUDIT COMMITTEE

3.1. Term of Reference:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are broadly as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.

- c. Major accounting entries involving estimates based on the exercise of judgment by management.
- d. Significant adjustments made in the financial statements arising out of audit findings.
- e. Compliance with listing and other legal requirements relating to financial statements.
- f. Disclosure of any related party transactions.
- g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertaking or assets of the Company, wherever it is necessary.
- Evaluation of internal financial control and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Reviewing the financial statements of the unlisted subsidiary companies.
- The Audit Committee also reviews the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2 Composition of the Audit Committee:

The Company has constituted a qualified Audit Committee as required under Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchange. The Audit Committee has been reconstituted on 2nd May, 2015.

The Audit Committee was reconstituted on 2nd May, 2014 and 14th November, 2014.

The Audit Committee comprises of three directors as members. All the members are well versed with finance, accounts, corporate laws and general business practices. Mr. Naresh Chhabria, Chairman of the Committee is an Independent and has related financial and accountancy expertise.

Name of the Member	Category	Designation
Mr. Naresh Chhabria	Independent Director	Chairman
Mr. Rajesh Sharma*	Independent Director	Member
Mr. Rajesh Thadani**	Independent Director	Member
Mr. Jaideep Seth	Non-Executive Director	Member

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015.

** Mr. Rajesh Thadani was appointed w.e.f 14th November, 2014.

3.3. Audit Committee meetings:

During the year under the review, the Committee met five times, i.e. on 29th May, 2014, 12th August, 2014, 14th November, 2014, 14th February, 2015 and 10th March, 2015. The meeting held on 29th May, 2014 reviewed the Annual Accounts of the Company for the financial year 2013-2014 and approved the same. The meetings held on 12th August, 2014, 14th November, 2014, and 14th February, 2015 reviewed and approved the results for 1st, 2nd and 3rd quarter respectively. The meetings held on 10th March, 2015 recommended appointment of Mr. M. B. Kotian as Chief Financial Officer (CFO).

Attendance at the meetings of the Audit Committee:

Name of the Member	Designation	No. of meetings during the year	
		Held	Attended
Mr. Naresh Chhabria	Chairman	5	5
Mr. Rajesh Sharma*	Member	5	0
Mr. Rajesh Thadani**	Member	2	2
Mr. Jaideep Seth	Member	5	5

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015.

** Mr. Rajesh Thadani was appointed w.e.f 14th November, 2014.

4. NOMINATION & REMUNERATION COMMITTEE:

4.1. Term of Reference:

The broad terms of reference of the Nomination and Remuneration Committee are:

- To formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of all the Directors on the Board;
- To devise a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The **Nomination and Remuneration Policy** devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published as an Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and the other disclosures required to be made under revised clause 49 of the Listing Agreement have been published in the previous section of this Report titled "Board's Report".

4.2. Composition of Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee as required under Section 178 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchange. The Nomination and Remuneration Committee was reconstituted on 2nd May, 2014 and 14th November, 2014.

The Nomination and Remuneration Committee now comprises of three directors as members. Mr. Naresh Chhabria, Chairman of the Committee is an Independent.

Name of the Member	Category	Designation
Mr. Naresh Chhabria	Independent Director	Chairman
Mr. Rajesh Sharma*	Independent Director	Member
Mr. Rajesh Thadani**	Independent Director	Member
Mr. Jaideep Seth	Non-Executive Director	Member

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015.

** Mr. Rajesh Thadani was appointed w.e.f 14th November, 2014.

4.3. Committee Meetings:

During the year under the review, the Committee met three times, i.e. on 29th May, 2014, 12th August, 2014 and 10th March, 2015.

Attendance at the meetings of the Nomination & Remuneration Committee:

Name of the Member	Status	No. of meetings during the year	
		Held	Attended
Mr. Naresh Chhabria	Chairman	3	3
Mr. Rajesh Sharma*	Member	3	0
Mr. Rajesh Thadani**	Member	1	1
Mr. Jaideep Seth	Member	3	3

* Mr. Rajesh Sharma ceased to be associated with the Company w.e.f 10th March, 2015.

** Mr. Rajesh Thadani was appointed w.e.f 14th November, 2014.

4.4. Details of Remuneration Paid to the Directors in 2014-15:

- **Remuneration paid to Executive Directors:**

(Amt. in ₹)

Name	Salary	Bonus	Other perks	Commission	Total
Mr. Sandeep Seth	18,00,000	Nil	Nil	Nil	18,00,000
Mrs. Anisha Seth	6,30,000	Nil	Nil	Nil	6,30,000

- **Remuneration paid to Non-Executive Directors:**

(Amt. in ₹)

Name	Salary	Sitting Fees	No. of Shares held
Mr. Jaideep Seth	5,70,000	Nil	Nil
Mr. Naresh Chhabria	Nil	Nil	Nil
Mr. Rajesh Sharma	Nil	Nil	Nil

5. SHARE TRANSFER COMMITTEE/STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee has been constituted under the Chairmanship of Mr. Jaideep Seth with Mr. Sandeep Seth as the other member to facilitate speedy disposal of requests pertaining to transfer, transmission of shares in physical form, issue of duplicate share certificates, to consider and review shareholders'/investors' grievances and complaints and to ensure that all shareholders'/investors' grievance and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments.

Shareholder/ Investor Service:

Shareholder/ Investor Service is handled by the Managing Director who provides timely services. The Company received Nil complaints during the year and there was no case/ complaint unresolved at the end of the year.

Name & Designation of the Compliance Officer:

Mr. Sandeep Seth, Managing Director and Compliance Officer.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

7. GENERAL BODY MEETINGS:

7.1. Particulars of last three Annual General Meetings and the Special Resolutions passed thereat:

Financial Year	Date & Time	Location	Special Resolution passed
2011-12	September 28, 2012 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2012-2013	September 30, 2013 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2013-2014	September 26, 2014 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed

7.2. Special Resolution passed through Postal Ballot:

No Special Resolution is being put through postal ballot as there is no such business that statutorily required voting through postal ballot in ensuing AGM.

8. DISCLOSURES:

8.1. Materially significant related party transaction:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

A statement in summary form of the transactions with related parties, if any was periodically placed before the Audit Committee as required under Clause 49 of the Listing Agreement with the Stock Exchanges and as required under the Companies Act, 2013.

