

**2016 - 2017**

**24th  
Annual Report  
&  
Accounts**

**Lyons Corporate Market Limited**

**Chatterjee International Centre  
33A, Jawaharlal Nehru Road, 6th Floor  
Kolkata - 700 071**



## LYONS CORPORATE MARKET LIMITED



### Board of Directors :

Shri Ram Karan Gupta, Director, DIN :00247432  
Shri Sushil Kumar Poddar, Director,DIN : 00119348  
Shri Krishna Awatar Agarwal,Director, DIN : 02460626  
Smt Madhumita Tapader, Director, DIN : 07126692

### Registered Office :

Chatterjee International Centre  
33-A, Jawaharlal Nehru Road,  
6th Floor, Kolkata - 700 071  
e-mail : lyonscorp@gmail.com  
website : www.lyonscorporate.com  
CIN : L74140WB1994PLC061497

### Bankers :

Indusind Bank  
IDBI Bank

### Auditors :

Mandawewala & Co.  
Chartered Accountants  
Kolkata

### Registrar & Transfer Agent :

Niche Technologies (P) Limited  
D-511 Bagree Market,  
71 B.R.B. Basu Road  
Kolkata - 700 001  
Phone : 2234-3576  
email : nichetechpl@nichetechpl.com

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## Directors' Report

LYONS CORPORATE MARKET LIMITED

### TO THE MEMBERS

Your Directors have pleasure in presenting 24<sup>th</sup> Annual Report of the Company along with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	2016 - 2017	2015 - 2016
Profit/(Loss) before Depreciation & Taxes	3.99	7.43
Less : Depreciation	0.42	0.42
Profit / (Loss) before Tax	3.57	7.01
Provision for Taxation	0.89	1.60
Income Tax for Earlier Years	(0.28)	0.04
Deferred tax (Charge) / Credit	0.09	0.22
Profit / (Loss) after Tax	2.87	5.15
Transfer to Reserve Fund	0.57	1.03
Add : Balance brought forward from Previous Year	(65.62)	(69.74)
Balance Carried to Balance Sheet	(63.32)	(65.62)

### REVIEW OF BUSINESS OPERATIONS :

The Company is a Non-Banking Financial Company and is engaged in NBFC activities. The Profit before tax for the year is Rs. 3.57 Lakhs as compared with the last year figure of Profit before tax of Rs. 7.01 Lakhs.

### DIVIDEND :

With view of brought forward losses, your Director has not recommended any Dividend.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

#### a) Industrial Structure and Developments

The Company operates in the Non-Banking Financial Company (NBFC) segment of Industry and is registered with the Reserve Bank of India. Its activities are limited within India and are mainly engaged in the business of providing Loans and making Investment in Shares and Securities. The performance and business strategy are dependent on the Economic environment and policies of the Government of India and Reserve Bank of India (RBI).

#### b) Opportunities

Government has announced a number of policy measures to achieve the projected GDP growth in 2017-18. This includes, approval for large infrastructure projects, addressing challenges of mining and power sectors, increasing foreign investment limits in Insurance and Pension, Asset Reconstruction Companies, E-commerce, Stock Exchanges, Food Processing, Ports, etc. Growth in agricultural sector output and expectations of good monsoon will drive demand from rural areas.

In view of the aforesaid initiatives of the Government, NBFCs can also look for growth in lending activities. The scope of investment will increase in coming years.

**c) Threats**

Growth of the Company's asset book, quality of assets and ability to raise funds depend significantly on the economy. Unfavourable events in the Indian economy can affect consumer sentiment and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial service providers, unstable political environment and changes in Government policies / regulatory framework could impact the Company's operations.

**d) Segment-wise Performance**

Based on the synergies, risks and return associated with the business operations and in terms of Accounting Standard 17, the Company is engaged in a single reportable segment of Non-Banking Financial Company during the year and hence treated as single reportable segment as per AS 17.

**e) Industry Outlook**

The Company continues to concentrate on finance and investment activities. Each financial intermediary will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2017-18.

**f) Risks and Concerns**

The performance of the Company is closely linked with the overall performance of the Indian Economy, Financial and Capital Markets. The future success of the Company depends on its ability to anticipate volatility in Capital and Financial Markets and minimise related risks through prudent investing decisions. Hence the Management regularly monitors the changing Economic and Market conditions in order to take timely and prudent business decisions. Any slowdown in the Indian economy or volatility in the Financial and/or Capital markets could adversely affect the performance of the Company.

**g) Internal Control system and their adequacy**

The Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorised, recorded and reported correctly.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Audit Committee periodically reviews Policies and adequacy of internal controls.

**h) Human Resource Development/Industrial Relation**

The Company considers its human resource as the most valuable ingredient of the functioning of the Company and utmost endeavor is made to maintain good relation with the employees at all levels.

**SHARES :****a. Buyback of Securities**

The Company has not bought back any of its securities during the year under review.

**b. Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

**c. Bonus Shares**

No Bonus Shares were issued during the year under review.

**d. Employees Stock Option Plan**

The Company has not provided any Stock Option Scheme to the employees.

**e. Shares with Differential Rights**

No Equity Shares with differential rights were issued during the year under review.



**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the Company was not required to transfer any amount to Investor Education and Protection Fund under Section 125(2) of the Companies Act, 2013.

**CORPORATE GOVERNANCE :**

As the paid-up Equity Share Capital of the Company is less than Rs. 10 Crores and its Networth is less than Rs.25 crores, provisions relating to Corporate Governance are not applicable to your Company. However, adequate steps have been taken for better Corporate Governance.

**CORPORATE SOCIAL RESPONSIBILITY :**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :**

The Company has not entered into any contract or arrangement with related parties referred in the section 188 (1) of the Companies Act, 2013 during the year under review.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :**

The Company, being a Non-Banking Financial Company, is not required to give these particulars.

**EXTRACT OF THE ANNUAL RETURN :**

The extract of the Annual Return in Form No. MGT – 9 is furnished in Annexure 'A' and is attached to this Report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

During the year under review, there was no change in the composition of the Board of Directors.

The Company has received requisite declaration from all the independent directors under section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in sub-section (6).

Mr. Krishna Awatar Agarwal (DIN No. 02460626) retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**BOARD EVALUATION :**

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The exercise was carried out through a structured evaluation process covering various aspects of the board functioning such as composition of the board & committees, experience & competencies, performance of specific duties & obligations, attendance of the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual directors who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**NOMINATION AND REMUNERATION POLICY :**

The Nomination and Remuneration policy has been constituted mainly for the purposes of recommending the Company's policy on remuneration package for the Managing/Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of Key Management Personnel. No meeting was required to be held during the year.

<b>Sl. No.</b>	<b>Name of the Committee Members</b>	<b>Nature of Directorship</b>	<b>Membership</b>
1.	Mr. Sushil Kumar Poddar	Non-Executive Independent Director	Chairman
2.	Mr. Ram Karan Gupta	Non-Executive Independent Director	Member
3.	Ms. Madhumita Tapader	Non-Executive Director	Member

**AUDIT COMMITTEE :**

The Audit Committee comprises of Mr. Ram Karan Gupta (Non – Executive Independent Director ),as Chairman and Mr. Sushil Kumar Poddar (Non – Executive Independent Director) and Mr. Krishna Awatar Agarwal (Non – Executive Director) as members. All the meetings of the committee were duly held and attended by the members.

The recommendations of the Audit Committee have been accepted by the Board.

**BOARD MEETINGS :**

During the year under review, 11 (Eleven) Board Meetings were held on 1st April 2016, 15th April 2016, 29th May 2016, 5th July 2016, 30th July 2016, 20th August 2016, 19th September 2016, 1st October 2016, 30th October 2016, 13th January 2017 and 30th January 2017. The attendance of each Director is as under:

<b>Sl. No.</b>	<b>Name of the Directors</b>	<b>No. of Meetings Attended</b>
1.	Mr. Sushil Kumar Poddar	11
2.	Mr. Ram Karan Gupta	11
3.	Mr. Krishna Awatar Agarwal	08
4.	Ms. Madhumita Tapader	11

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

The required details are provided in Annexure "B" annexed to this Report.

**DISCLOSURE UNDER RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 :**

The required details are provided in Annexure "C" annexed to this Report.



**DIRECTORS RESPONSIBILITY STATEMENT :**

In terms of section 134(5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

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

**CODE OF CONDUCT :**

The Company has a Code of Conduct which is applicable to directors and management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating integrity in the work place, in business practices and complying with applicable laws etc.

All the directors and management personnel have submitted declaration confirming compliance with the code.

**RISK MANAGEMENT POLICY :**

Pursuant to section 134(3) (n) of the Companies Act, 2013, the Board of directors of the Company has adopted a Risk management Policy of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across group wide Risk Management, Internal Control and Internal Audit methodologies and processes.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY :**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.



## **LYONS CORPORATE MARKET LIMITED**



### **PREVENTION OF INSIDER TRADING :**

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

### **INTERNAL FINANCIAL CONTROLS :**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

During the year the Company appointed M/s Sancheti Baid & Co. Chartered Accountants, Kolkata as an Internal Auditor. The firm is authorized by the Audit Committee to access the adequacy and compliance of internal control process, statutory requirements etc. The Audit Committee met regularly to review reports submitted by the Internal Auditor. The Audit Committee upon discussion with Internal Auditor set up applicable control measures for the Company.

### **SIGNIFICANT AND MATERIAL ORDERS BY REGULATORS :**

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

### **MATERIAL CHANGES :**

There are no material changes and commitments affecting the financial position of the Company have occurred between the date of financial year of the Company and date of the report. There is no change in the nature of business of the Company.

### **STATUTORY AUDITORS :**

M/s Mandawewala & Company, Chartered Accountants, (Firm Registration No. 322130E), are the present Statutory Auditors of your Company and shall hold office till the end of 26th Annual General Meeting which was approved in the Annual General Meeting held on September 27, 2014.

The appointment for the FY 2017-18 is from the conclusion of this 24th Annual General Meeting till the conclusion of the 25th Annual General Meeting. In view of this, your ratification for appointment is being sought in the ensuing Annual General Meeting.

The Auditors' Report for the FY 2016-17 does not contain any qualification, reservation or adverse remark.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS :**

The Company being in the financial sector, requirements regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable. The Company has no foreign exchange inflow or outflow during the year under review.

### **SECRETARIAL AUDIT :**

The Company has appointed Sri Ritesh Kumar Agrawal (ACS 19119), a Practising Company Secretary to conduct secretarial audit pursuant to section 204 of the Companies Act, 2013. Their report in form MR-3 is attached to this report as Annexure 'D'.

As regards his observation made in the Secretarial Audit, we are to state that the necessary steps are being taken to comply with the requirements.



