

**2011-2012**

**19th  
Annual Report  
&  
Accounts**

**Lyons Corporate Market Limited**

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



**Board of Directors**      Shri Ram Karan Gupta, Director  
Shri Sushil Kumar Poddar, Director  
Shri Krishna Awatar Agarwal, Director

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

**Bankers**                      Indusind Bank  
Punjab National Bank

**Auditors**                     Mandawewala & Co.  
Chartered Accountants  
Kolkata

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**NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 19th Annual General Meeting of the members of M/s Lyons Corporate Market Limited will be held on Friday, the 28th day of September, 2012 at 10.00 A.M. at Calcutta Chamber of Commerce Hall at 18/H, Park Street, Kolkata - 700 071 to transact the following business:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2012, and the Profit and Loss Account of the Company for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Sri Kishan Awatar Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint the Auditors and to fix their remuneration.

By Order of the Board

Place : Kolkata

**Ram Karan Gupta**

Date : 31st May, 2012

Chairman

**NOTES:**

1. a A Member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote instead of himself/herself. A proxy need not be a member.  
b. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting.
2. Attendance Slips duly filled in should be brought in the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2012 to 28th September, 2012 (both days inclusive)
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the company to keep the information ready.
5. Members are requested to notify immediately any change in their address to the Company. They are also requested to bring their copy of Annual report while coming to the meeting.
6. Members who hold shares in Dematerialised form are requested to bring their client Id and DP Id Nos, for easy identification of Attendance at the meeting.
7. Note on Director seeking re-appointment as the ensuing Annual General Meeting:  
Sri Krishna Awatar Agarwal, aged 56 years, is a director of the Company since 08-02-2000 .



**DIRECTORS' REPORT**

To  
The Members,

Your Directors have pleasure in presenting the Nineteenth Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2012

**FINANCIAL RESULTS**

	<b>For the Year Ended</b> <b>31-03-2012</b> <b><u>Rs. in Lakhs</u></b>	<b>For the Year Ended</b> <b>31-03-2011</b> <b><u>Rs. in Lakhs</u></b>
Profit/(Loss) before Depreciation & Tax	47.15	(9.87)
Less: Depreciation	0.43	0.49
Profit/(Loss) before Tax	46.72	(10.37)
Provision for Taxation	7.75	0.00
Income Tax for Earlier Years	0.24	0.00
Deferred tax (Charge)/Credit	0.17	(0.05)
Profit /(Loss) after Tax	38.55	(10.32)
Transfer to Reserve Fund	7.72	0.00
Add: Balance brought forward from Previous Year	(126.91)	(116.59)
Balance Carried to Balance Sheet	(96.08)	(126.91)

**DIVIDEND**

With view to strength the financial position of the Company, your Director has not recommended any Dividend.

**BUSINESS AND PROSPECTS**

The Company has dealt mainly in the business of advancing of loans, dealing in securities and investments during the period under review. The Profit before tax for the year is Rs 46.72.lacs as compared with the last year figure of Loss before tax of Rs.10.37 lacs.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, the Directors confirm that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the Annual Accounts on a going concern basis.

## **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled "Corporate Governance" is attached to this Annual Report marked as Annexure I.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis has been annexed to this report in terms of Listing Agreement and marked as Annexure II.

## **DIRECTORS**

In accordance with the Company's Articles of Association, Sri Krishna Awatar Agarwal, Director of the Company, retires by rotation and being eligible, offer himself for re-appointment.

## **LISTING**

The Company's shares are listed on the Calcutta, Mumbai and Ahmedabad Stock Exchange. The Listing fees to the Stock Exchanges for the year 2012-2013 have been paid.

## **DELISTING OF SHARES**

The equity shares of the Company are presently listed on the Stock Exchanges at Ahmedabad, Calcutta and Mumbai.

The Company has made application for delisting of shares from The Ahmedabad Stock Exchange, which is pending as on the date of this report. The Company's shares will continue to be listed on Calcutta and Mumbai Stock Exchanges. Mumbai Stock Exchange has suspended the dealing in the shares of the Company for technical reasons. The necessary replies are being made and the shares will again be eligible for trading at BSE very shortly.

**FIXED DEPOSITS**

The Company has not accepted any fixed deposit during the year ended 31st March 2012 from public.

**COMPLIANCE CERTIFICATE**

The Company has received a Certificate u/s 383A of the Companies Act, 1956 from M/s Babu Lal Patni, whole time practice in the prescribed form within prescribed time and a copy of which is enclosed with the report of Directors.

**AUDITORS AND AUDITORS' REPORT**

M/s Mandawewala & Co., Chartered Accountants, Auditors of the Company retires at the conclusion of the 19th Annual General Meeting and being eligible offer themselves for re-appointment. The Company has also received a Certificate from them under Section 224 (1-B) of the Companies Act, 1956.

The report of the Auditor is self-explanatory and does not require any further elaboration.

**DISCLOSURE OF PARTICULARS**

The Company has no employee in the Category as specified in the provisions of Section 217 (2A) of the Companies Act, 1956.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING**

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.

**ACKNOWLEDGMENT**

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff resulting in the successful performance during the year.

Place: Kolkata  
Date: 31st May, 2012

By Order of the Board  
Ram Karan Gupta  
Chairman



**ANNEXURE TO THE DIRECTORS' REPORT**

*Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies :*

1. Name of the Company : Digvijay Agencies (P) Limited
2. Financial Year of the Subsidiary Company ended on : 31st March 2012
3. No. of Equity Shares in the Subsidiary Company held by Lyons Corporate Market Limited including its nominees : 10,000 (100%)
4. The Net aggregate of Profit / (Loss) of the Subsidiary Company so far it concerns the members of Lyons Corporate Market Limited
  - i) Dealt with in the accounts of Lyons Corporate Market Limited
    - a) For the Subsidiary's Financial Year ended 31st March 2012 : Nil
    - b) For the Previous Financial Year of Subsidiary since it became Subsidiary : N.A.
  - ii) Not Dealt with in the accounts of Lyons Corporate Market Limited
    - a) For the Subsidiary's Financial Year ended 31st March 2012 : Rs. (22,232)
    - b) For the Previous Financial Year of Subsidiary since it became Subsidiary : N.A.



**ANNEXURE I - CORPORATE GOVERNANCE**

In Compliance with Clause 49 of the listing agreement with stock Exchanges, the Company submits the report on the matters mentioned in the said clause and the practices followed by the Company.

(a) Company's philosophy

The Company firmly believes in and has consistently endeavoured to practice good Corporate Governance and has acted as a good corporate citizen in this respect.

(b) Board of Directors

The Board of Directors comprised of three Non-Executive Non-Promoter Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement with Stock Exchanges) across all the Companies in which they are Directors.

During the year 2011-12, 12 Meetings of the Board of Directors were held, on 07.04.2011, 31.05.2011, 30.07.2011, 11.08.2011, 23.09.2011, 30.10.2011, 02.01.2012, 25.01.2012, 31.01.2012, 05.03.2012, 14.03.2012 and 30.03.2012. The Last Annual General Meeting was held on the 26th September, 2011.

The composition of the Board of Directors and their attendance at the Meetings during the year and at the last Annual General Meeting as also number of other directorships & membership of Committees are as follows :

Name of Director	Nature of Director-ship	No. of Board Meetings attended	Attendance at AGM	No. of other Director-ship	Committee Membership	
					Member	Chairman
Mr. R. K. Gupta	Non-Executive	12	Yes	5	2	1
Mr. S. K. Poddar	Non-Executive	12	Yes	5	5	1
Mr. K. A. Agarwal	Non-Executive	12	Yes	Nil	2	1

(c) Audit Committee

During the Financial year 2011-12, the Audit Committee of the Company met five times in the following pattern. One meeting is held before finalisation of annual accounts and one at the end of each quarter. The attendance of the members at these meeting was as follows :-



Sl. No.	Name of the Member	Status	No. of Meetings attended
1	Sri K. A. Agarwal	Member	5
2	Sri S.K.Poddar	Member	5
3	Sri. R. K. Gupta	Chairman	5

(d) Details of Remuneration paid to Directors for the year ended 31st March, 2012.

1. Executive Directors

Name	Salary	Commission	Perquisites	Retirement benefits
<b>NOT APPLICABLE</b>				

2. Non-Executive Directors

Name	Sitting Fees	Commission
No Sitting Fees and / or Commission has been paid to the Non- Executive Directors		

(e) Shareholders' Grievance Committee

The Board has formed a Shareholders Grievance Committee under the Chairmanship of Sri K. A. Agarwal, Sri R. K. Gupta and Sri S. K. Poddar being the members of the Committee.

The Committee had two meetings during the year, the attendances of the members at these meeting were as follows :-

Sl. No.	Name of the Member	Status	No. of Meetings Attended
1	Sri S.K.Poddar	Member	2
2	Sri R. K. Gupta	Member	2
3	Sri K. A. Agarwal	Chairman	2

There is no grievance pending as on date.