8.2. Details of non compliance/ penalties/ strictures imposed on the Company by the Statutory Authorities:

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on all matters relating to capital markets during the last three years and no penalties or strictures have been imposed on the Company by any Stock Exchange, Securities and Exchange Board of India or other statutory authorities.

8.3. Whistle Blower Policy affirmation that no person has been denied access to Audit Committee:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at www.laffanspetrochemical.com

8.4. Details of Compliance with mandatory requirement:

The Company has fully complied with the mandatory requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchange. The non-mandatory requirements contained in Annexure XIII to Clause 49 of the Listing Agreement with the Stock Exchanges have not been adopted.

8.5. SUBSIDIARIES:

The Company does not have any subsidiary company so provisions of Clause 49(V) of the Listing Agreement with the Stock Exchanges are not applicable to the Company

8.6. CEO & MD / CFO Certification

The Managing Director and the CFO have issued certificate pursuant to the provisions of Clause 49 of the

Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

9. MEANS OF COMMUNICATION:

The quarterly and annual financial results are sent to the Stock Exchanges immediately after they are approved and taken on record by the Board of Directors. These financial results are normally published in the "Free Press Journal" and "Navshakti" and are also made available on the website of the Company, 'www.laffanspetrochemical.com' Annual Reports are dispatched to all the shareholders. No presentation was made to the institutional investors or analysts during the year.

10. CODE OF CONDUCT:

In accordance with Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchanges, I, Mr. Sandeep Seth, in my capacity as the Managing Director of Laffans Petrochemicals Limited, hereby confirm that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the code of conduct of the Company in respect of the financial year 2014-2015.

For LAFFANS PETROCHEMICALS LIMITED

SANDEEP SETH

Managing Director

DIN: 00316075

Mumbai: 29th May, 2015

ED/CFO CERTIFICATION

The Managing Director, appointed in terms of Companies Act, 1956 or Companies Act, 2013, certifies to the Board that:

- a) The Financial Statements and the Cash Flow Statements for the period have been reviewed and to the best of knowledge and belief are true and fair view of Company's affairs.
- b) To the best of my knowledge and belief, no transactions entered are fraudulent, illegal or violate the Company's code of Conduct.
- c) They accept the responsibility of establishing and maintaining internal controls for the financial report and that they have evaluated the effectiveness, disclosing the deficiencies to the Auditors and the Audit Committee and take steps or proposed to take steps to rectify these deficiencies.
- d) They indicated to the Auditors and the Audit Committee:
 - i) Significant changes in the internal control process during the period.
 - ii) Significant changes in Accounting Policies
 - iii) Instances of significant fraud of which they have become aware.

This statement is in accordance with the fact that the Board including Audit Committee shall provide the necessary superintendence and control over the Managing Director.

MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review the Company had trading activities and other income was generated through earning of interest on investment, dividend income, rent income, profit on sale of investments etc.

On this

The Company has achieved gross income of Rs. 347.72 Lacs, during the year 2014-15 by way of Sales, Commission and return on investment as compared to Rs. 4789.54 Lacs for the previous year. The Company during the year incurred loss of Rs. 3.59 Lacs compared to previous year loss of Rs. 35.03 Lacs.

Your company has put focus on pharma trading and is striving to gain market share in a very competitive market. The commodity chemicals have been deeply impacted due to cheap imports that continue making local production very unviable. Your company has commenced with the sale of APIs by sourcing them from Europe.

CERTIFICATE

To:

The Members of Laffans Petrochemicals Ltd.

We have examined the compliance of conditions of corporate governance of Laffans Petrochemicals Ltd. for the period ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per record maintained by the Shareholder's /Investor's Grievance Committee.

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

For S. M. KAPOOR & CO.
Chartered Accountants

Place: Mumbai

Date: 29th May, 2015

Shekhar Gupta
Partner

GENERAL SHAREHOLDER INFORMATION:**a. 22nd Annual General Meeting:**

Day : Saturday

Date : 26.09.2015

Time : 12:30 p.m.

Venue : Shalimar Hotel, Ankleshwar, Bharuch, Gujarat

b. Financial Year:

The financial year of the Company starts from April 1, 2014 to March 31, 2015.

c. Date of Book Closure:

The books will remain closed from Wednesday, 16th September, 2015 to Saturday, 26th September, 2015 (both days inclusive).

d. Dividend Payment Date:

Considering the loss in the current year, the Board of Directors of your Company has not recommended any dividend for the financial year 2014-2015.

e. Listing on Stock Exchanges:

The equity shares of the Company are listed at:

Bombay Stock Exchange Limited (BSE)

Vadodara Stock Exchange Limited (VSE).

Delhi Stock Exchange Limited (DSE)

f. Stock Code:

BSE Limited	Vadodara Stock Exchange Limited	Delhi Stock Exchange Limited	ISIN
524522	288	6832	INE919B01011

g. Annual Listing and Custodian Fees:

The Annual Listing Fees and Custodian Fees for the financial year 2015-2016 have been paid by your Company within stipulated time.

h. Market Price Data:

The High and Low Prices of the Company's share during each month in the financial year 2014-2015 are as below:

Month	Bombay Stock Exchange Limited		Vadodara Stock Exchange Ltd		Delhi Stock Exchange Ltd	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	9.74	7.65	Not Traded		Not Traded	
May, 2014	10.65	7.66				
June, 2014	12.25	9.12				
July, 2014	12.27	7.62				
August, 2014	9.87	7.8				
September, 2014	10.75	7.77				
October, 2014	9.5	7.75				
November, 2014	10.23	7.8				
December, 2014	9.15	7.81				
January, 2015	11.39	8.12				
February, 2015	11.5	8				
March, 2015	9.9	8				

i. Stock Performance:

Generally the share price movement is along the stock market trends and the market trend of the Petrochemicals Industry.

j. Registrar and Transfer Agents (RTA):

M/s. Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka,
Andheri (East) Mumbai – 400 072.
Tel.: + 91-22-4043 0200, Fax: +91-22-2847 5207,
E-mail: investor@bigshareonline.com

k. Share Transfer System:

With a view to expedite the process of share transfer which are received in physical form, a Share Transfer Committee had been constituted which usually meets once in a fortnight to consider and approve the transfer, transmission, dematerialization, rematerialisation of shares etc. The transfers of physical shares are affected by the Share Transfer Agents after approval by the Share Transfer Committee; provided the documents are complete in all respects and the share transfer is not under any dispute and the share certificates duly endorsed are sent to the shareholders by them. The minutes of the meetings of the Share Transfer Committee are placed at the Board Meeting.