## LYONS CORPORATE MARKET LIMITED

### SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY :

Aditya Translink Pvt. Ltd. (CIN - U17232WB1995PTC067056) continues to be an Associate Company. The required details are given in Form AOC- 1 annexed to the Report and marked as Annexure 'E'.

As required under the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Audited Consolidated Financial Statements of your Company are also attached and form part of the Company's Annual Report.

### DEPOSITS :

During the year under review, the Company did not accept any deposits within the meaning of section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

### SOCIAL OBLIGATION :

Your Company has taken up and is constantly in touch with the various socio-economic projects for uplifting standards of living of the people in and around its estate where it operates.

### LISTING ARRANGEMENTS :

The Equity Shares of the Company are listed on the Ahmedabad, Bombay & Calcutta Stock Exchange. However during the year Ahmedabad Stock Exchange opted for voluntary exit policy. Consequently, the Equity Shares of the Company continues to be listed on Bombay and Calcutta Stock Exchange. The Annual Listing Fees have been paid upto the date.

### GENERAL :

Your Director further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### RBI REGULATIONS - COMPLIANCE :

Your Company continues to carry on its business of Non-Banking Financial Company and follows prudent financial management norms as applicable. Your Company appends a Statement containing particulars as required in terms of Paragraph 18 of the Master Direction-Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank), Directions, 2016 in schedule annexed to the Balance Sheet.

### ACKNOWLEDGEMENTS :

Your Directors would like to record their appreciation of the hard work and commitment of the Company's employees and are grateful for the co-operation and support extended to the Company by the Bankers, Statutory Authorities, Financial Institutions(s) and all other establishments connected with the business of the Company.

For and on behalf of the Board

**Ram Karan Gupta**

Chairman

(DIN : 00247432)

Kolkata, the 30th day of May, 2017.



**ANNEXURE - "A"**

**FORM NO. MGT - 9**

**Extract of Annual Return as on the Financial year ended on 31st March, 2017**

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

**1. REGISTRATION AND OTHER DETAILS**

1.	CIN	L74140WB1994PLC061497
2.	Registration Date	18th January 1994
3.	Name of the Company	Lyons Corporate Market Limited
4.	Category / Sub Category of the Company	Company limited by shares/Indian Non-Government Company
5.	Address of the Registered Office and Contact details	33A, Jawaharlal Nehru Road, Kolkata - 700 071 Phone : 4012 3123
6.	Whether Listed Company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies (P) Ltd D-511 Bagree Market, 71, BRB Basu Road, Kolkata-700001, Phone-2234-3576

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% of total turnover of the Company
1.	NBFC	-	56.09%
2.	Renting	-	43.91%

**3. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Aditya Translink (P) Ltd 9 India Exchange Place, 3rd Floor, Kol - 700 001	U17232WB1995PTC067056	Associate	45.30%	2(6)



**4. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-Wise Shareholding**

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	
<b>A. PROMOTERS</b>									
<b>1. Indian</b>									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	23,14,350	-	23,14,350	49.47%	23,14,350	-	23,14,350	49.47%	0.00%
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	23,14,350	-	23,14,350	49.47%	23,14,350	-	24,14,350	49.47%	0.00%
<b>2. Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	23,14,350	-	23,14,350	49.47%	23,14,350	-	23,14,350	49.47%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Co.	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	-	-	-	-	-	-	-	-	-


**4. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-Wise Shareholding**

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	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7,68,200	5,27,050	12,95,250	27.69%	7,73,800	5,27,250	13,01,050	27.81%	0.12%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakh	78,300	9,40,700	10,19,000	21.78%	72,700	9,40,500	10,13,200	21.66%	-0.12%
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakh	0	49,400	49,400	1.06%	0	49,400	49,400	1.06%	0.00%
c) Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (2)</b>	8,46,500	15,17,150	23,63,650	50.53%	8,46,500	15,17,150	23,63,650	50.53%	0.00%
<b>Total Public shareholding (B)=(B)(1)+(B)(2)</b>	8,46,500	15,17,150	23,63,650	50.53%	8,46,500	15,17,150	23,63,650	50.53%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	31,60,850	15,17,150	46,78,000	100.00%	31,60,850	15,17,150	46,78,000	100.00%	0.00%

**ii) Shareholding of Promoters**

Sl. No.	Shareholder's 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	
1.	Dipl Computers Pvt Limited	23,14,350	49.47%	0.00 %	23,14,350	49.47%	0.00%	0.00%
	<b>TOTAL</b>	<b>23,14,350</b>	<b>49.47%</b>	<b>0.00 %</b>	<b>23,14,350</b>	<b>49.47%</b>	<b>0.00%</b>	<b>0.00%</b>



**LYONS CORPORATE MARKET LIMITED**

**(iii) Change in Promoter's Shareholding (Please specify, if there is no change)**

Sl. No.		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 beginning of the year	There is no change in Promoter's shareholding			
	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)				
	At the end of the year				

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

Sl. No.		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
	For Each of the Top 10 Shareholders				
1.	Celestial Consultants (P) Limited	2,27,580	4.86%	2,27,580	4.86%
2.	Globe Stocks & Securities (P) Ltd	2,21,100	4.73%	2,21,100	4.73%
3.	Rochak Distributors (P) Limited	2,19,300	4.69%	2,19,300	4.69%
4.	Celestial Holdings (P) Limited	2,12,500	4.54%	2,12,500	4.54%
5.	Millennium Holdings (P) Limited	1,77,120	3.79%	1,77,120	3.79%
6.	Chariot Eximp Limited	1,18,700	2.54%	1,18,700	2.54%
7.	Pilot Consultants Limited	49,400	1.06%	49,400	1.06%
8.	Anand Kothari	49,400	1.06%	49,400	1.06%
9.	Shroff Leatherex (P) Limited	24,700	0.53%	24,700	0.53%
10.	Shital Jawahar Shah	15,500	0.33%	15,500	0.33%

**(v) Shareholding of Directors and Key Managerial Personnel :**

No Director is holding any share in the Company.


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

	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total(i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
*Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total(i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**(i) Remuneration to Managing Director, Whole Time Director and /or Manager :**

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	- as % of Profit	0	0	0
	- others, specify	0	0	0
5.	Others, Please specify	0	0	0
	Total (A)	0	0	0
	Ceiling as per the Act			



**(ii) Remuneration to Other Directors :**

Sl. No.	Particulars of Remuneration	Name of the Directors		Total Amount
1.	Independent Directors	Sushil Kumar Poddar	Ram Karan Gupta	
	Fee for attending Board and Committee meetings	5,000	5,000	10,000
	Commission	0	0	0
	Others, Please specify	0	0	0
	<b>Total (1)</b>	5,000	5,000	10,000
2.	Other Non Executive Directors	Madhumita Tapader		
	Fee for attending Board and Committee meetings	5,000	0	5,000
	Commission	0	0	0
	Others, Please specify	0	0	0
	<b>Total (2)</b>	5,000	0	5,000
	<b>Total (B) = (1+2)</b>	10,000	5,000	15,000
	Total Managerial Remuneration	0	0	15,000
	Overall Ceiling as per the Act			

**(iii) Remuneration to Key Managerial Personnel other than MD / Manager / WTD :**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission				
	- as % of Profit	0	0	0	0
	- others, specify	0	0	0	0
5.	Others, Please specify	0	0	0	0
	Total	0	0	0	0





**7. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/NCLT/ Court)	Appeal Made if any (give details)
A. COMPANY Penalty Punishment Compounding			Nil		
B. DIRECTORS Penalty Punishment Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			Nil		

For and on behalf of the Board  
**Ram Karan Gupta**  
 Chairman  
 (DIN : 00247432)

Kolkata, the 30th day of May, 2017.



**ANNEXURE - "B"**

**INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**(1) Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:**

Median remuneration of all the employees of the Company for the financial year 2016-2017 Rs.1,39,372

The percentage increase in the median remuneration of employees in the financial year 12.51%

The Number of permanent employees on the rolls of Company as on 31st March, 2017 7

Name of Director/KMP	Remuneration of Director/KMP for the financial year 2016 - 2017 (Rs.)	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the financial year year 2016 - 2017
<b>Non - Executive Director</b>			
Mr Krishna Awatar Agarwal	0	Nil	00.00%
Ms Madhumita Tapader	5,000	0.04 : 1	100.00%
<b>Independent Directors</b>			
Mr Ram Karan Gupta	5,000	0.04 : 1	100.00%
Mr Sushil Kumar Poddar	5,000	0.04 : 1	100.00%

**Notes:**

The ratio of remuneration to median remuneration is based on remuneration paid during the period 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.

**(2)** 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:

Average percentile increase made in the salaries of employees other than the Key managerial personnel in the last financial year i.e. 2016-17 was 12.51% and its comparison with the percentile increase in the managerial remuneration is not applicable as the Company does not have any Whole Time KMP.

**(3)** Remuneration is as per the remuneration policy of the Company.



**ANNEXURE - "C"**

**INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**A. List of top 10 Employees:-**

Name of the Employee	Designation	Remuneration Received* (Rs.)	Qualifications and Experience	Date of Commencement of Employment	Date of Birth	Last Employment held before joining the Company
Prithwis Gupta	Staff	2,60,334	B.SC & 33 Years	01-06-2015	28-05-1957	N.A.
Sandip Dutta	Staff	2,06,738	B.Com & 5 Years	15-04-2016	06-01-1979	N.A.
Vaibhav Baid	Staff	2,00,000	B.Tech & 10 Years	01-11-2016	17-04-1983	N.A.
Rajesh Mallick	Staff	1,39,372	Under Graduate & 16 Years	01-04-2001	21-03-1980	N.A.
Pradip Kumar Shaw	Staff	1,31,247	Under Graduate & 7 Years	01-03-2010	25-10-1980	N.A.
Arabindo Ghosh	Staff	1,04,498	Under Graduate & 5 Years	01-04-2012	21-03-1988	N.A.
Ashok Jain	Staff	45,000	B.Com & 10 Years	01-11-2016	01-10-1970	N.A.

\* Remuneration includes salary, allowances, bonus and value of certain perquisites evaluated on the basis of Income Tax Act and Rules.

B. There is no employee employed throughout the financial year who was in receipt of remuneration in excess of one crore and two lacs rupees per annum.

C. There is no employee employed for a part of the financial year who was in receipt of remuneration in excess of eight lacs and fifty thousand rupees per month.