(f) Share Transfer Committee

In accordance with Clause 49 para VI (D) of the Listing Agreement of the Stock Exchanges the Board has unanimously delegated the powers of share transfer to the Share Transfer committee under the Chairmanship of Sri R.K.Gupta who is also the Compliance officer, Sri S. K. Poddar and Sri K. A. Agarwal being the members of the Committee.



All shares have been transferred and returned in 15 days from the Date of receipt, so long the documents have been clear in all respects.

The share Transfer Committee met three times in a year.

g) Code of Conduct

The Company has adopted code of conduct and ethics for Directors and senior management. The Code had been circulated to all the members of the Board and senior management. The Board members and senior management have affirmed their compliance with the code and a declaration signed by the CEO of the Company appointed in terms of the Companies Act, 1956 (i.e. the CEO within the meaning of clause 49-V of the listing agreement) is given below :

"It is hereby declared that the Company has obtained from all members of the Board and senior management affirmation that they have complied with the code of conduct for directors and senior management of the Company for the year 2011-2012".

Ram Karan Gupta  
CEO

h) CEO/CFO certification

A certificate from the Chief Executive Officer and the finance head on the financial statements of the Company was placed before the Board.

i) General Body Meeting

The last three Annual General Meetings of the Company were held as under :

Financial Year	Date	Time	Location
2010-2011	26.09.11	10:00 A.M.	Calcutta Chamber of Commerce Hall, 18/H, Park Street, Kolkata - 700 071.
2009-2010	28.09.10	10.00 A.M.	Calcutta Chamber of Commerce Hall 18/H, Park Street, Kolkata - 700,071
2008-2009	24.09.09	10:00 A.M.	Calcutta Chamber of Commerce Hall 18/H, Park Street, Kolkata - 700 071

No Special Resolution was required to be put through ballot last year.

No Special Resolution on matters requiring postal ballot are placed for shareholders approval at this meeting.

(j) Disclosures

During the year, there were no transactions of the Company of material nature with the promoters, the directors or the management or their subsidiaries or their relatives that had potential conflict with the interest of the Company. There has been no non-compliance or penalties or strictures imposed on your Company by any of the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.



k) Means of Communication

Quarterly and Annual Results are published in Prominent Daily Newspapers viz., The Financial Express in English and Arthik Lipi in Bengali. Official news releases are sent to the Stock Exchanges, where the Shares of the Company are listed.

Displaying on Website : No

News releases and presentation to institutional Investors : No

(l) General Shareholders' Information

1. Annual General Meeting was convened on 26th day of September, 2011 at 10.00 A.M. at Calcutta Chamber of Commerce Hall at 18/H, Park Street, Kolkata - 700 071.

2. Financial Calendar

Annual General Meeting	on 28th September, 2012
First Quarter Results	on or before 31st July, 2012
Second Quarter Results	on or before 31st October, 2012
Third Quarter Results	on or before 31st January, 2013
Results for the Financial year Ending March 31st, 2013	on or before 31st May, 2013

3. Book Closure :

26th September, 2012 to 28th September, 2012.

4. The Company's Shares are listed at The Calcutta Stock Exchange, The Stock Exchange, Mumbai and The Stock Exchange, Ahmedabad. Listing Fees for the year 2012 - 13 has been paid.

5. Stock Market price data for the year 2011 - 2012:

There was no trading on the Stock Exchange.

6. Registrars and Share Transfer Agency

The Company has engaged the services of M/s Niche Technologies Private Limited, D-511, Bagree Market 71, B. R. B. Basu Road, Kolkata - 700 001, Telephone No.2234-3576,e-mail - nichetechpl@nichetechpl.com SEBI registered Registrar as share Transfer Agents for processing the transfers, sub-division, consolidation, splitting of securities etc.



7. Distribution of Shareholding as on 31st March, 2012

No. of Share	SHAREHOLDERS		SHAREHOLDING	
	Nos.	%	No.	%
Upto 500	1049	57.85	290550	6.21
500-1000	656	36.18	466100	9.96
1001-2000	27	1.49	38400	0.82
2001-3000	44	2.43	110900	2.37
3001-4000	5	0.28	17100	0.37
4001-5000	12	0.66	58500	1.25
5001-10000	7	0.39	57100	1.22
Above 10001	13	0.72	3639350	77.80
<b>TOTAL</b>	<b>1813</b>	<b>100.00</b>	<b>4678000</b>	<b>100.00</b>

8. Categories of Shareholders as on 31st March, 2012

Category	Shareholding	
	No. of Shares	% of Paid - up Capital
Financial Institutions	Nil	Nil
Bodies Corporate	1290950	27.60
Promoters Holding	2438500	52.13
Others	948550	20.27
<b>Total</b>	<b>4678000</b>	<b>100.00</b>

9. Dematerialization of Shares

As on 31st March, 2012, a total of 3157050 shares of the Company constituting 67.49% of the Paid-up Share Capital of the Company stood dematerialised and 1520950 are in physical form.

10. Addresses for Correspondence

The Company's Registered Office is situated at Kolkata. Shareholders correspondence may be directed to.

**Compliance Officer**

Mr. R. K. Gupta

33-A, Jawaharlal Nehru Road,

6th Floor, Flat No. A-5, Kolkata - 700 071

For and on behalf of the Board

Ram Karan Gupta

Chairman

Place: Kolkata

Date: 31st May, 2012

**ANNEXURE II - MANAGEMENT DISCUSSION & ANALYSIS****(a) Industrial Structure and developments**

The Financial sector is undergoing several changes. The line of distinction between type of entities i.e, Non-Banking Financial Companies, Financial Institutions, Bank etc, is breaking down. There no longer is any segment / product, which is the preserve of a specific type of entity. Entry/expansion by several MNCs into the sector is also a significant change that has taken place.

**(b) Opportunities and threats**

With increasing liberalization and industrial growth, expected recovery in the US economy. Government's measures to control the inflation, we feel improvement in capital markets in medium to long term. The scope of investment will increase in coming years. The key threats include the change / slowdown in policies of Government for disinvestments. U- turn on subsidies and indecisiveness of the Govt. because of political pressures, change in tax structure, failure to contain inflation within reasonable range, governing rules of SEBI and RBI etc., which may effect the capital market substantially.

**(c) Segmentwise performance**

The Company is a Non Banking Finance Company (NBFC) and is engaged in the business of finance and investment, which is the only segment in the company. Hence, the results for the year under review pertains only to finance and investment activity and segment-wise or product-wise performance is made applicable.

**(d) Industry Outlook**

The Company continues to concentrate on finance and investment.

**(e) Risks and Concerns**

Our Company, like any other corporate is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, market risk and credit risk. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

**(f) 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 unauthorised 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.

(g) Discussion on financial performance with respect to operational performance

The Company's total earnings during the year was Rs. 89.83 Lakhs and had a net Profit of Rs.38.55 Lakhs after tax.

(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.

Place: Kolkata

Date: 31st May, 2012

For and on behalf of the Board

Ram Karan Gupta

Chairman



**BABU LAL PATNI**  
**COMPANY SECRETARY**

51, NALINI SETT ROAD  
5<sup>TH</sup> FLOOR, ROOM NO. 19  
KOLKATA 700007  
TEL. NO :2259-7715/6

**COMPLIANCE CERTIFICATE**

Registration No. of the Company : 21-061497  
Nominal Capital : Rs.60000000/-

To  
The Members,  
Lyons Corporate Market Limited  
33A, Jawahar Lal Nehru Road,  
6<sup>th</sup> Floor, Flat A-2,  
Kolkata – 700071

I have examined the registers, records, book and paper of LYONS CORPORATE MARKET LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31<sup>st</sup> March, 2012 (financial year). In my opinion and to the best of my information and according to examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder except as otherwise stated.
3. The Company being a public limited company, comments are not required.
4. The Board of Directors duly met TWELVE times respectively on 07.04.2011, 31.05.2011, 30.07.2011, 11.08.2011, 23.09.2011, 30.10.2011, 02.01.2012, 25.01.2012, 31.01.2012, 05.03.2012, 14.03.2012 and 30.03.2012 in respect of which meetings proper notice were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.



5. The Company closed its Register of Members from 23.09.11 to 26.09.11 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2011 was held on 26.09.11, after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors Members or Central Government.
12. The Company has not issued any duplicate share certificate during the year.
13.
  - i. The Company has delivered all the certificates on lodgement thereof for transfer transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the year.
  - ii. The Company was not deposited any amount in separate Bank Account as no dividend was declared during the financial year.
  - iii. The Company was not required to post warrants to any member of the Companies as no dividend was declared during the financial year.
  - iv. There is no amount lying in unpaid dividend account, application money due for refund and there are no deposits, debentures etc. as on 31<sup>st</sup> March, 2012.
  - v. The Company has duly complied with the requirements of section 217 of the Act.