The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with the Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

l. Distribution of Shareholding:

Distribution of Shareholding as on 31st March, 2015:

Equity Shareholding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 -- 500	3465	78.9294	847173	10.5897
501 -- 1000	511	11.6401	427188	5.3399
1001 -- 2000	179	4.0774	280167	3.5021

Equity Shareholding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
2001 -- 3000	63	1.4351	164984	2.0623
3001 -- 4000	25	0.5695	92465	1.1558
4001 -- 5000	42	0.9567	198650	2.4831
5001 -- 10000	58	1.3212	425892	5.3237
10001 & Above	47	1.0706	5563481	69.5435
Total	4390	100	8000000	100.00

Shareholding Pattern as on 31st March, 2015:

Category	Number of Shares	Percentage
Shareholding of Promoters & Promoter Group	4140152	51.75
Public Shareholding		
• Institutions		
Mutual Funds/ UTI	10600	0.13
Financial Institutions/ Banks		
• Non-Institutions		
Bodies Corporate	187767	2.35
Individuals	3612217	45.15
Clearing Member	100	0.00125
Market Maker		
Foreign Nationals, NRIs, Foreign Companies, OCBs	49164	0.61
Independent Directors		
HUF		
Total	8000000	100.00

m. Unclaimed/ Unpaid Dividend:

The Company is not required to transfer any dividend to Investor Education & Protection Fund (IEPF) established by the Government as there are no dividends which have remained unpaid / unclaimed for a period of seven years.

n. Unclaimed Shares:

There are no unclaimed shares in the Company so provisions of Clause 5A of the Listing Agreement are not applicable to the Company

o. Dematerialization of shares and Liquidity:

The shares of the Company are traded compulsorily in the dematerialized form and connectivity has been established with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2015, 7203240 equity shares, representing 90.04% of the Company's share capital, stood dematerialized. The International Securities Identification Number (ISIN) allotted to the shares of the Company under the Depository System is **INE919B01011**.

p. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, etc.:

As on date, the Company has not issued GDR/ADR/Warrants or any convertible instruments.

q. Plant Locations:

Laffans Petrochemicals Limited, Shed No.C1B/316, GIDC Panoli, Ankleshwar, Gujarat.

r. Address for Correspondence:

Laffans Petrochemicals Limited, 10, Luthara Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072.

Tel No.: 022 - 28511918 / 28512929 / 28518862

E-mail: Laffans1@vsnl.com

INDEPENDENT AUDITORS' REPORT

To The Members of

LAFFANS PETROCHEMICALS LIMITED

Report on the Financial Statements

*We have audited the accompanying financial statements of **LAFFANS PETROCHEMICALS LIMITED***

("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information..

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the **Loss** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

In our opinion and the best of our information and according to the explanation given to us, there is no matter which may have an adverse effect on the functioning of the company.

Report on other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the 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 as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
 - i. The Company did not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to Investor Education and Protection Fund by the Company.

For S M KAPOOR & CO.
Chartered Accountants

(SHEKHAR GUPTA)
PARTNER

Membership No. 15622
Firm Registration No. 104809W

Place: Mumbai
Date: 29.05.2015

Re: Laffans Petrochemicals Ltd.

(Annexure to Auditor's Report)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has physically verified certain assets during the year in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to no material discrepancies were noticed on such verification. In our opinion fixed assets have been properly dealt with in the books of accounts
- (ii) In respect of its Inventories:
 - (a) In our opinion, the management at reasonable intervals has physically verified the trading goods and the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanation given to us, the procedure for verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control

procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of books and records of the company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanation given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, cess and any other statutory dues with the appropriate authorities during the year.
 - (b) There is no disputed dues in respect of Customs Duty, Wealth Tax, Service Tax, Excise Duty Value Added Tax and Cess etc. except ;
 - i) Sales Tax Liability of Rs. 1,01,13,369 for the year 2008-09 (P.Y. Rs.1,01,13,369) against which appeal is pending
 - ii) Income Tax Liability for A.Y. 2009-10 Rs.78,60,520/- (P.Y. 78,60,520/-) Against which appeal is pending.
 - iii) Income Tax Liability for A.Y. 2008-09 Rs.7,69,746/- (P.Y. 7,69,746/-) Against which appeal is pending.
 - iv) Income Tax Liability for A.Y. 2009-10 Rs.1,65,808/- (P.Y. 1,65,808/-) Against which appeal is pending.
 - v) Income Tax Liability for A.Y 2012-13 Rs...9,11,22,060/- against which Appeal is pending.
- (viii) The Company does not have accumulated losses which are more than 50% at the end of the year. Further the company did not have cash losses in the current financial year however incurred cash loss in the preceding financial year.
- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For S M KAPOOR & CO.
Chartered Accountants

(SHEKHAR GUPTA)
PARTNER

Membership No. 15622
Firm Registration No. 104809W

Place: Mumbai
Date: 29.05.2015

BALANCE SHEET AS AT 31ST MARCH ,2015

PARTICULARS	NOTE NO.	AS AT		AS AT	
		31ST MARCH 2015		31ST MARCH 2014	
		Rs.		Rs.	
I EQUITY AND LIABILITIES					
1) SHAREHOLDERS FUNDS					
a) Share Capital	3	80,000,000		80,000,000	
b) Reserves & Surplus	4	455,975,907	535,975,907	456,335,234	536,335,234
2) NON-CURRENT LIABILITIES					
a) Long Term Provisions	5	206,221		185,856	
b) Other Non Current Liabilities	6	1,800,000	2,006,221	1,800,000	1,985,856
3) CURRENT LIABILITIES					
a) Trade Payables	7	1,333,144		2,904,636	
b) Other Current Liabilities	8	10,926,578	12,259,722	12,495,991	15,400,627
			550,241,850		553,721,717
TOTAL					
II ASSETS					
1) NON-CURRENT ASSETS					
a) Fixed Assets					
i) Tangible Assets	9	13,801,233		13,097,880	
b) Non-Current Investments	10	407,384,625		401,104,863	
c) Deferred Tax Assets (Net)	11	6,158,900		6,538,343	
d) Long Term Loans and Advances	12	64,134,881	491,479,639	63,829,180	484,570,266
2) CURRENT ASSETS					
a) Inventories	13	-		2,507,531	
b) Trade Receivables	14	34,687,480		45,452,832	
c) Cash and cash equivalents	15	23,607,656		20,692,466	
d) Short Term Loans and Advances	16	467,075	58,762,211	498,622	69,151,452
TOTAL			550,241,850		553,721,717
Significant Accounting Policies and Notes to financial Statements	2				