D. Nature of Employment is contractual.

E. None of the employees mentioned above is a relative of any Director of the Company.



ANNEXURE - "D"

**LYONS CORPORATE MARKET LIMITED**

RITESH KUMAR AGRAWAL  
COMPANY SECRETARY

20, DOBSON ROAD  
HOWRAH – 711 101

**FORM No MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

[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  
Lyons Corporate Market Limited  
33A, Jawahar Lal Nehru Road  
Kolkata-700071

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

Based on my verification of Lyons Corporate Market 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 generally complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Lyons Corporate Market Limited ("the company") for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the Company during the Audit Period).
- 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;



- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period).
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).
- f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the Company during the Audit Period).
- vi) The other laws that are applicable and complied by the company are:  
Reserve Bank of India Act, 1934 and various directions issued by Reserve Bank of India, so far as applicable to Non-Banking Financial Company.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange and Bombay Stock Exchange. The Stock Exchanges has suspended trading of shares of the Company.
- iii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i) **The Company has not appointed Key Managerial Personnel as required under section 203 of the Companies Act, 2013.**
- ii) **The Company has not complied with some of the provisions of the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 and the trading of the shares has been suspended by the Calcutta Stock Exchange and Bombay Stock Exchange.**

**I 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. No changes in the composition of the Board of Directors that took place during the period under review.



## LYONS CORPORATE MARKET LIMITED

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, if any, are captured and recorded as part of the minutes.

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

**I further report that** during the year under review the Ahmedabad Stock Exchange where the Company's shares were listed has opted for voluntary exit policy.

**Place: Kolkata**  
**Dated: 26<sup>th</sup> May, 2017**

**Company Secretary in practice : Ritesh Kumar Agrawal**  
**ACS No : 19119**  
**C.P.No. : 7095**

**Note:**

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.

**LYONS CORPORATE MARKET LIMITED**



RITESH KUMAR AGRAWAL  
COMPANY SECRETARY

20, DOBSON ROAD  
HOWRAH – 711 101

**Annexure “A”**

To,  
The Members,  
Lyons Corporate Market Limited  
33A, Jawahar Lal Nehru Road  
Kolkata-700071

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain 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. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

**Place: Kolkata**  
**Dated: 26<sup>th</sup> May, 2017**

**Company Secretary in practice : Ritesh Kumar Agrawal**  
**ACS No : 19119**  
**C.P.No. : 7095**

**ANNEXURE - "E"****Form AOC-1**

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

**Statement containing salient features of the financial statement of Subsidiaries /  
Associate Companies / Joint Ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Sl. No.	-
2.	Name of the subsidiary	N.A.
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
5.	Share capital	-
6.	Reserves & surplus	-
7.	Total assets	-
8.	Total Liabilities	-
9.	Investments	-
10.	Turnover	-
11.	Profit before taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	% of shareholding	-



**Part “B”: Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

<b>Name of Associates/Joint Ventures</b>	<b>: Aditya Translink (P) Limited</b>
1. Latest audited Balance Sheet Date	: 31-03-2017
2. Shares of Associate/Joint Ventures held by the company on the year end	
Number of Shares	: 29,69,000
Amount of Investment in Associates/Joint Venture	: Rs.1,12,30,000/-
Extend of Holding%	: 45.30%
3. Description of how there is significant influence	: Company holds 45.30% of Total Share Capital
4. Reason why the associate/joint venture is not consolidated	: Consolidation
5. Net worth attributable to shareholding as per latest audited Balance Sheet	: Rs.8,55,72,878/-
6. Profit/Loss for the year	
i. Considered in Consolidation	: Rs.51,91,215/-
ii. Not Considered in Consolidation	: Rs.62,68,420/-

For and on behalf of the Board  
**Ram Karan Gupta**  
Chairman  
(DIN : 00247432)

Kolkata, the 30th day of May, 2017.



**INDEPENDENT AUDITORS' REPORT**

**To The Members of M/s Lyons Corporate Market Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **M/s LYONS CORPORATE MARKET LIMITED ("the Company") (CIN: L74140WB1994PLC061497)**, which comprise the Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Financial Statements 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 the 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 and presentation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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



- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. 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 it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigation on its financial position in its Financial Statement.
    - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. In our opinion these are in accordance with the books of accounts maintained by the Company. (Refer note no. 21 (k)).

Place : Kolkata

The 30th day of May, 2017

For Mandawewala & Co.  
Chartered Accountants  
(Registration No. 322130E)  
CA. Swati Singhal  
Partner  
Membership No. 308308



**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

Statement referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of the even date to the members of **M/s LYONS CORPORATE MARKET LIMITED ("the Company") (CIN: L74140WB1994PLC061497)** on the accounts for the year ended 31<sup>st</sup> March 2017.

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- (b) The Fixed Assets of the Company have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of company and the nature of its assets. No materials discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification, between the physical stocks and book records, and the same have been properly dealt with in the books of account.
- iii) The Company has not granted any loans during the year to the parties covered in the register maintained under section 189 of the Companies Act. Accordingly the provisions of clause 3(iii) (a), (b) & (c) of the Order are not applicable.
- iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185.

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, in respect of loans and investments made by it and Guarantees or securities provided in connection with loans to any other body corporate or person.

- v) The Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified. Hence clause 3(v) of the Order is not applicable.
- vi) The Company is not required to maintain cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013. Hence clause 3(vi) of the Order is not applicable.
- vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii) The company has not taken loans from financial institution, banks or debenture holders. Hence clause 3(viii) of the order is not applicable.

## LYONS CORPORATE MARKET LIMITED



- ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, clause 3(ix) of the Order is not applicable.
- x) Based on audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- xi) The company has not paid any managerial remuneration. Hence clause 3(xi) of the Order is not applicable.
- xii) The Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Therefore, clause 3(xv) of the Order is not applicable.
- xvi) In our opinion and according to information and explanation given to us, the company is registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly the registration has been obtained.

Place : Kolkata

For Mandawewala & Co.  
Chartered Accountants  
(Registration No. 322130E)

The 30th day of May, 2017

CA.Swati Singhal  
Partner  
Membership No. 308308



**ANNEXURE - “B” TO THE INDEPENDENT AUDITORS’ REPORT**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **M/s LYONS CORPORATE MARKET LIMITED (“the Company”) (CIN: L74140WB1994PLC061497)** as of March 31st, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.



**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata

The 30th day of May, 2017

For Mandawewala & Co.  
*Chartered Accountants*  
(Registration No. 322130E)

CA.Swati Singhal  
*Partner*  
Membership No. 308308

**LYONS CORPORATE MARKET LIMITED****Balance Sheet As At 31st March, 2017**

Amount in Rupees

<b>PARTICULARS</b>	<b>Note</b>	<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	1	4,78,20,259	4,78,20,259
Reserves and Surplus	2	(33,73,905)	(36,60,733)
		<u>4,44,46,354</u>	<u>4,41,59,526</u>
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	3	2,83,696	2,75,031
Long Term Provisions	4	0	1,16,435
		<u>2,83,696</u>	<u>3,91,466</u>
<b>Current Liabilities</b>			
Other Current Liabilities	5	3,64,540	1,17,830
Short Term Provisions	6	5,138	21,175
		<u>3,69,678</u>	<u>1,39,005</u>
<b>TOTAL</b>		<u><b>4,50,99,728</b></u>	<u><b>4,46,89,997</b></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	7	18,61,095	19,02,720
Non Current Investments	8	3,24,19,200	2,25,55,800
Long Term Loans and Advances	9	22,28,205	24,20,878
		<u>3,65,08,500</u>	<u>2,68,79,398</u>
<b>Current Assets</b>			
Inventories	10	54,00,000	62,54,000
Cash and Cash Equivalents	11	10,87,477	10,38,459
Short Term Loans and Advances	12	18,45,060	1,02,73,850
Other Current Assets	13	2,58,691	2,44,290
		<u>85,91,228</u>	<u>1,78,10,599</u>
<b>TOTAL</b>		<u><b>4,50,99,728</b></u>	<u><b>4,46,89,997</b></u>

Significant Accounting Policies and Notes to  
Financial Statements**1 to 21**The accompanying notes are integral part of  
Financial Statements

As per our Report of even date annexed

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta  
Director  
(DIN : 00247432)Sushil Kumar Poddar  
Director  
(DIN : 00119348)





**Statement of Profit & Loss For The Year Ended 31st March, 2017**

Amount in Rupees

<b>PARTICULARS</b>	<b>Note</b>	<b>2017</b>	<b>2016</b>
<b>INCOME</b>			
Revenue from Operations	14	19,40,393	18,18,753
Other Income	15	3,50,472	1,01,050
<b>Total Revenue</b>		<b>22,90,865</b>	<b>19,19,803</b>
<b>EXPENSES</b>			
Changes in Inventories of Stock in Trade	16	-	-
Employee Benefits Expense	17	11,89,399	8,29,939
Depreciation Expense	7	41,625	41,625
Other Expenses	18	7,03,027	3,47,211
<b>Total Expenses</b>		<b>19,34,051</b>	<b>12,18,775</b>
<b>Profit before Tax</b>		3,56,814	7,01,028
<b>Tax Expenses</b>			
a. Current Tax		89,000	1,60,000
b. Deferred Tax		8,665	21,930
c. Income Tax for Earlier Years		(27,679)	4,651
<b>Profit/(Loss) for the year</b>		<b>2,86,828</b>	<b>5,14,447</b>
Earnings Per Equity Share of Rs.10/- each - Basic and Diluted	19	0.06	0.11

Significant Accounting Policies and Notes to Financial Statements

**1 to 21**

The accompanying notes are integral part of Financial Statements

As per our Report of even date annexed

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta  
Director  
(DIN : 00247432)

Sushil Kumar Poddar  
Director  
(DIN : 00119348)

**LYONS CORPORATE MARKET LIMITED****Cash Flow Statement For The Year Ended 31st March, 2017**

	Amount in Rupees			
	2017	2017	2016	2016
<b>A. Cash Flow from Operating Activities</b>				
Net Profit /(Loss) Before Tax		3,56,814		7,01,028
Adjustment for				
Depreciation	41,625		41,625	
Contingent provision against Standard Assets written back	(16,037)		(1,050)	
Contingent provision against Sub Standard Assets				
Written back	(1,16,435)		(1,00,000)	
NPA Provision written Back	0	(90,847)	0	(59,425)
Operating profit/(Loss) before working capital changes		2,65,967		6,41,603
Adjustment for				
Inventories	8,54,000		0	
Trade Payable & Provisions	2,46,710		38,439	
Less : Tax Paid	(1,68,648)	9,32,062	(1,58,094)	(1,19,655)
Net Cash from Operating Activities		11,98,029		5,21,948
<b>B. Cash Flow From Investing Activities</b>				
Purchase of Investments		(98,63,400)		0
Sale of Investments		0		0
Net cash used in investing activities		(98,63,400)		0
<b>C. Cash Flow from Financing Activities</b>				
Loan Given		87,14,389		3,15,622
Net Cash from Financing Activities		87,14,389		3,15,622
Net Increase/(Decrease) in cash and cash equivalent (A+B+C)		49,018		8,37,570
Opening Balance of Cash and cash equivalents		10,38,459		2,00,889
Closing Balance of Cash and cash equivalents		10,87,477		10,38,459
<b>Cash and Cash equivalents at the end of the year</b>				
Cash in Hand		4,94,196		16,615
Balances with Scheduled Banks on Current Accounts		5,93,281		10,21,844
		10,87,477		10,38,459

Notes : The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement Issued by "The Institute of Chartered Accountants of India".