14. The Board of the Directors of the Company is duly constituted. There was no appointment of additional directors, directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act.
18. The Directors were not required to disclose their interest in the other firms/companies to the Board of Directors.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or debentures.
22. There were no transactions necessitating the Company to keep in abeyance any rights to dividend, rights shares or bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company from directors, members Public, financial institutions, banks and others during the financial year ended 31<sup>st</sup> March, 2012 are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act has been passed in the duly convened Extra ordinary General Meeting.
25. The Company's principal business being acquisition of shares, provisions of section 372A of the Act are not applicable to it.
26. The Company has not altered the provisions of the Memorandum with respect of situation of the Company's registered office from one state to another during the year under scrutiny.



27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. I have been informed by the management that there was no prosecution initiated against or show cause notice received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for the offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. In my opinion, Provident Fund Act is not applicable on the Company during the financial year.

PLACE : KOLKATA  
DATED : 31<sup>st</sup> May, 2012

Name of the : BABU LAL PATNI  
Company Secretary  
C.P.No : 1321

**AUDITORS' REPORT****TO THE MEMBERS OF LYONS CORPORATE MARKET LIMITED**

We have audited the attached Balance Sheet of *Lyons Corporate Market Limited* as at 31st March, 2012 and also the Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit, also, includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
- c) The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet and Statement of Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (l) of Section 274 of the Companies Act, 1956;



- f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Statement of Profit & Loss and Cash Flow Statement, read together with other notes and schedules annexed thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012 ; and
  - (ii) in the case of Statement of Profit and Loss, of the Profit for the year ended 31st March 2012, and
  - (iii) in the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

**For MANDAWEWALA & CO.**  
*Chartered Accountants*  
Firm Registration No. 322130E

Place: Kolkata  
Date: 31st May, 2012

**Anil Kumar Mandawewala**  
Partner  
Membership No. 055939



**ANNEXURE TO THE AUDITORS' REPORT**

Statement referred to in paragraph 3 of our report of even date to the members of **M/s Lyons Corporate Market Limited** on the accounts for the year ended 31st March, 2012.

In terms of the information and explanations given to us and the books and records examined by us in 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 Fixed Assets.
  - b) The Fixed Assets of the Company except assets given on lease have been physically verified by the management at reasonable intervals. No material discrepancies have been noticed on such verification.
  - c) None of the Fixed Assets have been sold/disposed off during the year under report.
- II.
  - a) Stock of Shares physically lying with the Company has been verified by the management at reasonable intervals. No material discrepancies have been noticed on such verification. Further the Company has received confirmations of shares lying with depository participants at regular intervals.
  - b) In our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on such verification.
- III. As informed to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and as such clauses (iii) (a) to (iii) (g) of the Companies (Auditors Report) Order 2003 are not applicable.
- IV. In our opinion and according to the information and explanations, given to us there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of shares, fixed assets and with regard to sale of shares. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- V.
  - a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered, if any, into the register maintained under section 301 of the companies Act, 1956 have been so entered.
  - b) According to the information and explanations given to us, there are no transaction of purchase of shares and materials and sale of shares, materials and services made in pursuance of contracts or arrangements with any party entered in the register maintained under Section 301 of the Companies Act, 1956 for value aggregating to Rs. 5,00,000/- or more during the year under review.



- VI. The Company has not accepted any deposits from the public during the year within the meaning of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public. No order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank or any Court or any other Tribunal.
- VII. In our opinion there is an adequate internal audit system commensurate with the size of the Company and nature of its business.
- VIII. According to the information and explanations given to us, the central Government has not prescribed the maintenance of cost records under sections 209(1)(d) of the companies Act, 1956, for any of the products of the company.
- IX. a) As explained to us, the Provident Fund Scheme and Employees State Insurance Scheme are not applicable to the Company.  
b) According to the information given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty and Cess were in arrears, as at 31<sup>st</sup> March, 2012 for the period exceeding six months from the date they became payable.  
c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- X. In our opinion the accumulated losses of the Company are not more than 50% of the net worth. The Company has not incurred cash losses during the financial year covered by our audit but have incurred cash losses in the immediately preceding financial year.
- XI. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank with whom transactions have been made during the year.
- XII. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The Company is not a chit fund, nidhi/mutual benefit fund and therefore the requirements pertaining to such class of companies is not applicable. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order 2003 are not applicable to the company.
- XIV. The Company has maintained proper records of transactions and contracts in respect of trading in shares and other securities and timely entries have been made therein. The Investments are held by the Company in its own name except to the extent exemption provided under section 49 of the Companies Act, 1956.



- XV. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- XVI. The Company has not taken any term loans during the year.
- XVII. According to the informations and explanations given to us and on overall examination of the Balance Sheet of the company we report that no Funds raised on short term basis which have been used for long term investment.
- XVIII. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- XIX. The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
- XX. The Company has not made any public issues during the year and therefore the question of disclosing the end use of money does not arise.
- XXI. According to the information and explanations given no fraud on or by the company has been noticed or reported during the year.

**For MANDAWEWALA & CO.**  
*Chartered Accountants*  
Firm Registration No. 322130E

Place: Kolkata  
Date: 31st May, 2012

**Anil Kumar Mandawewala**  
Partner  
Membership No. 055939



**Auditors' Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement**

To the Members of Lyons Corporate Market Limited

We have examined the compliance of conditions of Corporate Governance by Lyons Corporate Market Limited (the Company) for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

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

We have been explained that no investor grievances are pending against the Company as per records maintained by the Shareholders/Investors Grievances Committee.

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

**For MANDAWEWALA & CO.**  
*Chartered Accountants*  
*Firm Registration No.322130E*

**Anil Kumar Mandawewala**  
Partner  
Membership No. 055939

Place: Kolkata  
Date : The 31st Day of May 2012



**BALANCE SHEET AS AT 31ST MARCH, 2012**

	NOTE	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>I. EQUITY AND LIABILITIES :</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	4,78,20,259	4,78,20,259
(b) Reserves & Surplus	2	(74,68,646)	(1,13,24,008)
		<u>4,03,51,613</u>	<u>3,64,96,251</u>
<b>2. Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities(net)	3	1,90,909	1,74,071
(b) Long Term Provisions	4	21,70,164	24,59,560
		<u>23,61,073</u>	<u>26,33,631</u>
<b>3. Current Liabilities</b>			
(a) Short-Term Borrowings	5	0	3,39,25,000
(b) Trade Payables	6	21,812	3,70,789
(c) Other Current Liabilities	7	14,65,219	9,07,003
		<u>14,87,030</u>	<u>3,52,02,792</u>
<b>TOTAL</b>		<u><b>4,41,99,716</b></u>	<u><b>7,43,32,674</b></u>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	8	21,61,747	8,64,260
(b) Non Current Investments	9	2,20,87,800	2,79,85,300
(c) Long Term Loans & Advances	10	1,01,39,072	1,35,30,691
		<u>3,43,88,619</u>	<u>4,23,80,251</u>
<b>2. Current Assets</b>			
(a) Inventories	11	62,54,000	62,54,000
(b) Trade Receivables	12	21,786	2,23,438
(c) Cash and Bank Balances	13	2,40,511	2,85,183
(d) Short -Term Loans and Advances	14	25,47,500	2,50,15,500
(e) Other Current Assets	15	7,47,300	1,74,302
		<u>98,11,097</u>	<u>3,19,52,423</u>
<b>TOTAL</b>		<u><b>4,41,99,716</b></u>	<u><b>7,43,32,674</b></u>

Significant Accounting Policies and  
Notes to Financial Statements

1 to 24

The accompanying notes are integral part of Financial Statement  
As per our Report of even date annexed

For and on Behalf of Board

**For Mandawewala & Co.**  
Chartered Accountants  
Firm Registration No. 322130E  
**Anil Kumar Mandawewala**  
Partner  
Membership No.055939  
Place : Kolkata  
Date : 31st May, 2012

**Ram Karan Gupta**  
**Sushil Kumar Poddar**  
Directors\*

# LYONS CORPORATE MARKET LIMITED



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTE	Year Ended	Year Ended
		31.03.2012	31.03.2011
		Rs.	Rs.
<b>INCOME</b>			
Revenue from Operations	16	34,94,748	3,43,169
Other Income	17	68,17,699	0
<b>Total Revenue</b>		<u>1,03,12,447</u>	<u>3,43,169</u>
<b>EXPENSES</b>			
Changes in Inventories of stock in trade	18	0	0
Finance Cost	19	13,40,293	7,78,338
Employee Benefit Expense	20	3,40,963	2,51,874
Depreciation and amortization expense	8	42,746	49,041
Other expenses	21	39,16,760	2,31,976
Contingent Provisions Against Standard Assets		0	68,538
<b>Total Expenses</b>		<u>56,40,762</u>	<u>13,79,767</u>
<b>Profit before Tax</b>		46,71,685	(10,36,598)
<b>Tax Expenses</b>			
1) Current Tax		7,75,000	0
2) Deferred Tax		16,838	(4,766)
3) Income Tax for Earlier Years		24,485	0
<b>Profit / (Loss) for the year</b>		<u>38,55,362</u>	<u>(10,31,832)</u>
Earnings per Equity share of Rs.10/-			
Basic & Diluted	22	0.82	(0.22)