As per our report of even date
For S. M. Kapoor & Co.
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta
Partner
Membership No. 15622
Firm Regn. No. 104809W

Sandeep Seth
Director
DIN: 00316075

Jaideep Seth
Director
DIN: 03130620

S.R.Narayanan
Company Secretary

Place : Mumbai
Date : 29.05.2015

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

PARTICULARS	NOTE NOS.	2014-15 Rs.	2013-14 Rs.
I INCOME			
1 Revenue from Operations	17	6,513,237	439,682,883
2 Other Income:	18	28,258,289	39,271,246
Total Revenue		34,771,526	478,954,129
II EXPENSES:			
3 Purchase of Trading Goods	19	4,003,678	392,191,866
4 Change in inventories of Finished Goods Stock in Process and Stock in trade	20	2,507,531	34,874,694
5 Employee Benefits Expense	21	2,328,673	1,264,713
6 Finance Costs	22	15,049	60,876
7 Depreciation and Amortization Expense		1,216,734	943,113
8 Other Expenses	23	24,679,745	57,513,897
Total Expenses		34,751,410	486,849,160
Profit Before Tax		20,116	(7,895,031)
Tax Expenses			
Current		-	-
Deferred		(379,443)	4,392,138
Profit for the year		(359,327)	(3,502,893)
Earning per equity share of face value of Rs.10/- each Basic and Diluted (In Rs.)		(0.04)	(0.44)
Significant Accounting Policies and Notes to financial Statements	2		

As per our report of even date
For S. M. Kapoor & Co.
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta
Partner
Membership No. 15622
Firm Regn. No. 104809W

Sandeep Seth
Director
DIN: 00316075

Jaideep Seth
Director
DIN: 03130620

S.R.Narayanan
Company Secretary

Place : Mumbai
Date : 29.05.2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

	Rs. 31st March 2015	Rs. 31st March 2014
A. Cash Flow from Operating Activities		
Net Profit before Tax	20,116	(7,895,031)
Adjustments for:		
Depreciation	1,216,734	943,113
Interest (Net)	(1,894,365)	(1,141,156)
Loss on Sale of Assets	37,647	-
Profit from Investments	(22,632,817)	(38,011,690)
Dividend	(67,477)	-
Operating Profit before Working Capital Changes	(23,320,162)	(46,104,764)
Adjustments for:		
Trade & Other receivables	11,068,876	(53,745,715)
Inventories	2,507,531	34,874,693
Trade Payables	(3,120,540)	1,955,405
Cash generated from Operations	(12,864,295)	(63,020,381)
Interest paid	(1,894,365)	(1,141,156)
Taxes Paid	577,678	272,867
Net Cash from Operating activities	(11,547,608)	(62,152,092)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	2,302,734	373,871
Sale of fixed Assets	(345,000)	-
Purchase of Investments net of sale	(16,353,055)	(83,150,099)
Dividends	(67,477)	-
Net Cash used in Investing Activities	(14,462,798)	(82,776,228)
C. Cash Flow from Financing Activities		
Proceeds from Long /Short term borrowings	-	-
Repayment of long term borrowings	-	-
Net Cash used in Financing Activities	-	-
Net Increase in Cash & equivalents	2,915,190	20,624,136
Opening Balance of Cash & Cash equivalents	20,692,466	68,329
Closing Balance of Cash & Cash equivalents	23,607,656	20,692,466
	2,915,190	20,624,137

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of M/S. Laffans Petrochemicals Limited, derived from Audited Financial Statements for the period ended 31st March, 2015 and found the same to be drawn in accordance herewith and also with the requirements of clause 32 of the listing agreements with Stock Exchanges.

As per our report of even date
For S. M. Kapoor & Co.
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta
Partner
Membership No. 15622
Firm Regn. No. 104809W

Sandeep Seth
Director
DIN: 00316075

Jaideep Seth
Director
DIN: 03130620

S.R.Narayanan
Company Secretary

Place : Mumbai
Date : 29.05.2015

LAFFANS PETROCHEMICALS LTD.**NOTES**

To the financial statements for the year ended March 31, 2015

(All amounts in Indian Rupees unless otherwise stated)

1. Background:

Laffans Petrochemicals Limited is a listed Company and engaged in manufacturing of petrochemical products. In the year 2011, the Company had sold its manufacturing unit and thereafter engaged in the business of trading in chemicals and API and in commodities arbitrage.

2. ACCOUNTING POLICIES

a) Basis of Accounting:

i) Financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.

ii) The Company adopts the accrual concept in the preparation of accounts unless otherwise stated.

b) Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

c) Fixed Assets

Fixed Assets are stated at cost of acquisition less depreciation and impairment of asset. The Company Capitalizes all costs relating to acquisitions and installations of fixed assets till the date of Commissioning and starting of commercial production.

d) Depreciation:

Depreciation on fixed assets is being provided on straight Line Method at the method prescribed under Schedule II of the Companies Act, 2013. Till 31st March 2014, the Depreciation was provided on straight Line Method at the rates and method prescribed under Schedule XIV of the Companies Act, 1956.

e) Inventories:

Inventories of Commodity Arbitrage is valued at Cost.

Inventories of trading items of chemicals and API, is valued at cost and market value whichever is lower.

f) Revenue Recognition:

I. The revenue is recognized as per contract note of sale of Arbitrage, in case of sale of services on completion of Job and in case of sale of trading, on raising of invoice and transfer of material to the party.

II. Other income is recognized on accrual basis.

III. In conformity with generally accepted accounting principles, Income from Growth FMP Investments are recognized on redemption.