Significant Accounting Policies and Notes to the Financial Statements

**1 to 21**

The accompanying notes are integral part of the Financial Statements

As per our Report of even date annexed

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta

Director

(DIN : 00247432)

Sushil Kumar Poddar

Director

(DIN : 00119348)

**LYONS CORPORATE MARKET LIMITED**  
**Notes Forming Part of the Financial Statements**



Amount in Rupees

PARTICULARS	As at 31-03-2017	As at 31-03-2016
<b>NOTE 1 : SHARE CAPITAL</b>		
<b><u>Authorised</u></b>		
60,00,000 (P.Y. 60,00,000) Equity Shares of Rs.10/- each	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
<b><u>Issued and Subscribed</u></b>		
50,00,000 (P.Y. 50,00,000) Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000
	<u>5,00,00,000</u>	<u>5,00,00,000</u>
<b><u>Paid up</u></b>		
46,78,000 (P.Y. 46,78,000) Equity Shares of Rs.10/- each fully paid up in Cash	4,67,80,000	4,67,80,000
Forfeited Shares	10,40,259	10,40,259
<b>TOTAL</b>	<u>4,78,20,259</u>	<u>4,78,20,259</u>

**a) Terms / rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held and equal rights of dividend, if any.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of Number of Shares**

Equity Shares of Rs.10/- each	As at 31-03-2017		As at 31-03-2016	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Opening Balance	46,78,000	4,67,80,000	46,78,000	4,67,80,000
Changes during the year	0	0	0	0
Closing Balance	<u>46,78,000</u>	<u>4,67,80,000</u>	<u>46,78,000</u>	<u>4,67,80,000</u>

**b) Subscribed and Paid-up Share Capital includes :**

Equity Shareholder holding more than 5% of the equity shares:

Name of the shareholder	As at 31-03-2017	As at 31-03-2016
	No.of Shares	No.of Shares
DIPL Computers (P) Limited	23,14,350	23,14,350

**Notes Forming Part of the Financial Statements**

Amount in Rupees

**PARTICULARS****As at  
31-03-2017**      **As at  
31-03-2016****NOTE 2 : RESERVES AND SURPLUS****Statutory Reserve (Reserve Fund as per Section 45-IC  
of the Reserve Bank of India Act, 1934)**

Opening Balance	29,02,000	27,99,000
Add : Transferred from Surplus	57,400	1,03,000
Closing Balance	<u>29,59,400</u>	<u>29,02,000</u>

**Surplus / (Deficit) in Statement of Profit & Loss**

Opening Balance	(65,62,733)	(69,74,180)
Add : Net Profit / (Loss) after tax from Statement of Profit & Loss	2,86,828	5,14,447
Amount available for appropriation	<u>(62,75,905)</u>	<u>(64,59,733)</u>

**Less : Appropriations**

Transfer to Statutory Reserve	57,400	1,03,000
<b>Closing Balance</b>	<u>(63,33,305)</u>	<u>(65,62,733)</u>
<b>Total</b>	<u>(33,73,905)</u>	<u>(36,60,733)</u>

**NOTE 3 : DEFERRED TAX LIABILITIES**

Opening Balance	2,75,031	2,53,101
Changes for the year	8,665	21,930
Closing Balance	<u>2,83,696</u>	<u>2,75,031</u>

(Difference between net book value of depreciable capital assets as per books vis-à-vis written down value as per tax law)

**NOTE 4 : LONG TERM PROVISIONS**

Contingent Provision on Sub Standard Assets	0	1,16,435
<b>Total</b>	<u>0</u>	<u>1,16,435</u>

**NOTE 5 : OTHER CURRENT LIABILITIES**

Statutory Liabilities	2,940	1,206
Liabilities for Expenses	3,41,475	95,468
Other Payables	20,125	21,156
<b>Total</b>	<u>3,64,540</u>	<u>1,17,830</u>

**NOTE 6 : SHORT TERM PROVISIONS**

Contingent Provision on Standard Assets		
Opening Balance	21,175	22,225
Add : Provision made/(Reversed) during the year	(16,037)	(1,050)
<b>Total</b>	<u>5,138</u>	<u>21,175</u>

**Notes Forming Part of the Financial Statements**

Amount in Rupees

**NOTE 7 : FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2016	Additions	Sales / Adjustments	As at 31.03.2017	As at 01.04.2016	For the year	on Sales / Adjust- ments	Transition Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
<b>Tangible Assets</b>											
*Office Premises	22,57,005	0	0	22,57,005	3,54,290	41,625	0	0	3,95,915	18,61,090	19,02,715
Furniture & Fixture	4,83,951	0	0	4,83,951	4,83,950	0	0	0	4,83,950	1	1
Office Equipments	1,84,700	0	0	1,84,700	1,84,696	0	0	0	1,84,696	4	4
<b>TOTAL</b>	<b>29,25,656</b>	<b>0</b>	<b>0</b>	<b>29,25,656</b>	<b>10,22,936</b>	<b>41,625</b>	<b>0</b>	<b>0</b>	<b>10,64,561</b>	<b>18,61,095</b>	<b>19,02,720</b>
Previous Year	29,25,656	0	0	29,25,656	9,81,311	41,625	0	0	10,22,936	19,02,720	19,44,345

\* Please refer note no. 21(f) (ii)



**LYONS CORPORATE MARKET LIMITED****Notes Forming Part of the Financial Statements**

Amount in Rupees

PARTICULARS		As at 31-03-2017	As at 31-03-2016
<b>NOTE 8 : NON CURRENT INVESTMENT</b>			
<b>Investment in Equity Instruments (at cost)</b>	<b>Face Value</b>		
<b>Quoted :- Equity</b>			
6,50,000 (P.Y. 6,50,000) Fully Paid Up Equity Shares of The Ganges Manufacturing Co Limited	Rs.10	65,00,000	65,00,000
Less : Provision in Diminution in the value of Investments		43,22,500	43,22,500
		<u>21,77,500</u>	<u>21,77,500</u>
2,80,000 (P.Y.Nil) Fully Paid up Equity Shares of Siddheswari Garments Limited	Rs.10	8,54,000	0
<b>SUB TOTAL (A)</b>		<u>30,31,500</u>	<u>21,77,500</u>
<b>INVESTMENT IN OTHER COMPANIES (UNQUOTED)</b>			
94,000 (P.Y. 94,000) Fully Paid up Equity Shares of Aaina Engineering Pvt. Ltd.	Rs.10	1,41,800	1,41,800
1,50,000 (P.Y. 1,50,000) Fully Paid up Ordinary Shares of Victoria Jute Co. Limited	£1	20,36,000	20,36,000
7,25,000 (P.Y. 7,25,000) Fully Paid up Equity Shares of Class-B of Ganges Jute (P) Ltd	Rs.10	1,05,00,000	1,05,00,000
29,15,000 (P.Y.29,15,000) Fully Paid up Equity Shares of Class-B of Aditya Translink (P) Ltd	Rs.10	58,30,000	58,30,000
13,02,500 (P.Y.13,02,500) Fully paid up Equity Shares of Everest Infra Energy Ltd.	Rs. 10	13,02,500	13,02,500
25,000 (P.Y.25,000) Fully paid up Equity Shares of Arvind Pratisthan (India) (P) Ltd.	Rs. 10	5,50,000	5,50,000
1,800 (P.Y.1,800) Fully Paid up Equity Shares of Digvijay Agencies Pvt. Ltd	Rs.10	18,000	18,000
4,50,470 (P.Y. Nil) Fully paid up Equity Shares of Celestial Consultants (P) Limited	Rs.10	45,04,700	0
4,50,470 (P.Y. Nil) Fully paid up Equity Shares of Millennium Holdings (P) Limited	Rs.10	45,04,700	0
<b>SUB TOTAL (B)</b>		<u>2,93,87,700</u>	<u>2,03,78,300</u>
<b>Total (A+B)</b>		<u>3,24,19,200</u>	<u>2,25,55,800</u>
<b>Aggregate Market Value of Quoted Investment</b>		41,37,500	21,77,500
<b>Aggregate Amount of Quoted Investment</b>		30,31,500	21,77,500
<b>Aggregate Amount of UnQuoted Investment</b>		2,93,87,700	2,03,78,300
<b>NOTE 9 : LONG TERM LOANS AND ADVANCES</b>			
<b>Advances</b>			
Other Advances		17,29,041	20,29,041
Advance Income Tax & TDS		4,99,164	3,91,837
(Net of Provisions as at 31st March 2017 Rs.89,000/-, as at 31st March 2016 Rs.3,34,500/-)			
<b>Total</b>		<u>22,28,205</u>	<u>24,20,878</u>

**LYONS CORPORATE MARKET LIMITED**  
**Notes Forming Part of the Financial Statements**



Amount in Rupees

PARTICULARS	As at 31-03-2017	As at 31-03-2016
<b>NOTE 10 : INVENTORIES</b>		
Stock in Trade (Shares) (Stock in trade of Securities is valued at cost or Market price which ever is lower)	54,00,000	62,54,000
<b>Total</b>	<u>54,00,000</u>	<u>62,54,000</u>
<b>NOTE 11 : CASH AND CASH EQUIVALENTS</b>		
Balances with banks in Current Accounts	5,93,281	10,21,844
Cash on Hand (as certified by management)	4,94,196	16,615
<b>Total</b>	<u>10,87,477</u>	<u>10,38,459</u>
<b>NOTE 12 : SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>		
Loan to Related Parties	0	81,70,000
Loan to Others	18,27,560	20,64,350
Advance to Staff	17,500	39,500
<b>Total</b>	<u>18,45,060</u>	<u>1,02,73,850</u>
<b>NOTE 13 : OTHER CURRENT ASSETS</b>		
Accruals :		
Interest accrued on Loans	2,27,715	2,13,210
Prepaid Expenses	10,851	9,174
Receivable from others	20,125	21,906
<b>Total</b>	<u>2,58,691</u>	<u>2,44,290</u>
	<b>2017</b>	<b>2016</b>
<b>NOTE 14 : REVENUE FROM OPERATIONS</b>		
Interest received on Loan	10,88,393	9,66,753
Rent Received	8,52,000	8,52,000
<b>Total</b>	<u>19,40,393</u>	<u>18,18,753</u>
<b>NOTE 15 : OTHER INCOME</b>		
Contingent provision on Standard Assets Written Back	16,037	1,050
Contingent Provision on Sub Standard Assets written back	1,16,435	1,00,000
Liabilities Written Back	18,000	0
Miscellaneous Income	2,00,000	0
<b>Total</b>	<u>3,50,472</u>	<u>1,01,050</u>
<b>NOTE 16 : CHANGES IN INVENTORIES</b>		
Inventories at the beginning of the year :		
Stock in trade	62,54,000	62,54,000
Inventory transfer to Non Current Investment	8,54,000	0
Inventories at the end of the year :		
Stock in trade	<u>54,00,000</u>	<u>62,54,000</u>
Net Increase / (decrease) in stock	<u>0</u>	<u>0</u>