Significant Accounting Policies and

Notes to Financial Statements

1 to 24

The accompanying notes are integral part of Financial Statement

As per our Report of even date annexed

**For Mandawewala & Co.**

*Chartered Accountants*

Firm Registration No. 322130E

**Anil Kumar Mandawewala**

Partner

MemberShip No.055939

Place : Kolkata

Date : 31st May, 2012

For and on Behalf of Board

**Ram Karan Gupta**

**Sushil Kumar Poddar**

Directors



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**  
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES)

	(Rs. in Lakhs)	
	31-03-2012	31-03-2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) before tax	46.72	(10.38)
<b>Adjustments for:</b>		
Depreciation	0.43	0.49
Interest paid	13.40	7.78
Profit on Sale of Investment	(54.88)	0.00
Bad Debt Written off	36.67	0.00
Contingent Provision against Standard Assets	(0.58)	0.00
Liabilities Written Back	(1.47)	0.00
Provision for Bad & Doubtful Debts Written Back	(8.93)	0.00
NPA Provision Written Back	(2.32)	0.00
Operating Profit/(Loss) before working capital changes	<u>29.04</u>	<u>(2.11)</u>
<b>Adjustments for:</b>		
Trade and Other Receivables	219.16	(234.74)
Trade Payable & Provisions	3.57	0.25
Less : Tax Paid	(0.00)	(234.49)
Net Cash from Operating Activities	<u>251.75</u>	<u>(236.60)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Investments	(39.03)	(78.30)
Sale of Investments	152.88	0.00
Purchase of Fixed Assets	(13.40)	0.00
Net Cash used in Investing Activities	<u>100.45</u>	<u>(78.30)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Loan Repaid	(339.25)	0.00
Loan Given	0.00	322.30
Interest on Loan	(13.40)	(7.78)
Net Cash from Financing Activities	<u>(352.65)</u>	<u>314.52</u>
Net Increase /(Decrease) in Cash and Cash equivalents (A+B+C)	(0.45)	(0.38)
Opening Balance of Cash & Cash Equivalents	2.85	3.23
Closing Balance of Cash & Cash Equivalents	<u>2.41</u>	<u>2.85</u>
Cash and Cash Equivalents at the end of the year	0.51	0.58
Cash in Hand	1.90	2.27
Balances with scheduled Banks on Current Accounts	<u>2.41</u>	<u>2.85</u>

Significant Accounting Policies and Notes to Financial Statements 1 to 24  
The accompanying notes are integral part of Financial Statement  
As per our Report of even date annexed

For Mandawewala & Co.  
Chartered Accountants  
Firm Registration No. 322130E  
Anil Kumar Mandawewala  
Partner  
MemberShip No.055939  
Place : Kolkata  
Date : 31st May, 2012

For and on Behalf of Board  
Ram Karan Gupta  
Sushil Kumar Poddar  
Directors



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE - 1</b>		
<b>SHARE CAPITAL :</b>		
<b>Authorised</b>		
6000000 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>Issued and Subscribed</b>		
5000000 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>Paid up</b>		
4678000 (P.Y.4678000) 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
	<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 per value of Rs. 10/- per shares. Each holder of equity shares is entitled to one vote per shares 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 March 31,2012		As at March 31,2011	
	Nos	Amount (Rs.)	Nos.	Amount (Rs.)
Opening Balance	4678000	4,67,80,000	4678000	4,67,80,000
Changes during the year	0	0	0	0
Closing Balance	<u>4678000</u>	<u>4,67,80,000</u>	<u>4678000</u>	<u>4,67,80,000</u>

**b) Subscribed and paid-up share capital includes :**

Equity share holder holding more than 5% of equity shares

Name of the Shareholder	As at March 31,2012 No. of shares	As at March 31,2011 No. of shares
DIPL Computers Pvt. Ltd	2314350	2314350



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE - 2</b>		
<b><u>RESERVE &amp; SURPLUS</u></b>		
<b>Statutory Reserve (Reserve Fund as per section 45-IC of the Reserve Bank of India Act, 1934)</b>		
Opening Balance	13,67,000	13,67,000
Add : Transferred from surplus	7,72,000	0
Closing Balance	<u>21,39,000</u>	<u>13,67,000</u>
<b>Surplus/(Deficit) in statement of Profit &amp; Loss</b>		
Opening Balance	(1,26,91,008)	(1,16,59,177)
Add : Net Profit/(Loss) after Tax from statement of Profit and Loss	38,55,362	(10,31,831)
Amount available for appropriation	<u>(88,35,646)</u>	<u>(1,26,91,008)</u>
<b>Less : Appropriations</b>		
Transfer to Statutory Reserve	7,72,000	0
Closing Balance	<u>(96,07,646)</u>	<u>(1,26,91,008)</u>
<b>TOTAL</b>	<u>(74,68,646)</u>	<u>(1,13,24,008)</u>
<b>NOTE - 3</b>		
<b><u>DEFERRED TAX LIABILITY</u></b>		
Opening Balance	1,74,071	1,78,837
Change for the year	(16,838)	4,766
Closing Balance	<u>1,90,909</u>	<u>1,74,071</u>
Difference between net book value of depreciable capital assets as per books vis-a-vis WDV as per Tax Law		
<b>NOTE - 4</b>		
<b><u>LONG TERM PROVISIONS</u></b>		
<b>Contingent Provision on Standard Assets</b>		
Opening Balance	68,538	0
Add : Provision made during the Year	(57,814)	68,538
	10,724	68,538
Provision for Doubtful Debts (NPA)	<u>21,59,440</u>	<u>23,91,022</u>
	<u>21,70,164</u>	<u>24,59,560</u>
<b>NOTE - 5</b>		
<b><u>SHORT -TERM BORROWINGS</u></b>		
<b><u>Unsecured</u></b>		
Inter Corporate Loans	0	3,39,25,000
Total	<u>0</u>	<u>3,39,25,000</u>



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
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NOTE - 6

**TRADE PAYABLE**

Due to Micro small and Medium Enterprises	0	0
Due to others	21,812	3,70,789
<b>Total</b>	<u>21,812</u>	<u>3,70,789</u>

NOTE - 7

**OTHER CURRENT LIABILITIES**

Interest accrued and due on borrowing	13,13,487	7,61,629
Statutory Liabilities	27,036	16,709
Liabilities for Expenses	1,24,696	1,28,665
<b>Total</b>	<u>14,65,219</u>	<u>9,07,003</u>

NOTE - 8

**FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-11 Rs.	Addition Rs.	Disposals/ Adjustment Rs.	As on 31-03-12 Rs.	As on 01-04-11 Rs.	For the Year Rs.	Disposals/ Adjustment Rs.	As on 31-03-12 Rs.	As on 31-03-12 Rs.	As on 31-03-11 Rs.
<b>TANGIBLE ASSETS</b>										
Office Premises	9,16,772	13,40,233	0	22,57,005	1,77,982	19,480	0	1,97,462	20,59,543	7,38,790
Furniture & Fixture	4,83,951	0	0	4,83,951	3,88,990	17,408	0	4,06,398	77,553	94,961
Office Equipments	1,84,700	0	0	1,84,700	1,54,191	5,858	0	1,60,049	24,651	30,509
<b>Total</b>	<b>15,85,423</b>	<b>13,40,233</b>	<b>0</b>	<b>29,25,656</b>	<b>7,21,163</b>	<b>42,746</b>	<b>0</b>	<b>7,63,909</b>	<b>21,61,747</b>	<b>8,64,260</b>
Previous Year	15,85,423	0	0	15,85,423	6,72,122	49,041	0	7,21,163	8,64,260	