IV. Dividend is recognized when the right to receive payment is established by the Balance Sheet date.

g) Sales:

Sale comprises of the trading in Commodities Arbitrage and trading in chemicals and API.

h) Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of long term investments.

On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is charged to the statement of profit and loss.

i) Foreign Currency Transaction:

The foreign currency transaction involving foreign exchange on revenue accounts are accounted at the exchange rates prevailing on the date of transaction. Foreign currency remained unsettled at the year-end are translated at the year-end rate and the difference is charged to profit & loss account.

j) Retirement Benefit Scheme:

Employer's Contribution to P.F. has been charged to P & L A/c. and deposited with concerned authority.

Gratuity is accounted for on estimate basis and charged to P & L account on accrual basis. However as per AS-15 issued by Institute of Chartered Accountant of India, Retirement benefit to be provided on the basis of actuarial valuation but the same is not implemented by the company.

k) Borrowing Cost:

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowings cost are charged as an expense in the year in which these are incurred.

l) Taxes on Income:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961.

m) Impairment of Assets:

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

n) PROVISIONS, CONTINGENT LIABILITIES and CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

o) Contingent Liability :

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle an obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. The Details are as under:

i) Sales Tax Liability of Rs. 1,01,13,369 for the year 2008-09 (P.Y. Rs.1,01,13,369) against which appeal is pending

ii) Income Tax Liability for A.Y. 2009-10 Rs.78,60,520/- (P.Y. 78,60,520/-) Against which appeal is pending.

iii) Income Tax Liability for A.Y. 2008-09 Rs.7,69,746/- (P.Y. 7,69,746/-) Against which appeal is pending.

iv) Income Tax Liability for A.Y. 2009-10 Rs.1,65,808/- (P.Y. 1,65,808/-) Against which appeal is pending.

v) Income Tax Liability for A.Y 2012-13 Rs..9,11,22,060/- against which Appeal is pending.

p) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (P.Y. Nil).

q) Auditors remuneration

Audit Fees	1,50,000	(1,00,000)
Tax Audit Fees	50,000	(65,000)
Other matters	2,00,000	(1,60,000)
Service Tax	49,440	(40,170)
	4,49,440	(3,65,170)

r) VALUE OF IMPORTS ON CIF BASIS In Rs.

Trading Material	22,69,740.00	(19,89,220.00)
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s) Expenditure in foreign Currency In Rs.

Commission	0.00	(0.00)
Foreign Traveling	0.00	(14,75,850.00)

t) Earning in foreign currency (Rs in lacs)

F.O.B Value of exports	0.00	(0.00)
------------------------	------	--------

u) Sundry Debtors, Sundry Creditors & advances are subject to confirmation by the respective parties. Necessary Adjustments in account will be made in the year in which discrepancy, if any, may be noticed. In case of payment receivable from NSEL, an amount of Rs.,1,12,69,300/- (P.Y. Rs.4,50,77,202/-) has been written off during the year. The Balance amount shown as receivable in the Balance Sheet, from NSEL, in the opinion of management is recoverable.

v) Sundry Loan & Advances and other assets are, in the opinion of management stated at the amount realizable in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required.

w) Earnings per Share.

Net Profit available for equity share holders	Rs. (-)3,59,327
Weighted Average No. equity Shares	80,00,000
Basic & Diluted Earning per Share (Rs.) (Equity Share of face value of Rs. 10 each)	(-)0.04

x) Related Parties Disclosures:

List of related parties with whom transaction have been taken place and Relationships:

Name of the related party	Relationship
Sandeep Seth) Key Management Personnel
Jaideep Seth) Director
Anisha Seth) Director

Transactions during the year with related parties:

Expenditure

Payment to and provisions

Key Management Personnel Directors Remuneration	Rs. 20,33,133	(20,73,436)
Rent	Rs. 24,00,000	(24,00,000)
Director Directors Remuneration	Rs.12,00,000	(4,83,500)

y) Previous year figures have been regrouped/ reclassified wherever necessary.

z) Figures in to bracket pertains to previous year.

As per our report of even date
For S. M. Kapoor & Co.
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta
Partner
Membership No. 15622
Firm Regn. No. 104809W

Sandeep Seth
Director
DIN: 00316075

Jaideep Seth
Director
DIN: 03130620

S.R.Narayanan
Company Secretary

Place : Mumbai
Date : 29.05.2015

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
NOTE NO.-					
3	SHARE CAPITAL AUTHORISED 11,000,000 Equity Shares (PY11,000,000) of Rs.10/- each ISSUED, SUBSCRIBED & PAID-UP 8,000,000 (P.Y. 8,000,000) Equity Shares of Rs. 10 each fully paid up Reconciliation of the no. of equity shares outstanding at the beginning and at the end of the year.		<u>110,000,000</u>		<u>110,000,000</u>
			<u>80,000,000</u>		<u>80,000,000</u>
			<u>80,000,000</u>		<u>80,000,000</u>

	As at 31st March 2015		As at 31st March 2014	
	Nos.	Amount	No.	Amount
Equity Shares of Rs.10/- each fully paid up				
Balance, Beginning of the year	8,000,000	80,000,000	8,000,000	80,000,000
Issued/Deletion during the year	-	-	-	-
Balance. End of the year	8,000,000	80,000,000	8,000,000	80,000,000
Terms/rights attached to equity shares				
The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.				
In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
The Detail of Registered Shareholders holding more than 5% shares:				
Sandeep Seth	3,911,952	39,119,520	3,911,952	39,119,520

4	RESERVES AND SURPLUS General Reserve As per Last Balance Sheet Balance in Profit and Loss Statement As per Last Balance Sheet Add: Profit for the year	<u>60,600,000</u>	60,600,000	<u>60,600,000</u>	60,600,000
		395,735,234		399,238,127	
		(359,327)	395,375,907	(3,502,893)	395,735,234
			<u>455,975,907</u>		<u>456,335,234</u>

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
5	LONG TERM PROVISIONS Provisions for Gratuity		<u>206,221</u>		<u>185,856</u>
			<u>206,221</u>		<u>185,856</u>

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
6	OTHER NON CURRENT LIABILITIES				
	Deposit from Tenant		1,800,000		1,800,000
			<u>1,800,000</u>		<u>1,800,000</u>
7	TRADE PAYABLES				
	For Goods		-		-
	Micro, Small & Medium Enterprise				
	Others		178,382		1,964,256
	For Expenses		1,154,762		940,380
			<u>1,333,144</u>		<u>2,904,636</u>