**Notes Forming Part of the Financial Statements**

Amount in Rupees

**PARTICULARS****2017****2016****NOTE 17 : EMPLOYEE BENEFIT EXPENSES**

Salaries, Wages and Bonus	10,87,189	7,33,336
Staff Welfare Expenses	1,02,210	96,603
<b>Total</b>	<b>11,89,399</b>	<b>8,29,939</b>

**NOTE 18 : OTHER EXPENSES**

Advertisement Expenses	1,104	980
Bank Charges	4,886	1,978
Certification Fees	34,500	30,500
Conveyance Expenses	500	4,979
Custodial Fees	20,610	20,610
Demat Charges	1,090	955
Directors Fees	15,000	0
Entertainment Expenses	3,140	5,330
E-Voting Charges	15,284	0
Filing Fees	10,200	4,200
General Expenses	6,107	5,567
Interest on TDS	79	0
Interest on Profession Tax	94	0
Interest on Listing Fees	58,756	0
Listing Fees	2,50,038	24,286
Municipal Taxes	41,360	41,360
Postage & Telegram	62,253	5,620
Printing & Stationery	36,840	28,346
Professional Fees	26,500	0
Rates & Taxes	13,680	14,403
Repairs & Maintenance	4,905	58,860
Share Transfer Registrar Fees	26,124	10,234
Secretarial Audit Fees	7,500	25,000
Telephone Charges	29,752	29,539
Website Maintenance Expenses	10,675	0
<b>Auditors Remuneration :</b>		
Statutory Audit	8,050	8,015
Other Capacities	2,500	15,000
Internal Audit Fees	11,500	11,450
<b>TOTAL</b>	<b>7,03,027</b>	<b>3,47,211</b>

**NOTE 19 :****EARNINGS PER SHARE (EPS)**

Net profit for the year	2,86,828	5,14,447
<b>Shares</b>		
Number of shares at the beginning of the period	46,78,000	46,78,000
Number of shares at the end of the period	46,78,000	46,78,000
Weighted average number of equity shares outstanding during the period - Basic & Diluted	46,78,000	46,78,000
Earnings per share of par value Rs.10/- Basic & Diluted (Rs.)	0.06	0.11





**Notes Forming Part of the Financial Statements**

**Company Overview**

Lyons Corporate Market Limited (“the Company”) is a Non Deposit taking non- systematically important Non-Banking Finance Company, registered with the Reserve Bank of India. The Company is presently listed on BSE Limited and Calcutta Stock Exchange Limited. It is engaged in the business of giving loans and investment in shares.

It is a Limited Company incorporated and domiciled in India. Its registered office is in Kolkata, West Bengal.

**NOTE 20 : SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Preparation**

- i. These Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 (the “Act”) as applicable. Further, the company follows the Reserve Bank of India (“RBI”) Directions issued for Non Banking Financial Companies (“NBFC”). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- ii. The Company follows the prudential norms for income recognition, asset Classification and provisioning as prescribed by Reserve Bank of India (RBI) for Non-Deposit taking Non-Banking Finance Companies (NBFC-ND).

**b) Use of Estimate**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities (including contingent liabilities) at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and action, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Future results could differ from these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known/ materialise.

**c) Recognition of Income & Expenditure**

Items of Income and Expenditure are recognised on Accrual basis, except otherwise stated, in accordance with the generally accepted accounting principles. Purchase & Sale of shares is accounted for on Trade date. Profit/Loss on sale of Investment is recognized at the time of sale or redemption.

**d) Fixed Assets and Depreciation**

Fixed assets are stated at cost less accumulated depreciation. Depreciation on Tangible Fixed Assets has been provided on the Straight-Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

**e) Investments**

Long-term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

**f) Stock in Trade**

Stock in trade is valued at cost or market value whichever is lower.

**g) Asset classification and provisioning:**

Loan asset classification of the Company is given in the table below:

Particulars	Criteria
Standard asset	The asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.
Non-performing Assets	An asset for which, interest/principal payment has remained overdue for a period of six months or more.

**Provision for Loan Portfolio**

Provision for standard assets and non-performing assets is made in accordance with the Master Direction Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, issued by the RBI vide its notification No.DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016.

**Notes Forming Part of the Financial Statements****h) Taxation**

Income-tax expense comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each balance sheet date to reassess realization.

**i) Provisions, Contingent Liabilities and Contingent Assets**

A provision is made when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognize assets which are of contingent nature until there is virtual certainty of reliability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in then financial statements of the period in which the change occurs.

**j) Earnings Per Share**

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to Equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of diluted earnings per shares, the net profit or loss for the period attributable to Equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**k) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**l) Employee Benefit**

i. Employees benefits of Short Term nature are recognized as expense as and when it accrues.

ii Long term and post employment benefit is recognized as expenses as and when it accrues.

**NOTE 21 : NOTES ON ACCOUNTS**

a) Being a Non- Banking Financial Company, the Company has followed the prudential Norms prescribed by Reserve Bank of India for income recognition and provision for Non-performing Assets.

b) The provisions of Provident Fund Act, ESI Act and Payment of Gratuity Act are not applicable to the Company since the number of employees is less than those specified in the aforesaid Acts.

c) The Company has applied the revised Accounting Standard (AS) 15 – Employees Benefits notified under the Companies (Accounting Standards) Rules, 2006. There is no present obligation of any post employment benefit including payment of gratuity during the year. Therefore no actuarial gains or loss arose at the end of the year.

d) The Company does not permit leave encashment to any of its staff. Hence, no provision on this account is required to be made.

e) The Company has not received any intimation from its suppliers being registered under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED). Hence, the necessary compliance required under MSMED Act, 2006 cannot be made.

**f) Contingent Liability**

The Company has provided following securities to Central Bank of India upto a maximum amount of Rs. 25.00 Crores (P.Y. 29.00 Crores) for various credit facilities sanctioned to Aditya Translink Pvt Ltd :-

i) Corporate Guarantee of Rs. 25.00 Crores

ii) Equitable Mortgage on its office premises at Kolkata as collateral security.



**Notes Forming Part of the Financial Statements**

- g) As the business activity falls within a single segment, the disclosure requirements of Accounting standard 17 “Segment Reporting”, issued by the Institute of Chartered Accountants of India is not applicable.
- h) Related party disclosures  
 Related Party Disclosures as required under AS 18 issued by the Institute of Chartered Accountants of India.
- i. List of Related Parties: Nature of Relationship:  
 DIPL Computers Pvt. Ltd. Significant Influence
- ii. Transactions with Related Parties :-  
 DIPL Computers Pvt. Ltd.

Type of related parties	Description of the nature of the transactions	Volume of transactions during 2016-17(Rs.)	Amount outstanding as on	
			31-03-2017 Rs.	31-03-2016 : Rs.
Significant Influence	<b>Loan</b>			
	Principal Received	1,00,20,000/-		
	Loan Given	18,50,000/-	Nil	81,70,000/-
	Interest Received (Gross)	8,60,678/-		(Dr.)

Related party relationship is as identified by the management and relied upon by the Auditors.

- i) The Reserve Bank of India (RBI) vide its Notification No. DNBS. 223/CGM(US)-2011 dated 17th January, 2011 has issued directions to all NBFCs to make provision of 0.25% against Standard Assets with immediate effect. Accordingly, the company has reversed provision of Rs.16,037/- during the year on Standard Assets which has been credited to Profit & Loss Account. The Company has also reversed provision @10% on Contingent Sub Standard Assets of Rs.1,16,435/- which has been credited to Profit & Loss Account.
- j) As per the requirement in terms of Paragraph 18 of the Master Direction- Non – Banking Financial Company – Non- Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016, Schedule to The Balance Sheet has been attached vide “Annexure – 1”.
- k) Details of Specified Bank Notes (SBN) held and transacted during the period from 08.11.2016 to 30.12.2016.

Particulars	SBNs (Rs.)	Other Denomination Notes (Rs.)	Total (Rs.)
Closing Cash in hand on 08-11-2016	0	39,268/-	39,268/-
Add : Permitted Receipts	0	0	0
Add : Withdrawal from Bank	0	2,10,000/-	2,10,000/-
Less : Permitted Payments	0	3,458/-	3,458/-
Less : Deposited in Banks	0	0	0
Closing Cash in hand on 30-12-2016	0	2,45,810/-	2,45,810/-

- l) During the year Company has transferred its Inventories in Fully paid up Equity Shares amount to Rs. 8,54,000/-to Non Current Investment in accordance with the Master Direction- Non Banking Financial Company Non– Systemically Important Non –Deposit taking Company (Reserve Bank) Directions, 2016.
- m) Previous years figure have been recasted / restated to confirm to the classification of the current period.
- n) All the amounts have been stated in Rs. unless otherwise stated.