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE-9</b>		
<b><u>NON-CURRENT INVESTMENT</u></b>		
Investment in Equity Instruments (at Cost)	Face Value	
<b><u>QUOTED:- Equity</u></b>		
650000 (P.Y. 650000) Fully Paid up Equity Shares of The Ganges Mfg. Co. Ltd.	Rs. 10	65,00,000
Less : Provision in Diminution in the value of Investments		43,22,500
<b>SUB TOTAL (A)</b>		<u>21,77,500</u>
<b><u>UNQUOTED -EQUITY SHARES</u></b>		
94000 (P.Y. 94000) Fully Paid up Equity Shares of Aaina Engineering Pvt. Ltd.	Rs.10	1,41,800
150000 (P.Y. 150000) Fully Paid up Ordinary Shares of Victoria Jute Co. Limited	£1	20,36,000
725000 (P.Y. 6000) Fully Paid up Equity Shares of Class-B of Ganges Jute (P) Ltd	Rs.10	1,05,00,000
2915000 (P.Y.2915000) Fully Paid up Equity Shares of Class-B of Aditya Translink (P) Ltd	Rs.10	58,30,000
1302500(P.Y.Nil) Fully paid up Equity Shares of Everest Infra Energy Ltd.	Rs. 10	13,02,500
<b>SUB TOTAL (B)</b>		<u>1,98,10,300</u>
<b><u>INVESTMENT IN SUBSIDIARY COMPANIES</u></b>		
10000(P.Y.Nil) Fully paid up Equity Shares of Digvijay Agencies Pvt. Ltd	Rs.10	1,00,000
<b>SUB TOTAL (C)</b>		<u>1,00,000</u>
<b><u>Preference Shares</u></b>		
NIL (P.Y. 198000) Fully paid up 4% Redeemable Non Cumulative Participating Preference Shares of Ganges Jute (P) Ltd.	Rs.100	0
<b>SUB TOTAL (D)</b>		<u>0</u>
<b>Total (A+B+C+D)</b>		<u>2,20,87,800</u>
<b>Aggregate Market Value of Quoted Investments</b>		21,77,500
<b>Aggregate Amount of Quoted Investments</b>		21,77,500
<b>Aggregate Amount of UnQuoted Investments</b>		1,99,10,300



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at	As at
	31.03.2012	31.03.2011
	Rs.	Rs.
<b>NOTE - 10</b>		
<b><u>LONG TERM LOANS &amp; ADVANCE</u></b>		
<b><u>Loans</u></b>		
Unsecured considered good	23,55,896	49,70,978
<b><u>ADVANCE</u></b>		
Other Advances	71,29,041	71,71,041
Advance Income Tax & TDS (Net of Provisions as at 31st March 2012 Rs.7,75,000/- as at 31st March 2011 Rs.11,16,694/-)	6,54,135	13,88,672
<b>TOTAL</b>	<b>1,01,39,072</b>	<b>1,35,30,691</b>
<b>NOTE - 11</b>		
<b><u>INVENTORIES</u></b>		
Stock in Trade (Shares) (Stock in trade of securities is valued at cost or market price which is lower)	62,54,000	62,54,000
<b>TOTAL</b>	<b>62,54,000</b>	<b>62,54,000</b>
<b>NOTE -12</b>		
<b><u>TRADE RECEIVABLE (UNSECURED)</u></b>		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment	0	0
Considered good	21,786	2,23,438
Considered doubtful	0	8,92,952
Less :- Provision for Doubtful Debts	0	(8,92,952)
<b>TOTAL</b>	<b>21,786</b>	<b>2,23,438</b>
<b>NOTE -13</b>		
<b><u>CASH AND BANK BALANCES</u></b>		
Cash on Hand (As Certified by Management)	50,861	58,153
Balance with banks in current accounts	1,89,650	2,27,030
	<b>2,40,511</b>	<b>2,85,183</b>
<b>NOTE -14</b>		
<b><u>SHORT-TERM LOANS AND ADVANCES</u></b>		
<b><u>LOAN</u></b>		
Unsecured considered good	25,00,000	2,50,01,500
Advance to staff	47,500	14,000
<b>TOTAL</b>	<b>25,47,500</b>	<b>2,50,15,500</b>



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE -15</b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Accruals:		
Interest accrued on Loans	7,47,300	1,74,302
<b>TOTAL</b>	<b>7,47,300</b>	<b>1,74,302</b>
<b>NOTE -16</b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
Interest received On Loan	8,11,834	1,75,169
Speculation Income	24,96,914	0
Rent Received	1,86,000	1,68,000
<b>TOTAL</b>	<b>34,94,748</b>	<b>3,43,169</b>
<b>NOTE -17</b>		
	2012	2011
<b><u>OTHER INCOME</u></b>		
Long Term Capital Gain	54,88,000	0
Liabilities Written Back	1,47,351	0
Contingent Provisions Against Standard Assets written Back	57,814	0
Provision for Bad & Doubtful Debts written Back	8,92,952	0
NPA Provision written Back	2,31,582	0
<b>TOTAL</b>	<b>68,17,699</b>	<b>0</b>
<b>NOTE -18</b>		
<b><u>CHANGES IN INVENTORIES</u></b>		
Inventories at the Beginning of the year		
Stock in trade	62,54,000	62,54,000
Inventories at the end of the year		
stock in trade	62,54,000	62,54,000
Net (increase) / decrease in stock	0	0
<b>NOTE -19</b>		
<b><u>FINANCE COST</u></b>		
Interest on Borrowings	13,40,293	7,78,338
<b>TOTAL</b>	<b>13,40,293</b>	<b>7,78,338</b>
<b>NOTE -20</b>		
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Salaries, Wages and Bonus	3,38,016	2,48,518
Staff Welfare Expense	2,947	3,356
<b>TOTAL</b>	<b>3,40,963</b>	<b>2,51,874</b>



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE - 21</b>		
<b><u>OTHER EXPENSES</u></b>		
Advertisement Expenses	13,648	17,063
Bank Charges	6,983	1,579
Bad Debts	36,66,534	0
Conveyance Expenses	417	4,328
Custodial Fees	13,236	13,236
Demat Charges	337	662
Entertainment Expenses	810	775
Filling Fees	7,500	1,500
General Expenses	4,549	4,584
Listing Fees	30,886	30,884
Legal Expenses	1,000	0
Municipal Taxes	41,360	41,360
Postage & Telegram	5,400	3,350
Printing & Stationery	16,210	17,470
Professional Tax	2,500	2,500
Professional Fees	11,030	10,000
Rates & Taxes	1,900	2,100
Share Transfer Registrar Fees	9,928	9,928
Secretarial Audit Fees	3,000	3,000
Certification Fees	12,750	10,250
Telephone Charges	32,643	26171
Auditors Remuneration :		
Statutory Audit	7,865	7,721
Other Capacities	8,274	5,515
Internal Audit Fees	18,000	18,000
<b>TOTAL</b>	<b>39,16,760</b>	<b>2,31,976</b>
<b>NOTE - 22</b>		
<b>Earnings per shares (EPS)</b>		
Net profit for the year	38,55,362	(10,31,832)
<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
Earning per shares of par value Rs.10/- Basic & Diluted (Rs.)	0.82	(0.22)



## NOTES FORMING PART OF FINANCIAL STATEMENT

### NOTE - 23 SIGNIFICANT ACCOUNTING POLICIES

#### a) Accounting Concepts:

- i) The Financial statements have been prepared under the historical cost convention as a going concern in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- ii) The Company generally follows mercantile system of accounting.

#### b) Fixed Assets and Depreciation:

- i) Fixed assets are stated at cost less accumulated depreciation.
- ii) Depreciation on original value of assets are provided on straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 as amended from time to time.

#### c) Revenue Recognition:

Income and Expenditure are generally recognised on accrual basis.

#### d) Stock-in-Trade:

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

#### 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) i) Employees benefits of short term nature are recognized as expenses as and when it accrues
- ii) Long term and past employment benefits is recognized as expenses as and when it accrues.

#### g) 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 recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each balance sheet date to reassess realisation.

### NOTE - 24 Notes on Accounts

- a) These financial statement have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act 1956. Previous year figures have been recasted/restated to confirm to the classification of the current period.
- b) 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.
- c) 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.



**NOTES FORMING PART OF FINANCIAL STATEMENT**

- d) 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.
- e) There are no reported Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues.
- f) The Company does not permit leave encashment to any of its staff. Hence, no provision on this account is required to be made.
- 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 :**

	<u>Nature of Relationship</u>
DIPL Computers (P) Limited	Associate Company
Digvijay Agencies (P) Limited	Subsidiary

ii) Transactions with Related Parties :-

	<b>2012</b>	<b>2011</b>
Purchase of Investments in Digvijay Agencies (P) Ltd	Rs. 1,00,000/-	Nil

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 back provision of Rs. 57,814/- during the year on Standard Assets which has been credited to Profit & Loss Account.
- j) Additional Information pursuant to the provisions of paragraph 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 to the extent presently applicable to the Company - NIL.