Note: The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is Nil

8	OTHER CURRENT LIABILITIES				
	Other Payables		10,926,578		12,495,991
			<u>10,926,578</u>		<u>12,495,991</u>

Note: Other Payable includes Sales Tax Liability of Rs.107.33 Lacs (Previous Year Sales Tax Liability Rs.122.33 Lacs

NOTE NO. 9

DEPRECIATION CHART AS AT 31 MARCH 2015

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	OPENING BALANCE	ADDITION	SALES/ ADJ.	TOTAL	OPENING	FOR THE YEAR	W/BACK/ ADJ.	TOTAL	AS ON 31-03-15	AS ON 31-03-14
Building	15,000,000	-	-	15,000,000	5,203,000	475,500	-	5,678,500	9,321,500	9,797,000
Computers	62,980	66,599	-	129,579	16,953	33,410	-	50,363	79,216	46,027
Office Equipments	485,426	350,342	-	835,768	19,727	115,981	-	135,708	700,060	465,699
Electrical Installation	-	436,000	-	436,000	-	17,249	-	17,249	418,751	-
Furniture & Fixtures	253,210	20,000	-	273,210	26,031	24,211	-	50,242	222,968	227,179
Vehecal	4,286,644	1,429,793	718,519	4,997,918	1,724,669	550,383	335,872	1,939,180	3,058,738	2,561,975
Total	20,088,260	2,302,734	718,519	21,672,475	6,990,380	1,216,734	335,872	7,871,242	13,801,233	13,097,880
Previous Year	19,714,389	373,871	-	20,088,260	6,047,267	943,113	-	6,990,380	13,097,880	13,667,122

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
10.	NON CURRENT INVESTMENTS				
	(Unquoted unless otherwise stated)				
	NON TRADE AT COST				
	IN MUTUAL FUNDS				
	14,840.456 (P.Y. Nil) units in Birla SL Frontline Equity Fund REG (D)		450,000		-
	NAV as on March 31st Rs. 4,48,627/-				
	10,037.442 (P.Y. Nil) units in Birla SL Frontline Equity Fund REG (G)		1,650,000		-
	NAV as on March 31st Rs. 1,643,430/-				

	AS AT 31ST MARCH 2015 Rs.	AS AT 31ST MARCH 2014 Rs.
10,945.060 (P.Y. Nil) units in Birla SL Frontline Equity Fund REG (G) NAV as on March 31st Rs.1,792,035/-	1,725,548	-
14,840.456 (P.Y. Nil) units in Birla Sunlife Saving Fund Growth REG Plan NAV as on March 31st Rs.30,08,856/-	2,932,826	-
27,42,078.650 (P.Y. Nil) units in BSL Medium Term Plan Growth Reg NAV as on March 31st Rs.46,742,295/-	43,379,980	-
1,368.459 (P.Y. Nil) units in Franklin India Treasury Man AC Super Inst Plan G NAV as on March 31st Rs.2,856,526/-	2,702,700	-
17,398.608 (P.Y. Nil) units in HDFC Cash Management Fund Treasury Adv PL Ret Growth NAV as on March 31st Rs. 14,61,688/-	1,427,616	-
78,397.467 (P.Y. Nil) units in HDFC Liquid Fund G NAV as on March 31st Rs.2,159,154/-	2,045,584	-
48,530.540 (P.Y. Nil) units in HDFC Midcap Fund Growth NAV as on March 31st Rs. 1,783,400/-	1,728,680	-
17,398.608 (P.Y. Nil) units in HDFC Midcap Opp. Fund D NAV as on March 31st Rs. 4,48,536/-	471,306	-
1,16,468.457 (P.Y. Nil) units in HDFC Midcap Opp. Fund G NAV as on March 31st Rs. 4,279,983/-	4,150,000	-
5,587.643 (P.Y. Nil) units in ICICI Prud Flex Income REG Plan Growth NAV as on March 31st Rs. 14,70,113/-	1,432,277	-
21,80,589.226 (P.Y. Nil) units in ICICI Prud Income Opport Fund REG Plan Growth NAV as on March 31st Rs.42,386,511/-	38,411,079	-
870.119 (P.Y. Nil) units in ICICI Liquid Regular Plan Growth NAV as on March 31st Rs.179,990/-	169,799	-
13,790.012 (P.Y. Nil) units in ICICI Prud Value Discover REG D NAV as on March 31st Rs.4,46,521/-	463,640	-
38,385.233 (P.Y. Nil) units in ICICI Prud Value Discover REG G NAV as on March 31st Rs. 4,385,129/-	4,150,000	-
16,065.200 (P.Y. Nil) units in ICICI Prud Value	1,724,453	-

	AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
Discover Fund Regular Growth NAV as on March 31st Rs. 1,835,288/- 2,11,530.699 (P.Y. Nil) units in IDFC Money Manager FD Treasury Plan Growth REG PI		4,516,011		-
NAV as on March 31st Rs.46,24,928/- 4,283.585 (P.Y. Nil) units in IDFC Premier Equity Fund Reg D		150,000		-
NAV as on March 31st Rs.1,50,468/- 19,274.907 (P.Y. Nil) units in IDFC Premier Equity Fund Reg G		1,350,000		-
NAV as on March 31st Rs.14,25,225/- 1,000,000 (P.Y. Nil) units in Kotak Equity Saving G		10,000,000		-
NAV as on March 31st Rs.10,636,900/- 8,370.119 (P.Y. Nil) units in Reliance Equity Opp D		315,687		-
NAV as on March 31st Rs. 284086/- 23,191.700 (P.Y. Nil) units in Reliance Equity Opp Gr		1,697,600		-
NAV as on March 31st Rs.1,750,811/- 19,741.635 (P.Y. Nil) units in Reliance Equity Opp G		1,500,000		-
NAV as on March 31st Rs. 1,490,355/- 7.870 (P.Y. Nil) units in Reliance Liquid Treas Plan		25,801		-
NAV as on March 31st Rs. 26,816/- 2,263.098 (P.Y. Nil) units in Reliance Money Manager Fund Gr PI Gr Option		4,222,802		-
NAV as on March 31st Rs.43,30,873/- 385 (P.Y. Nil) units in Religare NDPMS Series CL VIII		38,500,000		-
NAV as on March 31st Rs.38,803,315/- 200 (P.Y. Nil) units in Religare NDPMS Series CL XI		20,000,000		-
NAV as on March 31st Rs.19,419,298/- 11,964.530 (P.Y. Nil) units in SBI Magnum Multi Plus SC93 G		1,723,209		-
NAV as on March 31st Rs. 1,860,226/- 2,133.814.725 (P.Y. Nil) units in Sundaram Flexi Fund Flexi Income Plan Reg Growth		37,372,698		-
NAV as on March 31st Rs.41,487,120/- 35,785.630 (P.Y. Nil) units in UTI Opp Fund Gr		1,724,990		-
NAV as on March 31st Rs.1,761,451/- Nil (P.Y. 2,041,013.85) units in Birla Sun Life		-		39,381,566