Notes forming part of the Financial Statements

**1 to 21**

As per our Report of even date

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta

Director

(DIN : 00247432)

Sushil Kumar Poddar

Director

(DIN : 00119348)



**Annexure - I**

Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking financial Company  
 [As required in terms of Paragraph 18 of Master Direction - Non - Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016]

<b>PARTICULARS</b>			
<b>Liabilities side :</b>			
1.	<i>Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid</i>	<i>Amount outstanding</i>	<i>Amount overdue</i>
	(a) <i>Debentures : Secured</i>	-	-
	<i>Unsecured</i>	-	-
	<i>(other than falling within the meaning of public deposits*)</i>		
	(b) <i>Deferred Credits</i>	-	-
	(c) <i>Term Loans</i>	-	-
	(d) <i>Inter-corporate loans and borrowing</i>	-	-
	(e) <i>Commercial Paper</i>	-	-
	(f) <i>Other Loans (Secured) from Directors &amp; Shareholders)*</i>		
	<i>Please see note 1 below</i>		
2.	<b>Break - Up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>		
	(a) <i>In the form of Unsecured debentures</i>		
	(b) <i>In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security</i>		
	(c) <i>Other public deposits</i>		
	<i>* Please see Note - 1 below</i>		
<b>Assets side :</b>		<i>Amount Outstanding</i>	
3.	<b>Break - up of Loans and Advances including bills receivables [other than those included in (4) below]</b>		
	(a) <i>Secured</i>	-	-
	(b) <i>Unsecured</i>	38,21,941	-
4.	<b>Break - Up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) <i>Lease assets including lease rentals under sundry debtors :</i>		
	(a) <i>Financial lease</i>		-
	(b) <i>Operating lease</i>		-
	(ii) <i>Stock on hire including hire charges under sundry debtors :</i>		
	(a) <i>Assets on hire</i>		-
	(b) <i>Repossessed Assets</i>		-
	(iii) <i>Other loans counting towards AFC activities</i>		
	(a) <i>Loans where assets have been repossessed</i>		-
	(b) <i>Loans other than (a) above</i>		-
5.	<b>Break - up of Investments :</b>		
	<i>Current Investments:</i>		
	1. <i>Quoted :</i>		
	(i) <i>Share: (a) Equity</i>		-
	<i>(b) Preference</i>		-
	(ii) <i>Debentures and Bonds</i>		-
	(iii) <i>Units of mutual funds</i>		-
	(iv) <i>Government Securities</i>		-
	(v) <i>Others (please specify)</i>		-



	2. Unquoted : i) Share: (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)  Long Term Investments: 1. Quoted : (i) Share: (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)  2. Unquoted : i) Share: (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)	- 54,00,000 - - - - - 30,31,500 - - - - - - 2,93,87,700 - - - - -		
6.	<b>Borrower group - wise classification of assets financed as in (3) and (4) above :</b> <b>Please see note 2 below :</b>			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties**			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related Parties	-	38,16,803	38,16,803
	<b>Total</b>	-	38,16,803	38,16,803
7.	<b>Investor group-wise classification of all investments(current and long term) in shares and securities (both quoted and unquoted):</b> <b>Please see Note 3 below</b>			
	Category	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provision)	
	1. Related Parties**			
	(a) Subsidiaries	-	-	
	(b) Companies in the same group	-	-	
	(c) Other related parties	-	-	
	2. Other than related parties	16,79,99,921	3,78,19,200	
	<b>Total</b>	16,79,99,921	3,78,19,200	
	** As per Accounting Standard of ICAI (Please see note 3)			



8.	<i>Other information</i>	
	<i>Particulars</i>	
	(i) <i>Gross Non-Performing Assets</i>	
	(a) <i>Related parties</i>	-
	(b) <i>Other than related parties</i>	-
	(ii) <i>Net Non-Performing Assets</i>	
	(a) <i>Related parties</i>	-
	(b) <i>Other than related parties</i>	-
	(iii) <i>Assets acquired in satisfaction of debt</i>	-

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA. Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May, 2017.

Ram Karan Gupta

Director

(DIN : 00247432)

Sushil Kumar Poddar

Director

(DIN : 00119348)

*Note :*

1. *As defined in point xix of paragraph 3 of Chapter - 2 of these Directions.*
2. *Provisioning norms shall be applicable as prescribed in Master Direction-Non-Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.*
3. *All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as Long Term or Current in (5) above.*

**INDEPENDENT AUDITORS' REPORT****To The Members of M/s Lyons Corporate Market Limited****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **M/s LYONS CORPORATE MARKET LIMITED (herein referred to as "the Investor Company") (CIN: L74140WB1994PLC061497)** and its associate (the Investor Company and its associate together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (herein referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Investor Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting 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. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Investor Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Investor Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Investor Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Consolidated Balance Sheet, of the Consolidated state of affairs of the Group as at March 31, 2017;
- b) In the case of the Consolidated Statement of Profit and Loss, of the Consolidated profit of the Group for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the Consolidated cash flows of the Group for the year ended on that date.

**Other Matters**

The consolidated financial statements includes the Investor Company's share of net profit of Rs. 51.91 lacs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of subsections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

**Report on Other Legal and Regulatory Requirements**

As required by the Section 143 (3) of the Act , we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated 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 the written representations received from the directors of the Investor Company as on March 31, 2017 taken on record by the Board of Directors of the Investor Company and the reports of the statutory auditors of its Associate Company incorporated in India, none of the directors of the Investor Company and its Associate Company incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Investor Company and its Associate Company and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) There were no pending litigation which would impact the financial position in its consolidated financial statement.
  - ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts.
  - iii) There were no amounts which would require to be transferred to the Investor Education and Protection Fund.
  - iv) The Investor Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. In our opinion these are in accordance with the books of accounts maintained by the Company. (Refer note no. 21 (k) of standalone financial statements).

Place : Kolkata

The 30th day of May, 2017

For Mandawewala & Co.  
*Chartered Accountants*  
(Registration No. 322130E)  
CA.Swati Singhal  
*Partner*  
Membership No. 308308



**ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Investor Company and its associate as of and for the year ended 31<sup>st</sup> March, 2017, we have audited the internal financial controls over financial reporting of **M/s LYONS CORPORATE MARKET LIMITED (herein referred to as “the Investor Company”)** (CIN: L74140WB1994PLC061497) and its Associate Company (collectively referred as ‘Group’) as of March 31<sup>st</sup>, 2017 in conjunction with our audit of the consolidated financial statements of the Investor Company and its Associate for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Investor Company and its associate company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Investor Company and its associate considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of the associate company incorporated in India.

Place : Kolkata

For Mandawewala & Co.  
Chartered Accountants  
(Registration No. 322130E)

The 30th day of May, 2017

CA.Swati Singhal  
Partner  
Membership No. 308308

**LYONS CORPORATE MARKET LIMITED****Consolidated Balance Sheet As At 31st March, 2017**

Amount in Rupees

<b>PARTICULARS</b>	<b>Note</b>	<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	1	4,78,20,259	4,78,20,259
Reserves and Surplus	2	1,31,95,344	77,17,300
		<u>6,10,15,603</u>	<u>5,55,37,559</u>
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	3	2,83,696	2,75,031
Long Term Provisions	4	0	1,16,435
		<u>2,83,696</u>	<u>3,91,466</u>
<b>Current Liabilities</b>			
Other Current Liabilities	5	3,64,540	1,17,830
Short Term Provisions	6	5,138	21,175
		<u>3,69,678</u>	<u>1,39,005</u>
<b>TOTAL</b>		<u><b>6,16,68,976</b></u>	<u><b>5,60,68,030</b></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	7	18,61,095	19,02,720
Non Current Investments	8	4,89,88,448	3,39,33,833
Long Term Loans and Advances	9	22,28,205	24,20,878
		<u>5,30,77,748</u>	<u>3,82,57,431</u>
<b>Current Assets</b>			
Inventories	10	54,00,000	62,54,000
Cash and Cash Equivalents	11	10,87,477	10,38,459
Short Term Loans and Advances	12	18,45,060	1,02,73,850
Other Current Assets	13	2,58,691	2,44,290
		<u>85,91,228</u>	<u>1,78,10,599</u>
<b>TOTAL</b>		<u><b>6,16,68,976</b></u>	<u><b>5,60,68,030</b></u>

Significant Accounting Policies and Notes to Consolidated  
Financial Statements **1 to 21**

The accompanying notes are integral part of Consolidated  
Financial Statements

As per our Report of even date annexed

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta

Director

(DIN : 00247432)

Sushil Kumar Poddar

Director

(DIN : 00119348)


**Consolidated Statement of Profit & Loss For The Year Ended 31st March, 2017**

Amount in Rupees

PARTICULARS	Note	2017	2016
<b>INCOME</b>			
Revenue from Operations	14	19,40,393	18,18,753
Other Income	15	3,50,472	1,01,050
<b>Total Revenue</b>		<b>22,90,865</b>	<b>19,19,803</b>
<b>EXPENSES</b>			
Changes in Inventories of Stock in Trade	16	-	-
Employee Benefits Expense	17	11,89,399	8,29,939
Depreciation Expense	7	41,625	41,625
Other Expenses	18	7,03,027	3,47,211
<b>Total Expenses</b>		<b>19,34,051</b>	<b>12,18,775</b>
<b>Profit before Tax</b>		3,56,814	7,01,028
<b>Tax Expenses</b>			
a. Current Tax		89,000	1,60,000
b. Deferred Tax		8,665	21,930
c. Income Tax for Earlier Years		(27,679)	4,651
<b>Profit/(Loss) for the year before considering Profit/(Loss) of associate</b>		<b>2,86,828</b>	<b>5,14,447</b>
Add : Share of Profit/(Loss) of Associate		51,91,215	1,97,73,863
<b>Profit/(Loss) for the year</b>		<b>54,78,043</b>	<b>2,02,88,310</b>
Earnings Per Equity Share of Rs.10/- each - Basic and Diluted	19	1.17	4.34

Significant Accounting Policies and Notes to Consolidated Financial Statements **1 to 21**

The accompanying notes are integral part of Consolidated Financial Statements

As per our Report of even date annexed

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta

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Director

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**LYONS CORPORATE MARKET LIMITED****Consolidated Cash Flow Statement For The Year Ended 31st March, 2017**

	Amount in Rupees			
	2017	2017	2016	2016
<b>A. Cash Flow from Operating Activities</b>				
Net Profit / (Loss) Before Tax		55,48,029		2,04,74,891
Adjustment for				
Depreciation	41,625		41,625	
Share of Profit/(Loss) in Associate	(51,91,215)		(1,97,73,863)	
Contingent provision against Standard Assets written back	(16,037)		(1,050)	
Contingent provision against Sub Standard Assets				
Written back	(1,16,435)		(1,00,000)	
NPA Provision written Back	0	(52,82,062)	0	(1,98,33,288)
Operating profit/(Loss) before working capital changes		2,65,967		6,41,603
Adjustment for				
Inventories	8,54,000		0	
Trade Payable & Provisions	2,46,710		38,439	
Less : Tax Paid	(1,68,648)	9,32,062	(1,58,094)	(1,19,655)
Net Cash from Operating Activities		11,98,029		5,21,948
<b>B. Cash Flow From Investing Activities</b>				
Purchase of Investments		(98,63,400)		0
Sale of Investments		0		0
Net cash used in investing activities		(98,63,400)		0
<b>C. Cash Flow from Financing Activities</b>				
Loan Given		87,14,389		3,15,622
Net Cash from Financing Activities		87,14,389		3,15,622
Net increase/(Decrease) in cash and cash equivalent (A+B+C)		49,018		8,37,570
Opening Balance of Cash and cash equivalents		10,38,459		2,00,889
Closing Balance of Cash and cash equivalents		10,87,477		10,38,459
<b>Cash and Cash equivalents at the end of the year</b>				
Cash in Hand		4,94,196		16,615
Balances with Scheduled Banks on Current Accounts		5,93,281		10,21,844
		10,87,477		10,38,459

Notes : The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement Issued by "The Institute of Chartered Accountants of India".