Notes forming part of the Financial Statements 1 to 24  
As per our Report of even date

**For Mandawewala & Co.**

*Chartered Accountants*

Firm Registration No. 322130E

**Anil Kumar Mandawewala**

Partner

MemberShip No.055939

Place : Kolkata

Date : 31st May, 2012

*Ram Karan Gupta*

*Sushil Kumar Poddar*

Directors





# LYONS CORPORATE MARKET LIMITED



7.	Investor group-wise classification of all investments(current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below		
	Category	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provision)
	1. Related Parties**		
	(a) Subsidiaries	82747	1,00,000
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	135071098	28241800
	<b>Total</b>	<b>135154445</b>	<b>28341800</b>
	<b>** As per Accounting Standard of ICAI (Please see note 3)</b>		
8.	Other information		
	Particulars		
	(i) Gross Non-Performing Assets		
	(a) Related parties		-
	(b) Other than related parties		7922396
	(ii) Net Non-Performing Assets		
	(a) Related parties		
	(b) Other than related parties		5762956
	(iii) Assets acquired in satisfaction of debt		-

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

Anil Kumar Mandawewala  
Partner  
Membership No.055939  
Dated : 31-05-2012

On behalf of the Board  
**Ram Karan Gupta**  
**Sushil Kumar Poddar**  
Directors

**Note :**

- As defined in paragraph 2(l) (xii) of the Non Banking Finance Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Deposit Accepting or holding) Companies prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets acquired in satisfaction of debts. 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. Loans & Advances included TDS made by parties.

**AUDITORS' REPORT****TO THE MEMBERS OF LYONS CORPORATE MARKET LIMITED**

We have audited the attached Consolidated Balance Sheet of *Lyons Corporate Market Limited* ("the Company) and its subsidiary (Digvijay Agencies (P) Limited) as at 31st March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of Separate financial Statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit, also, includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of subsidiary Company whose financial statements reflect total assets of Rs.81,433/- as at March 2012, total revenue of (Rs.22,232/-) for the year ended on that date. These financial statements and other financial information has been audited by other auditor whose reports have been furnished to us, and in our opinion in so far as it related to the amounts included in respect of these subsidiary is based solely on the report of other auditor.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of the Accounting Standard (AS) 21, Consolidated Financial Statements prescribed by the Central Government under section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies.

Based on our audit and on consideration of the separate audit reports on the individual financial statements of the Company and the aforesaid subsidiary and other financial information of the components, and to the best of our information and according to the explanation given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its Subsidiary Company as at 31<sup>st</sup> March, 2012 ; and
- (ii) in the case of Consolidated Statement of Profit and Loss, of the Profit of the Company & its Subsidiary Company for the year ended 31st March 2012, and
- (iii) in the case of Consolidated Cash Flow Statement, of the Cash Flow of the Company & its Subsidiary Company for the year ended on that date.

For **MANDAWEWALA & CO.**  
Chartered Accountants  
Firm Registration No. 322130E

Place: Kolkata  
Date: 31st May, 2012

**Anil Kumar Mandawewala**  
Partner  
Membership No. 055939



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012**

	NOTE	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>I. EQUITY AND LIABILITIES :</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	4,78,20,259	4,78,20,259
(b) Reserves & Surplus	2	(74,90,878)	(1,13,24,008)
		<u>4,03,29,381</u>	<u>3,64,96,251</u>
<b>2. Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities(net)	3	1,90,909	1,74,071
(b) Long Term Provisions	4	21,70,164	24,59,560
		<u>23,61,073</u>	<u>26,33,631</u>
<b>3. Current Liabilities</b>			
(a) Short-Term Borrowings	5	0	3,39,25,000
(b) Trade Payables	6	21,812	3,70,789
(c) Other Current Liabilities	7	14,73,337	9,07,003
		<u>14,95,149</u>	<u>3,52,02,792</u>
<b>TOTAL</b>		<u><b>4,41,85,603</b></u>	<u><b>7,43,32,674</b></u>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	8	21,61,747	8,64,260
Intangible Assets		4,453	0
(b) Non Current Investments	9	2,19,87,800	2,79,85,300
(c) Long Term Loans & Advances	10	1,01,39,072	1,35,30,691
		<u>3,42,93,072</u>	<u>4,23,80,251</u>
<b>2. Current Assets</b>			
(a) Inventories	11	62,54,000	62,54,000
(b) Trade Receivables	12	21,786	2,23,438
(c) Cash and Bank Balances	13	3,21,945	2,85,183
(d) Short -Term Loans and Advances	14	25,47,500	2,50,15,500
(e) Other Current Assets	15	7,47,300	1,74,302
		<u>98,92,531</u>	<u>3,19,52,423</u>
<b>TOTAL</b>		<u><b>4,41,85,603</b></u>	<u><b>7,43,32,674</b></u>

Significant Accounting Policies and Notes to Financial Statements

1 to 24

The accompanying notes are integral part of Financial Statement As per our Report of even date annexed

For and on Behalf of Board

**For Mandawewala & Co.**

Chartered Accountants

Firm Registration No. 322130E

**Anil Kumar Mandawewala**

Partner

MemberShip No.055939

Place : Kolkata

Date : 31st May, 2012

**Ram Karan Gupta**

**Sushil Kumar Poddar**

Directors

# LYONS CORPORATE MARKET LIMITED



## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTE	Year Ended	Year Ended
		31.03.2012	31.03.2011
		Rs.	Rs.
<b>INCOME</b>			
Revenue from Operations	16	34,94,748	3,43,169
Other Income	17	68,17,699	0
<b>Total Revenue</b>		<u>1,03,12,447</u>	<u>3,43,169</u>
<b>EXPENSES</b>			
Changes in Inventories of stock in trade	18	0	0
Finance Cost	19	13,40,293	7,78,338
Employee Benefit Expense	20	3,40,963	2,51,874
Depreciation and amortization expense	8	42,746	49,041
Other expenses	21	39,38,992	2,31,976
Contingent Provisions Against Standard Assets		0	68,538
<b>Total Expenses</b>		<u>56,62,994</u>	<u>13,79,767</u>
<b>Profit before Tax</b>		46,49,453	(10,36,598)
<b>Tax Expenses</b>			
1) Current Tax		7,75,000	0
2) Deferred Tax		16,838	(4,766)
3) Income Tax for Earlier Years		24,485	0
<b>Profit / (Loss) for the year</b>		<u>38,33,130</u>	<u>(10,31,832)</u>
Earnings per Equity share of Rs.10/- Basic & Diluted	22	0.82	(0.22)

Significant Accounting Policies and  
Notes to Financial Statements 1 to 24  
The accompanying notes are integral part of Financial Statement  
As per our Report of even date annexed

**For Mandawewala & Co.**  
Chartered Accountants  
Firm Registration No. 322130E  
**Anil Kumar Mandawewala**  
Partner  
MemberShip No.055939  
Place : Kolkata  
Date : 31st May, 2012

For and on Behalf of Board

**Ram Karan Gupta**  
**Sushil Kumar Poddar**  
Directors



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012  
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES)**

	(Rs. in Lakhs)	
	31-03-2012	31-03-2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) before tax	46.49	(10.38)
<b>Adjustments for:</b>		
Depreciation	0.43	0.49
Interest paid	13.40	7.78
Profit on Sale of Investment	(54.88)	0.00
Bad Debt Written off	36.67	0.00
Contingent Provision against Standard Assets	(0.58)	0.00
Liabilities Written Back	(1.47)	0.00
Provision for Bad & Doubtful Debts Written Back	(8.93)	0.00
NPA Provision Written Back	(2.32)	0.00
Operating Profit/(Loss) before working capital changes	<u>28.81</u>	<u>(2.11)</u>
<b>Adjustments for:</b>		
Trade and Other Receivables	219.16	(234.74)
Trade Payable & Provisions	3.65	0.25
Less : Tax Paid	(0.00)	0.00
Net Cash from Operating Activities	<u>251.62</u>	<u>(236.60)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	(38.03)	(78.30)
Sale of Investments	152.88	0.00
Purchase of Fixed Assets	(13.45)	0.00
Net Cash used in Investing Activities	<u>101.41</u>	<u>(78.30)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Loan Repaid	(339.25)	0.00
Loan Given	0.00	322.30
Interest on Loan	(13.40)	(7.78)
Net Cash from Financing Activities	<u>(352.65)</u>	<u>314.52</u>
Net Increase /(Decrease) in Cash and Cash equivalents (A+B+C)	0.37	(0.38)
Opening Balance of Cash & Cash Equivalents	<u>2.85</u>	<u>3.23</u>
Closing Balance of Cash & Cash Equivalents	<u>3.22</u>	<u>2.85</u>
Cash and Cash Equivalents at the end of the year	1.17	0.58
Cash in Hand	<u>2.05</u>	<u>2.27</u>
Balances with scheduled Banks on Current Accounts	<u>3.22</u>	<u>2.85</u>

Notes to Financial Statements 1 to 24  
The accompanying notes are integral part of Financial Statement  
As per our Report of even date annexed

For Mandawewala & Co.  
Chartered Accountants  
Firm Registration No. 322130E  
Anil Kumar Mandawewala  
Partner  
MemberShip No.055939  
Place : Kolkata  
Date : 31st May, 2012