	AS AT 31ST MARCH 2015 Rs.	AS AT 31ST MARCH 2014 Rs.
Dynamic Bond Fund Nil (P.Y. 977,669.725) units in ICICI Prudential Income Regular Plan Growth 3,611,206.250 (P.Y. 2,288,831.648) units in IDFC Dynamic Bond Fund Growth (Regular Plan) NAV as on March 31st Rs.61,250,764/-	-	37,500,000
Nil (P.Y.2,150,269.116) units in Reliance Dynamic Fund Growth Plan	-	32,600,000
Nil (P.Y.912,461,726) units in Reliance Income Fund Growth Plan Growth Option	-	35,000,000
Nil (P.Y.300) units in Religare NDPMS Series XXIV-C	-	36,300,000
Nil (P.Y.2,256,014.758) units in SBI Dynamic Bond Fund Regular Plan Growth	-	30,000,000
Nil (P.Y.713,918.876) units in SBI Dynamic Bond Fund Growth	-	34,000,000
18,150.453 (P.Y.18,150.453) units in Templeton India Short Term Income Retail Plan Growth NAV as on March 31st Rs.52,161,630/-	-	9,062,451
766,016.713 (P.Y.766,016.713) units in UTI Short Term Plan Institutional Growth NAV as on March 31st Rs.12,887,235/-	43,600,000	43,600,000
324,842.479 (P.Y. 324,842.479) units in Kotak Bond Short Term Plan Growth NAV as on March 31st Rs 8,480,695/-	11,000,000	11,000,000
2,197,190.526 (P.Y.2,197,190,.526) units in Templeton	7,451,529	7,451,529
India Income Opportunity S Fund Growth NAV as on March 31st Rs.35,439,365/-	30,000,000	30,000,000
40,750.730 (P.Y.2,433,428.645) units in IDFC Banking Debit Fund Regular Plan Growth NAV as on March 31st Rs.488,275/-	418,811	25,009,317
2,272,387.763 (P.Y.2,272,387.763) units in L&T Income Opportunity S Fund Growth NAV as on March 31st Rs. 35,359,490/-	30,200,000	30,200,000
	<u>407,384,625</u>	<u>401,104,863</u>

Note: Investments in the form of FMP's maturing in less than one year from the end of the financial year has been considered as current Investment.

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
11	DEFERRED TAX ASSETS				
	The Company has during the year in accordance with Accounting Standard AS-22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, recognised in the Profit and Loss Account a difference of Rs.3,79,443 Between net, deferred tax asset of Rs.61,58,900 as on 31st March 2015 and on the deferred tax assets of Rs.65,38,343/- as on 31st March 2014.				
	Deferred tax Liabilities and assets are on account of the following timing differences.				
	Deferred Tax Liability				
	On account of depreciation		2,086,874		2,164,639
	Total		<u>2,086,874</u>		<u>2,164,639</u>
	Deferred Tax Asses				
	On account of Employees Benefits		63,722		57,430
	On account of Statutory Payments U/s43B		3,316,559		3,780,059
	MAT Credit entitlement		4,865,493		4,865,493
	Total		<u>8,245,774</u>		<u>8,702,982</u>
	Net Deferred Tax Asset		<u>6,158,900</u>		<u>6,538,343</u>
12	LONG TERM LOANS AND ADVANCES				
	Taxes Paid (net of Provisions)				
	Taxes Paid	87,514,240		87,273,070	
	Less: Provision for Income Tax	66,851,000	20,663,240	66,851,000	20,422,070
	Other Advances		43,471,641		43,407,110
			<u>64,134,881</u>		<u>63,829,180</u>
13.	INVENTORIES				
	(As per inventory taken, valued and certified by the Director of the Company)				
	Trading Goods of Commodity Arbitrage		-		-
	Trading Goods of Chemicals/API		-		2,507,531
			<u>-</u>		<u>2,507,531</u>
14.	TRADE RECEIVABLES				
	(Unsecured considered good)				
	Over six months		33,437,810		45,077,202
	Others		1,249,671		375,630
			<u>34,687,480</u>		<u>45,452,832</u>

Note: Other Advances includes amount paid towards Advance for premises.

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
15.	CASH AND CASH EQUIVALENTS				
	Cash on hand		641,252		141,252
	Balance with Bank		2,966,404		551,214
	Fixed Deposit with Banks		20,000,000		20,000,000
			<u>23,607,656</u>		<u>20,692,466</u>
16.	SHORT TERM LOANS AND ADVANCES				
	Balance in Service Tax Credit		36,608		63,001
	Others		430,467		435,621
			<u>467,075</u>		<u>498,622</u>
17.	REVENUE FROM OPERATIONS				
	Sale of Commodities- Arbitrage		-		432,365,292
	Sale of Chemicals		6,513,237		-
	Income from Services		-		7,317,591
			<u>6,513,237</u>		<u>439,682,883</u>
	Chemical Includes Speciality Chemicals				
18.	OTHER INCOME				
	Interest Recd. Gross		1,909,414		1,202,032
	Dividend Recd.		67,477		-
	Warehousing Income		3,600,000		-
	Foreign Currency Rate Difference		20,683		-
	Profit on Sale of Investments		22,632,817		38,011,690
	Other non operating income		27,898		57,524
			<u>28,258,289</u>		<u>39,271,246</u>
19.	PURCHASE OF TRADING GOODS				
	Purchase of Commodities- Arbitrage		-		- 389,443,061
	Purchase of Chemicals/API Imported		3,257,558		1,964,256
	Custom Duty		746,120		784,549
			<u>4,003,678</u>		<u>392,191,866</u>
20.	CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE				
	Closing Stock of Trading Goods- Commodity Arbitrage		-		-
	Closing Stock of Trading Goods- Chemicals		-		2,507,531
	Opening Stock of Trading Goods- Commodity Arbitrage		-		37,382,225
	Opening Stock of Trading Goods- Chemicals	2,507,531	2,507,531		- 34,874,694
			<u>2,507,531</u>		<u>34,874,694</u>