Significant Accounting Policies and Notes to the Consolidated Financial Statements **1 to 21**

The accompanying notes are integral part of the Consolidated Financial Statements

As per our Report of even date annexed

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta  
Director

(DIN : 00247432)

Sushil Kumar Poddar  
Director

(DIN : 00119348)


**Notes Forming Part of the Consolidated Financial Statements**

Amount in Rupees

PARTICULARS	As at 31-03-2017	As at 31-03-2016
<b>NOTE 1 : SHARE CAPITAL</b>		
<b><u>Authorised</u></b>		
60,00,000 (P.Y. 60,00,000) Equity Shares of Rs.10/- each	6,00,00,000	6,00,00,000
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
<b><u>Issued and Subscribed</u></b>		
50,00,000 (P.Y. 50,00,000) Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000
	<u>5,00,00,000</u>	<u>5,00,00,000</u>
<b><u>Paid up</u></b>		
46,78,000 (P.Y. 46,78,000) Equity Shares of Rs.10/- each fully paid up in Cash	4,67,80,000	4,67,80,000
Forfeited Shares	10,40,259	10,40,259
<b>TOTAL</b>	<u>4,78,20,259</u>	<u>4,78,20,259</u>

**a) Terms / rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held and equal rights of dividend, if any.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of Number of Shares**

Equity Shares of Rs.10/- each	As at 31-03-2017		As at 31-03-2016	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Opening Balance	46,78,000	4,67,80,000	46,78,000	4,67,80,000
Changes during the year	0	0	0	0
Closing Balance	<u>46,78,000</u>	<u>4,67,80,000</u>	<u>46,78,000</u>	<u>4,67,80,000</u>

**c) Subscribed and Paid-up Share Capital includes :**

Equity Shareholder holding more than 5% of the equity shares.

Name of the shareholder	As at	
	31-03-2017	31-03-2016
	No. of Shares	No. of Shares
DIPL Computers (P) Limited	23,14,350	23,14,350

**LYONS CORPORATE MARKET LIMITED****Notes Forming Part of the Consolidated Financial Statements**

Amount in Rupees

**PARTICULARS****As at  
31-03-2017**      **As at  
31-03-2016****NOTE 2 : RESERVES AND SURPLUS****Statutory Reserve (Reserve Fund as per Section 45-IC  
of the Reserve Bank of India Act, 1934)**

Opening Balance	29,02,000	27,99,000
Add : Transferred from Surplus	57,400	1,03,000
Closing Balance	<u>29,59,400</u>	<u>29,02,000</u>

**Surplus / (Deficit) in Statement of Profit & Loss**

Opening Balance	48,15,300	(1,53,70,010)
Add : Net Profit / (Loss) after tax from Statement of Profit & Loss	<u>54,78,043</u>	<u>2,02,88,310</u>
Amount available for appropriation	1,02,93,344	49,18,300

**Less : Appropriations**

Transfer to Statutory Reserve	<u>57,400</u>	<u>1,03,000</u>
<b>Closing Balance</b>	<u>1,02,35,944</u>	<u>48,15,300</u>

**Total**1,31,95,344      77,17,300**NOTE 3 : DEFERRED TAX LIABILITIES**

Opening Balance	2,75,031	2,53,101
Change for the year	<u>8,665</u>	<u>21,930</u>
Closing Balance	<u>2,83,696</u>	<u>2,75,031</u>

(Difference between net book value of depreciable capital  
assets as per books vis-à-vis written down value as per tax law)**NOTE 4 : LONG TERM PROVISIONS**

Contingent Provision on Sub Standard Assets	<u>0</u>	<u>1,16,435</u>
<b>Total</b>	<u>0</u>	<u>1,16,435</u>

**NOTE 5 : OTHER CURRENT LIABILITIES**

Statutory Liabilities	2,940	1,206
Liabilities for Expenses	3,41,475	95,468
Other Payables	<u>20,125</u>	<u>21,156</u>
<b>Total</b>	<u>3,64,540</u>	<u>1,17,830</u>

**NOTE 6 : SHORT TERM PROVISIONS**

Contingent Provision on Standard Assets		
Opening Balance	21,175	22,225
Add : Provision made/(Reversed) during the year	<u>(16,037)</u>	<u>(1,050)</u>
<b>Total</b>	<u>5,138</u>	<u>21,175</u>



**Notes Forming Part of the Consolidated Financial Statements**

Amount in Rupees

**NOTE 7 : FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2016	Additions	Sales / Adjustments	As at 31.03.2017	As at 01.04.2016	For the year	on Sales / Adjust- ments	Transition Adjustment	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
<b>Tangible Assets</b>											
*Office Premises	22,57,005	0	0	22,57,005	3,54,290	41,625	0	0	3,95,915	18,61,090	19,02,715
Furniture & Fixture	4,83,951	0	0	4,83,951	4,83,950	0	0	0	4,83,950	1	1
Office Equipments	1,84,700	0	0	1,84,700	1,84,696	0	0	0	1,84,696	4	4
<b>TOTAL</b>	<b>29,25,656</b>	<b>0</b>	<b>0</b>	<b>29,25,656</b>	<b>10,22,936</b>	<b>41,625</b>	<b>0</b>	<b>0</b>	<b>10,64,561</b>	<b>18,61,095</b>	<b>19,02,720</b>
Previous Year	29,25,656	0	0	29,25,656	9,81,311	41,625	0	0	10,22,936	19,02,720	19,44,345

\* Please refer note no. 21(f) (ii)




**LYONS CORPORATE MARKET LIMITED**
**Notes Forming Part of the Consolidated Financial Statements**

Amount in Rupees

PARTICULARS		As at 31-03-2017	As at 31-03-2016
<b>NOTE 8 : NON CURRENT INVESTMENT</b>			
<b>Investment in Equity Instruments (at cost)</b>	<b>Face Value</b>		
<b>Quoted :- Equity</b>			
6,50,000 (P.Y. 6,50,000) Fully Paid Up Equity Shares of The Ganges Manufacturing Co Limited	Rs.10	65,00,000	65,00,000
Less : Provision in Diminution in the value of Investments		43,22,500	43,22,500
		<u>21,77,500</u>	<u>21,77,500</u>
2,80,000 (P.Y.Nil) Fully Paid up Equity Shares of Siddheswari Garments Limited	Rs.10	8,54,000	0
<b>SUB TOTAL (A)</b>		<u>30,31,500</u>	<u>21,77,500</u>
<b>INVESTMENT IN OTHER COMPANIES (UNQUOTED)</b>			
<b>EQUITY</b>			
94,000 (P.Y. 94,000) Fully Paid up Equity Shares of Aaina Engineering Pvt. Ltd.	Rs.10	1,41,800	1,41,800
1,50,000 (P.Y. 1,50,000) Fully Paid up Ordinary Shares of Victoria Jute Co. Limited	£1	20,36,000	20,36,000
7,25,000 (P.Y. 7,25,000) Fully Paid up Equity Shares of Class-B of Ganges Jute (P) Ltd	Rs.10	1,05,00,000	1,05,00,000
13,02,500 (P.Y.13,02,500) Fully Paid up Equity Equity Shares of Everest Infra Energy Ltd.	Rs. 10	13,02,500	13,02,500
25,000 (P.Y.25,000) Fully paid up Equity Shares of Arvind Pratisthan (India) (P) Ltd.	Rs. 10	5,50,000	5,50,000
1,800 (P.Y.1,800) Fully Paid up Equity Shares of Digvijay Agencies Pvt. Ltd	Rs.10	18,000	18,000
4,50,470 (P.Y. Nil) Fully paid up Equity Shares of Celestial Consultants (P) Limited	Rs.10	45,04,700	0
4,50,470 (P.Y. Nil) Fully paid up Equity Shares of Millennium Holdings (P) Limited	Rs.10	45,04,700	0
<b>INVESTMENT IN ASSOCIATE (UNQUOTED)</b>			
29,15,000 (P.Y. 29,15,000) Fully paid up Equity Shares of Class - B of Aditya Translink (P) Limited (Excluding Capital Reserves amounting to Rs.5,77,73,631/-)	Rs.10	58,30,000	58,30,000
Add : Share of Profit / (Loss) of Associate		1,65,69,248	1,13,78,033
		<u>2,23,99,248</u>	<u>1,72,08,033</u>
<b>SUB TOTAL (B)</b>		<u>4,59,56,948</u>	<u>3,17,56,333</u>
<b>Total (A+B)</b>		<u>4,89,88,448</u>	<u>3,39,33,833</u>
<b>Aggregate Market Value of Quoted Investment</b>		41,37,500	21,77,500
<b>Aggregate Amount of Quoted Investment</b>		30,31,500	21,77,500
<b>Aggregate Amount of UnQuoted Investment</b>		4,59,56,948	3,17,56,333
<b>NOTE 9 : LONG TERM LOANS AND ADVANCES</b>			
<b>Advances</b>			
Other Advances		17,29,041	20,29,041
Advance Income Tax & TDS		4,99,164	3,91,837
(Net of Provisions as at 31st March 2017 Rs.89,000/-, as at 31st March 2016 Rs.3,34,500/-)			
<b>Total</b>		<u>22,28,205</u>	<u>24,20,878</u>

**LYONS CORPORATE MARKET LIMITED****Notes Forming Part of the Consolidated Financial Statements**

Amount in Rupees

PARTICULARS	As at 31-03-2017	As at 31-03-2016
<b>NOTE 10 : INVENTORIES</b>		
Stock in Trade (Shares)	54,00,000	62,54,000
(Stock in trade of Securities is valued at cost or Market price which ever is lower)		
<b>Total</b>	<u>54,00,000</u>	<u>62,54,000</u>
<b>NOTE 11 : CASH AND CASH EQUIVALENTS</b>		
Balances with banks in Current Accounts	5,93,281	10,21,844
Cash on Hand (as certified by management)	4,94,196	16,615
<b>Total</b>	<u>10,87,477</u>	<u>10,38,459</u>
<b>NOTE 12 : SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>		
Loan to Related Parties	0	81,70,000
Loan to Others	18,27,560	20,64,350
Advance to Staff	17,500	39,500
<b>Total</b>	<u>18,45,060</u>	<u>1,02,73,850</u>
<b>NOTE 13 : OTHER CURRENT ASSETS</b>		
Accruals :		
Interest accrued on Loans	2,27,715	2,13,210
Prepaid Expenses	10,851	9,174
Receivable from others	20,125	21,906
<b>Total</b>	<u>2,58,691</u>	<u>2,44,290</u>
	<b>2017</b>	<b>2016</b>
<b>NOTE 14 : REVENUE FROM OPERATIONS</b>		
Interest received on Loan	10,88,393	9,66,753
Rent Received	8,52,000	8,52,000
<b>Total</b>	<u>19,40,393</u>	<u>18,18,753</u>
<b>NOTE 15 : OTHER INCOME</b>		
Contingent provision on Standard Assets Written Back	16,037	1,050
Contingent Provision on Sub Standard Assets written back	1,16,435	1,00,000
Liabilities Written Back	18,000	0
Miscellaneous Income	2,00,000	0
<b>Total</b>	<u>3,50,472</u>	<u>1,01,050</u>
<b>NOTE 16 : CHANGES IN INVENTORIES</b>		
Inventories at the beginning of the year :		
Stock in trade	62,54,000	62,54,000
Inventory transfer to Non Current Investment	8,54,000	0
Inventories at the end of the year :		
Stock in trade	<u>54,00,000</u>	<u>62,54,000</u>
Net Increase / (decrease) in stock	<u>0</u>	<u>0</u>