For and on Behalf of Board  
Ram Karan Gupta  
Sushil Kumar Poddar  
Directors



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE - 1</b>		
<b>SHARE CAPITAL :</b>		
<b>Authorised</b>		
6000000 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>Issued and Subscribed</b>		
5000000 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>Paid up</b>		
4678000 (P.Y.4678000) Equity Shares of Rs. 10/- each fully paid up in cash	4,67,80,000	4,67,80,000
<b>Forfeited Shares</b>	<b>10,40,259</b>	<b>10,40,259</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 per value of Rs. 10/- per shares. Each holder of equity shares is entitled to one vote per shares 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 March 31,2012		As at March 31,2011	
	Nos	Amount (Rs.)	Nos.	Amount (Rs.)
Opening Balance	4678000	4,67,80,000	4678000	4,67,80,000
Changes during the year	0	0	0	0
Closing Balance	<u>4678000</u>	<u>4,67,80,000</u>	<u>4678000</u>	<u>4,67,80,000</u>

**b) Subscribed and paid-up share capital includes :**

Equity share holder holding more than 5% of equity shares

Name of the Shareholder	As at March 31,2012 No. of shares	As at March 31,2011 No. of shares
DIPL Computers Pvt. Ltd	2314350	2314350



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE - 2</b>		
<b><u>RESERVE &amp; SURPLUS</u></b>		
<b>Statutory Reserve (Reserve Fund as per section 45-IC of the Reserve Bank of India Act, 1934)</b>		
Opening Balance	13,67,000	13,67,000
Add : Transferred from surplus	7,72,000	0
Closing Balance	<u>21,39,000</u>	<u>13,67,000</u>
<b>Surplus/(Deficit) in statement of Profit &amp; Loss</b>		
Opening Balance	(1,26,91,008)	(1,16,59,177)
Add : Net Profit/(Loss) after Tax from statement of Profit and Loss	38,33,130	(10,31,831)
Amount available for appropriation	<u>(88,57,878)</u>	<u>(1,26,91,008)</u>
<b>Less : Appropriations</b>		
Transfer to Statutory Reserve	7,72,000	0
Closing Balance	<u>(96,29,878)</u>	<u>(1,26,91,008)</u>
<b>TOTAL</b>	<u><b>(74,90,878)</b></u>	<u><b>(1,13,24,008)</b></u>
<b>NOTE - 3</b>		
<b><u>DEFERRED TAX LIABILITY</u></b>		
Opening Balance	1,74,071	1,78,837
Change for the year	(16,838)	4,766
Closing Balance	<u>1,90,909</u>	<u>1,74,071</u>
Difference between net book value of depreciable capital assets as per books vis-a-vis WDV as per Tax Law		
<b>NOTE - 4</b>		
<b><u>LONG TERM PROVISIONS</u></b>		
<b>Contingent Provision on Standard Assets</b>		
Opening Balance	68,538	0
Add : Provision made during the Year	(57,814)	68,538
	<u>10,724</u>	<u>68,538</u>
<b>Provision for Doubtful Debts (NPA)</b>	<b>21,59,440</b>	<b>23,91,022</b>
	<u>21,70,164</u>	<u>24,59,560</u>
<b>NOTE - 5</b>		
<b><u>SHORT-TERM BORROWINGS</u></b>		
<b><u>Unsecured</u></b>		
Inter Corporate Loans	0	3,39,25,000
<b>Total</b>	<u>0</u>	<u>3,39,25,000</u>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
-------------	----------------------------	----------------------------

**NOTE - 6**

**TRADE PAYABLE**

Due to Micro small and Medium Enterprises	0	0
Due to others	21,812	3,70,789
<b>Total</b>	<u>21,812</u>	<u>3,70,789</u>

**NOTE - 7**

**OTHER CURRENT LIABILITIES**

Interest accrued and due on borrowing	13,13,487	7,61,629
Statutory Liabilities	29,536	16,709
Liabilities for Expenses	1,30,314	1,28,665
<b>Total</b>	<u>14,73,337</u>	<u>9,07,003</u>

**NOTE - 8**

**FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-11 Rs.	Addition Rs.	Disposals/ Adjustmens Rs.	As on 31-03-12 Rs.	As on 01-04-11 Rs.	For the Year Rs.	Disposals/ Adjustmens Rs.	As on 31-03-12 Rs.	As on 31-03-12 Rs.	As on 31-03-11 Rs.
<b><u>TANGIBLE ASSETS</u></b>										
Office Premises	9,16,772	13,40,233	0	22,57,005	1,77,982	19,480	0	1,97,462	20,59,543	7,38,790
Furniture & Fixture	4,83,951	0	0	4,83,951	3,88,990	17,408	0	4,06,398	77,553	94,961
Office Equipments	1,84,700	0	0	1,84,700	1,54,191	5,858	0	1,60,049	24,651	30,509
<b>Total (A)</b>	<b>15,85,423</b>	<b>13,40,233</b>	<b>0</b>	<b>29,25,656</b>	<b>7,21,163</b>	<b>42,746</b>	<b>0</b>	<b>7,63,909</b>	<b>21,61,747</b>	<b>8,64,260</b>
<b><u>INTANGIBLE ASSETS</u></b>										
Goodwill	0	4,453	0	4,453	0	0	0	0	4,453	0
<b>Total (B)</b>	<b>0</b>	<b>4,453</b>	<b>0</b>	<b>4,453</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,453</b>	<b>0</b>
<b>Grand Total (A+B)</b>	<b>15,85,423</b>	<b>13,44,686</b>	<b>0</b>	<b>29,30,109</b>	<b>7,21,163</b>	<b>42,746</b>	<b>0</b>	<b>7,63,909</b>	<b>21,66,200</b>	<b>8,64,260</b>
Previous Year	15,85,423	0	0	15,85,423	6,72,122	49,041	0	7,21,163	8,64,260	

# LYONS CORPORATE MARKET LIMITED



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE-9</b>		
<b><u>NON-CURRENT INVESTMENT</u></b>		
<b>Investment in Equity Instruments (at Cost)</b>	<b>Face Value</b>	
<b><u>QUOTED:- Equity</u></b>		
650000 (P.Y. 650000) Fully Paid up Equity Shares of The Ganges Mfg. Co. Ltd.	Rs. 10 <b>65,00,000</b>	<b>65,00,000</b>
Less : Provision in Diminution in the value of Investments	<b>43,22,500</b>	<b>43,22,500</b>
<b>SUB TOTAL (A)</b>	<b>21,77,500</b>	<b>21,77,500</b>
<b><u>UNQUOTED -EQUITY SHARES</u></b>		
94000 (P.Y. 94000) Fully Paid up Equity Shares of Aaina Engineering Pvt. Ltd.	Rs. 10 <b>1,41,800</b>	<b>1,41,800</b>
150000 (P.Y. 150000) Fully Paid up Ordinary Shares of Victoria Jute Co. Limited	£1 <b>20,36,000</b>	<b>20,36,000</b>
725000 (P.Y. 6000) Fully Paid up Equity Shares of Class-B of Ganges Jute (P) Ltd	Rs. 10 <b>1,05,00,000</b>	<b>60,00,000</b>
2915000 (P.Y.2915000) Fully Paid up Equity Shares of Class-B of Aditya Translink (P) Ltd	Rs. 10 <b>58,30,000</b>	<b>58,30,000</b>
1302500(P.Y.Nil) Fully paid up Equity Shares of Everest Infra Energy Ltd.	Rs. 10 <b>13,02,500</b>	<b>0</b>
<b>SUB TOTAL (B)</b>	<b>1,98,10,300</b>	<b>1,40,07,800</b>
<b><u>Preference Shares</u></b>		
NIL (P.Y. 198000) Fully paid up 4% Redeemable Non Cumulative Participating Preference Shares of Ganges Jute (P) Ltd.	Rs. 100 <b>0</b>	<b>1,18,00,000</b>
<b>SUB TOTAL (C)</b>	<b>0</b>	<b>1,18,00,000</b>
<b>Total (A+B+C)</b>	<b>2,19,87,800</b>	<b>2,79,85,300</b>
<b>Aggregate Market Value of Quoted Investments</b>	<b>21,77,500</b>	<b>21,77,500</b>
<b>Aggregate Amount of Quoted Investments</b>	<b>21,77,500</b>	<b>21,77,500</b>
<b>Aggregate Amount of UnQuoted Investments</b>	<b>1,98,10,300</b>	<b>2,58,07,800</b>