		AS AT 31ST MARCH 2015 Rs.		AS AT 31ST MARCH 2014 Rs.	
21.	EMPLOYEE BENEFITS EXPENSE				
	Salaries and Wages		2,149,316		1,134,071
	Contribution to PF and Other Funds		72,618		23,769
	Gratuity		20,365		34,270
	Staff Welfare Expenses		86,374		72,603
			<u>2,328,673</u>		<u>1,264,713</u>

Gratuity has been provided on estimated basis which is not in accordance with Accounting Standard 15 "Retirement Benefits". As per AS 15, Gratuity should have been provided on the basis of actuarial valuation.

22.	FINANCE COSTS				
	Interest Expenses		-		-
	Bank Charges & Commission		15,049		60,876
			<u>15,049</u>		<u>60,876</u>

23.	OTHER EXPENSES				
	Direct Expenses				
	Labour Charges	25,483		605,951	
	Clearing & Forwarding Charges	53,610		23,870	
	Carriage Inward	13,993		228,000	
			<u>93,086</u>		<u>857,821</u>

24.	Other Expenses				
	Advertisement Expenses	81,038		115,511	
	Rates & Taxes	866,668		392,963	
	Rent	2,400,000		2,400,000	
	General Expenses	629,865		147,084	
	Telephone and Other Communication Expenses	276,609		249,141	
	Motor car Expenses	580,658		320,393	
	Repairs & Maintenance Others	821,626		689,460	
	Donation	-		251	
	Prior period Expenses	-		12,050	
	Festival Expenses	21,500		29,300	
	Travelling Expenses	825,101		1,879,293	
	Electricity Expenses	381,609		312,550	
	Entertainment Expenses	257,568		297,856	
	Bad Debts	11,269,300		45,077,202	
	Printing & Stationery	129,599		187,528	
	Conveyance Expenses	444,422		248,083	
	Auditor's Remuneration	224,720		200,000	
	Loss on Sale of Vehicles	37,647		-	
	Directors Remunerations	3,000,000		2,280,000	
	Sundry Balance W/off	93		423,271	
	Insurance Expenses	41,620		57,966	
	Legal & Professional Expenses	2,297,016	<u>24,586,659</u>	<u>1,336,175</u>	<u>56,656,076</u>
			<u>24,679,745</u>		<u>57,513,897</u>

Form NO. MGT-12

Polling Paper

[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies
(Management and Administration) Rules, 2014]

Name of the Company : **LAFFANS PETROCHEMICALS LIMITED**

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: 10, Luthara Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072.

CIN:**L99999GJ1992PLC018626** [E-Mail: lplho@vsnl.com]

[Website: www.laffanspetrochemical.com] [Tel no: 022 28511919]

BALLOT PAPER

Sl. No.	Particulars	Details
1	Name of the First Named Shareholder (in block letters)	
2	Postal address	
3	Registered Folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity Share

I hereby exercise my vote in respect of Ordinary Resolution(s) enumerated below by recording my assent or dissent to the said Resolution in the 22nd Annual General Meeting of the Company held on 26th September, 2015 (Saturday) at 12.30 p.m. at Shalimar Hotel, Ankleshwar, Bharuch, Gujarat in the following manner:

Sl. No.	Item No.	No. of Shares held by me	I assent to the Resolution	I dissent to the Resolution
1	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2015 and the reports of the Board of Directors and Auditors thereon. (as an Ordinary Resolution)			
2	Appointment of Director in place of Mrs. Anisha Seth who retires by rotation and being eligible offers herself for re-appointment.(as an Ordinary resolution)			
3	To ratify the Appointment of Auditors and fixing of their remuneration.(as an Ordinary resolution)			
4	Appointment of Mr. Rajesh Thadani as an Independent Director of the Company.(As an Ordinary Resolution)			

Place: Ankleshwar, Bharuch

Date: 26th September, 2015 (Signature of the Shareholder)

LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: 10, Luthara Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072.

[E-Mail: lplho@vsnl.com] [Website: www.laffanspetrochemical.com] [Tel no: 022 28511919].

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Folio No./Client ID :

I hereby record my presence at the 22nd ANNUAL GENERAL MEETING to be held at Shalimar Hotel, Ankleshwar, Bharuch, Gujarat on September 26, 2015 at 12.30 p.m.

Member's/Proxy's Full Name



Member's/Proxy's Signature

----- TEAR HERE -----

Form No. MGT-11

LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: 10, Luthara Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072.

[E-Mail: lplho@vsnl.com] [Website: www.laffanspetrochemical.com] [Tel no: 022 28511919].

PROXY FORM

Name of the Member (s):	Folio No./Client Id:
Registered Address:	DP ID:
E-mail Id:	

I/We, being the member (s) of shares of the above named company, hereby appoint :

- Name : Address :
E-mail Id : Signature : or failing him
- Name : Address :
E-mail Id : Signature : or failing him
- Name : Address :
E-mail Id : Signature : or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd annual general meeting of the company, to be held at Shalimar Hotel, Ankleshwar, Bharuch, Gujarat on September 26, 2015 at 12.30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particulars	Optional*	
		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2015		
2.	Re-appointment of Mrs. Anisha Seth who retires by rotation		
3.	To ratify the Appointment of Auditors and fixing of their remuneration.		
4.	Appointment of Mr. Rajesh Thadani as an Independent Director		

Signed this day of, 2015

Signature of Shareholder : Signature of Proxyholder(s) :

Affix
1 Rupee
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.



PETROCHEMICALS LIMITED

10, Luthra Industrial Premiese,
Ground Floor, Andheri - Kurla Road,
Safed Pool, Mumbai - 400 072