**LYONS CORPORATE MARKET LIMITED****Notes Forming Part of the Consolidated Financial Statements**

Amount in Rupees

**PARTICULARS****2017****2016****NOTE 17 : EMPLOYEE BENEFIT EXPENSES**

Salaries, Wages and Bonus	10,87,189	7,33,336
Staff Welfare Expenses	1,02,210	96,603
<b>Total</b>	<b>11,89,399</b>	<b>8,29,939</b>

**NOTE 18 : OTHER EXPENSES**

Advertisement Expenses	1,104	980
Bank Charges	4,886	1,978
Certification Fees	34,500	30,500
Conveyance Expenses	500	4,979
Custodial Fees	20,610	20,610
Demat Charges	1,090	955
Directors Fees	15,000	0
Entertainment Expenses	3,140	5,330
E-Voting Charges	15,284	0
Filing Fees	10,200	4,200
General Expenses	6,107	5,567
Interest on TDS	79	0
Interest on Profession Tax	94	0
Interest on Listing Fees	58,756	0
Listing Fees	2,50,038	24,286
Municipal Taxes	41,360	41,360
Postage & Telegram	62,253	5,620
Printing & Stationery	36,840	28,346
Professional Fees	26,500	0
Rates & Taxes	13,680	14,403
Repairs & Maintenance	4,905	58,860
Share Transfer Registrar Fees	26,124	10,234
Secretarial Audit Fees	7,500	25,000
Telephone Charges	29,752	29,539
Website Maintenance Expenses	10,675	0
<b>Auditors Remuneration :</b>		
Statutory Audit	8,050	8,015
Other Capacities	2,500	15,000
Internal Audit Fees	11,500	11,450
<b>TOTAL</b>	<b>7,03,027</b>	<b>3,47,211</b>

**NOTE 19 :****EARNINGS PER SHARE (EPS)**

Net profit for the year	54,78,043	2,02,88,310
<b>Shares</b>		
Number of shares at the beginning of the period	46,78,000	46,78,000
Number of shares at the end of the period	46,78,000	46,78,000
Weighted average number of equity shares outstanding during the period - Basic & Diluted	46,78,000	46,78,000
Earnings per share of par value Rs.10/- Basic & Diluted (Rs.)	1.17	4.34



**Notes Forming Part of the Consolidated Financial Statements**

**Company Overview**

Lyons Corporate Market Limited (“the Company”) is a Non Deposit taking non- systematically important Non-Banking Finance Company, registered with the Reserve Bank of India. The Company is presently listed on BSE Limited and Calcutta Stock Exchange Limited. It is engaged in the business of giving loans and investment in shares.

It is a Limited Company incorporated and domiciled in India. Its registered office is in Kolkata, West Bengal.

**NOTE 20 : SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Consolidation**

The consolidated financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles in India (“Indian GAAP”) and comply in all material respects with the mandatory Accounting Standards (“AS”) prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act, pronouncements of the Institute of Chartered Accountants of India (“ICAI”). The financial statements have been prepared on an accrual basis. The accounting policies applied by the company are consistent with those used in the prior period.

Based on the nature of products /activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**b) Component Considered**

The following component considered in preparation of the Consolidated Financial Statement:

Name of the Associate	Country	Ownership%	Period Considered	Audited/Board Approved
Aditya Translink (P) Ltd	India	45.30%	01-04-2016 to 31-03-2017	Audited

**c) Consolidation Procedure**

The Consolidated financial statements relate to Lyons Corporate Market Limited (“the Company”) and its associate (collectively referred as “the group”) have been prepared on the following basis:

Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - “Accounting for Investments in Associates in Consolidated Financial Statements”. The Company accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, if any, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates Profit and Loss Statement and through its reserves for the balance based on available information.

As far as possible, the CFS have been prepared using uniform accounting policies like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company’s standalone financial statements. Differences in accounting policies have been disclosed separately.

The consolidated statement of profit and loss reflects the company’s share of the results of operations as per the standalone financial statements of the associate.

**d) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities (including contingent liabilities) at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and action, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Future results could differ from these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known/ materialise.



**Notes Forming Part of the Financial Statements**

**e) Recognition of Income & Expenditure**

Items of Income and Expenditure are recognised on Accrual basis, except otherwise stated, in accordance with the generally accepted accounting principles. Purchase & Sale of shares is accounted for on Trade date. Profit/Loss on sale of Investment is recognized at the time of sale or redemption.

**f) Fixed Assets and Depreciation**

Fixed assets are stated at cost less accumulated depreciation. Depreciation on Tangible Fixed Assets has been provided on the Straight-Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

**g) Investments**

Long-term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

**h) Stock in Trade**

Stock in trade is valued at cost or market value whichever is lower.

**i) Asset classification and provisioning:**

Loan asset classification of the Company is given in the table below:

Particulars	Criteria
Standard asset	The asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.
Non-performing Assets	An asset for which, interest/principal payment has remained overdue for a period of six months or more.

**Provision for Loan Portfolio**

Provision for standard assets and non-performing assets is made in accordance with the Master Direction Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, issued by the RBI vide its notification No.DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016.

**j) Taxation**

Income-tax expense comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each balance sheet date to reassess realization.

**k) Provisions, Contingent Liabilities and Contingent Assets**

A provision is made when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognize assets which are of contingent nature until there is virtual certainty of reliability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in then financial statements of the period in which the change occurs.

**l) Earnings Per Share**

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to Equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of diluted earnings per shares, the net profit or loss for the period attributable to Equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**m) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



**Notes Forming Part of the Consolidated Financial Statements**

**n) Employee Benefit**

- i. Employees benefits of Short Term nature are recognized as expense as and when it accrues.
- ii Long term and post employment benefit is recognized as expenses as and when it accrues.

**NOTE 21 : NOTES ON ACCOUNTS**

- a) Being a Non- Banking Financial Company, the Company has followed the prudential Norms prescribed by Reserve Bank of India for income recognition and provision for Non-performing Assets.
- b) The provisions of Provident Fund Act, ESI Act and Payment of Gratuity Act are not applicable to the Company since the number of employees is less than those specified in the aforesaid Acts.
- c) The Company has applied the revised Accounting Standard (AS) 15 – Employees Benefits notified under the Companies (Accounting Standards) Rules, 2006. There is no present obligation of any post employment benefit including payment of gratuity during the year. Therefore no actuarial gains or loss arose at the end of the year.
- d) The Company does not permit leave encashment to any of its staff. Hence, no provision on this account is required to be made.
- e) The company has not received any intimation from its suppliers being registered under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED). Hence, the necessary compliance required under MSMED Act, 2006 cannot be made.

**f) Contingent Liability**

The Company has provided following securities to Central Bank of India upto a maximum amount of Rs. 25.00 Crores (P.Y. 29.00 Crores) for various credit facilities sanctioned to Aditya Translink Pvt Ltd :-

- i) Corporate Guarantee of Rs. 25.00 Crores
- ii) Equitable Mortgage on its office premises at Kolkata as collateral security.

- g) As the business activity falls within a single segment, the disclosure requirements of Accounting standard 17 “Segment Reporting”, issued by the Institute of Chartered Accountants of India is not applicable.

**h) Related party disclosures**

Related Party Disclosures as required under AS 18 issued by the Institute of Chartered Accountants of India.

- i. List of Related Parties: Nature of Relationship:  
DIPL Computers Pvt. Ltd. Significant Influence

- ii. Transactions with Related Parties :-  
DIPL Computers Pvt. Ltd.

Type of related parties	Description of the nature of the transactions	Volume of transactions during 2016-17(Rs.)	Amount outstanding as on	
			31-03-2017 Rs.	31-03-2016 Rs.
Significant Influence	<b>Loan</b>			
	Principal Received	1,00,20,000/-		
	Loan Given	18,50,000/-	Nil	81,70,000/-
	Interest Received (Gross)	8,60,678/-		(Dr.)

Related party relationship is as identified by the management and relied upon by the Auditors.

- i) The Reserve Bank of India (RBI) vide its Notification No. DNBS. 223/CGM(US)-2011 dated 17th January, 2011 has issued directions to all NBFCs to make provision of 0.25% against Standard Assets with immediate effect. Accordingly, the company has reversed provision of Rs.16,037/- during the year on Standard Assets which has been credited to Profit & Loss Account. The Company has also reversed provision @10% on Contingent Sub Standard Assets of Rs.1,16,435/- which has been credited to Profit & Loss Account.
- j) As per the requirement in terms of Paragraph 18 of the Master Direction- Non – Banking Financial Company – Non- Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016, Schedule to The Balance Sheet has been attached vide “Annexure – 1” of the standalone financial statements.



## LYONS CORPORATE MARKET LIMITED

### Notes Forming Part of the Consolidated Financial Statements

- k) During the year Company has transferred its Inventories in Fully paid up Equity Shares amount to Rs. 8,54,000/-to Non Current Investment in accordance with the Master Direction- Non Banking Financial Company Non- Systemically Important Non –Deposit taking Company (Reserve Bank) Directions, 2016.
- l) Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidation as Associates:

Name of the Enterprises	Net Assets i.e. total assets Minus Total Liabilities		Share in Profit & Loss	
	As % of Consolidation Net Assets	Amount	As % of Consolidation Profit & Loss	Amount
Associates				
Aditya Translink (P) Ltd	45.56	2,77,99,248	94.76	51,91,215

- m) Previous years figure have been recasted / restated to confirm to the classification of the current period.
- n) All the amounts have been stated in Rs. unless otherwise stated.

Notes forming part of the Consolidated Financial Statements **1 to 21**

As per our Report of even date

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Swati Singhal

Partner

Membership No. 308308

Kolkata, the 30th day of May,2017.

Ram Karan Gupta  
Director

(DIN : 00247432)

Sushil Kumar Poddar  
Director

(DIN : 00119348)









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