# LYONS CORPORATE MARKET LIMITED



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

PARTICULARS	As at	As at
	31.03.2012	31.03.2011
	Rs.	Rs.
<b>NOTE - 10</b>		
<b><u>LONG TERM LOANS &amp; ADVANCE</u></b>		
<b><u>Loans</u></b>		
Unsecured considered good	23,55,896	49,70,978
<b><u>ADVANCE</u></b>		
Other Advances	71,29,041	71,71,041
Advance Income Tax & TDS (Net of Provisions as at 31st March 2012 Rs.7,75,000/- as at 31st March 2011 Rs.11,16,694/-)	6,54,135	13,88,672
<b>TOTAL</b>	<b>1,01,39,072</b>	<b>1,35,30,691</b>
<b>NOTE - 11</b>		
<b><u>INVENTORIES</u></b>		
Stock in Trade (Shares) (Stock in trade of securities is valued at cost or market price which is lower)	62,54,000	62,54,000
<b>TOTAL</b>	<b>62,54,000</b>	<b>62,54,000</b>
<b>NOTE - 12</b>		
<b><u>TRADE RECEIVABLE (UNSECURED)</u></b>		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment	0	0
Considered good	21,786	2,23,438
Considered doubtful	0	8,92,952
Less :- Provision for Doubtful Debts	0	(8,92,952)
<b>TOTAL</b>	<b>21,786</b>	<b>2,23,438</b>
<b>NOTE - 13</b>		
<b><u>CASH AND BANK BALANCES</u></b>		
Cash on Hand (As Certified by Management)	1,16,913	58,153
Balance with banks in current accounts	2,05,031	2,27,030
<b>TOTAL</b>	<b>3,21,945</b>	<b>2,85,183</b>
<b>NOTE - 14</b>		
<b><u>SHORT-TERM LOANS AND ADVANCES</u></b>		
<b><u>LOAN</u></b>		
Unsecured considered good	25,00,000	2,50,01,500
Advance to staff	47,500	14,000
<b>TOTAL</b>	<b>25,47,500</b>	<b>2,50,15,500</b>

# LYONS CORPORATE MARKET LIMITED



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>NOTE -15</b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Accruals:		
Interest accrued on Loans	7,47,300	1,74,302
<b>TOTAL</b>	<u>7,47,300</u>	<u>1,74,302</u>
<b>NOTE -16</b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
Interest received On Loan	8,11,834	1,75,169
Speculation Income	24,96,914	0
Rent Received	1,86,000	1,68,000
<b>TOTAL</b>	<u>34,94,748</u>	<u>3,43,169</u>
<b>NOTE -17</b>		
<b>2012</b>		
<b><u>OTHER INCOME</u></b>		
Long Term Capital Gain	54,88,000	0
Liabilities Written Back	1,47,351	0
Contingent Provisions Against Standard Assets written Back	57,814	0
Provision for Bad & Doubtful Debts written Back	8,92,952	0
NPA Provision written Back	2,31,582	0
<b>TOTAL</b>	<u>68,17,699</u>	<u>0</u>
<b>NOTE -18</b>		
<b><u>CHANGES IN INVENTORIES</u></b>		
Inventories at the Beginning of the year		
Stock in trade	62,54,000	62,54,000
inventories at the end of the year		
stock in trade	62,54,000	62,54,000
Net (increase) / decrease in stock	<u>0</u>	<u>0</u>
<b>NOTE -19</b>		
<b><u>FINANCE COST</u></b>		
Interest on Borrowings	13,40,293	7,78,338
<b>TOTAL</b>	<u>13,40,293</u>	<u>7,78,338</u>
<b>NOTE -20</b>		
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Salaries, Wages and Bonus	3,38,016	2,48,518
Staff Welfare Expense	2,947	3,356
<b>TOTAL</b>	<u>3,40,963</u>	<u>2,51,874</u>



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

PARTICULARS	As at	As at
	31.03.2012 Rs.	31.03.2011 Rs.
<b>NOTE - 21</b>		
<b><u>OTHER EXPENSES</u></b>		
Advertisement Expenses	13,648	17,063
Bank Charges	6,983	1,579
Bad Debts	36,66,534	0
Conveyance Expenses	417	4,328
Custodial Fees	13,236	13,236
Demat Charges	337	662
Entertainment Expenses	810	775
Filing Fees	7,900	1,500
General Expenses	4,963	4,584
Listing Fees	30,886	30,884
Legal Expenses	1,000	0
Municipal Taxes	41,360	41,360
Postage & Telegram	5,400	3,350
Printing & Stationery	16,210	17,470
Professional Tax	5,000	2,500
Professional Fees	11,530	10,000
Rates & Taxes	1,900	2,100
Share Transfer Registrar Fees	9,928	9,928
Secretarial Audit Fees	3,000	3,000
Certification Fees	12,750	10,250
Telephone Charges	32,643	26,171
Miscellaneous Balance W/o	12,800	0
Auditors Remuneration :		
Statutory Audit	13,483	7,721
Other Capacities	8,274	5,515
Internal Audit Fees	18,000	18,000
<b>TOTAL</b>	<b>39,38,992</b>	<b>2,31,976</b>

**NOTE - 22**

**Earnings per shares (EPS)**

Net profit for the year	38,33,130	(10,31,832)
<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
Earning per shares of par value Rs.10/- Basic & Diluted (Rs.)	0.82	(0.22)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT****NOTE - 23 SIGNIFICANT ACCOUNTING POLICIES****a) Accounting Concepts:**

- i) The Financial statements have been prepared under the historical cost convention as a going concern in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- ii) The Company generally follows mercantile system of accounting.

**b) Fixed Assets and Depreciation:**

- i) Fixed assets are stated at cost less accumulated depreciation.
- ii) Depreciation on original value of assets are provided on straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 as amended from time to time.

**c) Revenue Recognition:**

Income and Expenditure are generally recognised on accrual basis.

**d) Stock-in-Trade:**

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

**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) i) Employees benefits of short term nature are recognized as expenses as and when it accrues.
- ii) Long term and past employment benefits is recognized as expenses as and when it accrues.

**g) 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 recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each balance sheet date to reassess realisation.

**NOTE - 24 Notes on Accounts**

- a) These financial statement have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act 1956. Previous year figures have been recasted/restated to confirm to the classification of the current period. This is the first year of consolidation of operation and accounting results of the Subsidiary Company. Hence, the figures of the previous years of the Subsidiary Company has not been consolidated as per Accounting Standard 21 issued by the Institute of Chartered Accountants of India.
- b) 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.



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT**

- d) 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.
- e) There are no reported Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues.
- f) The Company does not permit leave encashment to any of its staff. Hence, no provision on this account is required to be made.
- 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) <b>List of Related Parties :</b>	<b><u>Nature of Relationship</u></b>
DIPL Computers (P) Limited	Associate Company
Digvijay Agencies (P) Limited	Subsidiary

ii) Transactions with Related Parties :-	<b>2012</b>	<b>2011</b>
Purchase of Investments in		
Digvijay Agencies (P) Ltd	Rs.1,00,000/-	Nil

**Particulars of Subsidiary**

Name of the Company	Country of Incorporation	% of voting power	% of voting power
		<b>2012</b>	<b>2011</b>
Digvijay Agencies (P) Ltd	India	100	Nil

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 back provision of Rs. 57,814/- during the year on Standard Assets which has been credited to Profit & Loss Account.
- j) Additional Information pursuant to the provisions of paragraph 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 to the extent presently applicable to the Company - NIL.

Notes forming part of the Financial Statements 1 to 24  
 As per our Report of even date

**For Mandawewala & Co.**  
*Chartered Accountants*  
 Firm Registration No. 322130E  
**Anil Kumar Mandawewala**  
 Partner  
 MemberShip No.055939  
 Place : Kolkata  
 Date : 31st May, 2012

**Ram Karan Gupta**  
**Sushil Kumar Poddar**  
 Directors



# LYONS CORPORATE MARKET LIMITED

## Regd. Office :

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

### PROXY FORM

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

DP ID No. \_\_\_\_\_

Client ID No. \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/ members of the above named Company, hereby appoint \_\_\_\_\_

of \_\_\_\_\_ in district of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ of in the district of \_\_\_\_\_

as my /our proxy to vote for me / us on my behalf at the Nineteenth Annual General Meeting of the Company to be held at 10.00 A.M. on Friday, the 28th day of September, 2012 and at any adjournment thereof.

Signed by this \_\_\_\_\_ this day of \_\_\_\_\_ 2012

Affix Rs. 1/-  
Revenue  
Stamp

Notes :

Signature.....

1. This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

# LYONS CORPORATE MARKET LIMITED

### ATTENDANCE SLIP

**19th Annual General Meeting - 28th September Friday, 2012, 10:00 A.M.**

Regd. Folio No.....

DP ID No. ....

Client ID No.....

I certify that I am registered shareholder / proxy for the registered shareholder of the Company, I hereby record my presence at the 19th Annual General Meeting of the Company at Calcutta Chamber of Commerce Hall at 18/H, Park Street, Kolkata - 700 071 at 10.00 A.M. on Friday, the 28th day of September, 2012

Member's /Proxy Name (IN BLOCK LETTERS)

Member's / Proxy Signature

Note : Please fill in this Attendance Slip and hand it over at the Entrance of the Hall

If undelivered please return to :



**LYONS CORPORATE MARKET LIMITED**

Chatterjee International Centre

33A Jawaharlal Nehru Road,

6th Floor, Kolkata - 700 071