

# LYONS CORPORATE MARKET LTD.

33A, Jawaharlal Nehru Road, 6th Floor, Flat No. A-5  
Chatterjee International Centre, Kolkata-700 071  
Phone : 4012 3123, Fax : 2288 7591  
E : lyonscorp@gmail.com | W : www.lyonscorp.com  
CIN : L74140WB1994PLC061497

Dated: 5<sup>th</sup> September, 2019

To

The Listing Department

BSE Limited.

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai-400 001

Dear Sir/Ma'am,

**Re: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Please find enclosed herewith a copy of Annual Report for the financial year 2018-19.

Thanking You,

Yours faithfully,

For **LYONS CORPORATE MARKET LIMITED**

*Prity Agarwal*  
**COMPANY SECRETARY**

Encl: As above

**2018 - 2019**

**26th  
Annual Report  
&  
Accounts**

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***Lyons Corporate Market Limited***

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





## LYONS CORPORATE MARKET LIMITED

### Board of Directors & Key Managerial Personnel :

Shri Suvabrata De, Managing Director, DIN : 07911004  
Shri Ram Karan Gupta, Director, DIN :00247432  
Shri Sushil Kumar Poddar, Director,DIN : 00119348  
Smt Madhumita Tapader, Director, DIN : 07126692  
Shri Sanjiv Kumar Agarwal, CFO

### 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  
3A, Auckland Place,  
7th Floor, Room No. 7A & 7B  
Kolkata -700 017  
Phone-2280-6616 / 6617  
email : nichetechpl@nichetechpl.com

|          |   |           |
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## Directors' Report

### TO THE MEMBERS

Your Directors have pleasure in presenting 26<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS

(Rs. in Lacs)

| Particulars                                      | 2018 - 2019 | 2017 - 2018 |
|--|-------------|-------------|
| Profit/(Loss) before Depreciation & Taxes        | (21.69)     | (24.05)     |
| Less : Depreciation                              | 0.42        | 0.42        |
| Profit / (Loss) before Tax                       | (22.11)     | (24.47)     |
| Provision for Taxation                           | 0.00        | 0.00        |
| Income Tax for Earlier Years                     | (0.44)      | 0.01        |
| Deferred tax (Charge) / Credit                   | 0.13        | (0.26)      |
| Profit / (Loss) after Tax                        | (21.80)     | (24.22)     |
| Transfer to Reserve Fund                         | 0.00        | 0.00        |
| Add : Balance brought forward from Previous Year | (87.54)     | (63.32)     |
| Balance Carried to Balance Sheet                 | (109.34)    | (87.54)     |

### REVIEW OF BUSINESS OPERATIONS :

The Company is a Non-Banking Financial Company and is engaged in NBFC activities. The Loss before tax for the year is Rs. 22.11 Lakhs as compared with the last year figure of Loss before tax of Rs. 24.47 Lakhs.

### DIVIDEND :

With view of brought forward losses, your Directors have 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 2019-20. 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 2019-20.

**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 authorized, 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. The same can also be accessed on the website of the Company at [www.lyonscorporate.com](http://www.lyonscorporate.com).

**DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

During the year under review, Mr. Krishna Awatar Agarwal (DIN: 02460626), Non-Executive Director resigned from the Board of Directors of the Company w.e.f 13<sup>th</sup> September, 2018.

At the Board Meeting held on 25<sup>th</sup> March, 2019, it was noted by the Board of Directors that the first term of Mr. Sushil Kumar Poddar (DIN: 00119348) and Mr. Ram Karan Gupta (DIN: 00247432) as an Independent Directors was expiring on 31<sup>st</sup> March, 2019.

Consequently and based on the recommendation of the Nomination and Remuneration Committee, Mr. Sushil Kumar Poddar (DIN: 00119348) and Mr. Ram Karan Gupta (DIN: 00247432) were appointed as Additional Independent Directors till the conclusion of the next Annual General Meeting and subject to the approval of the members in the ensuing Annual General Meeting are proposed to be appointed as Independent Directors for a second term of five years commencing from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024.

There has been no other change in the composition of the Board of Directors during the year under review.

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

One meeting of Independent Directors was held during the year under review.

Mr. Suvabrata De (DIN No- 07911004) retires at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

**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 terms of reference of the Nomination and Remuneration Committee inter alia includes the following:

- i) To identify persons who are qualified to become directors and who may be appointed in the senior management and to lay down the criteria thereof;
- ii) To recommend to the Board appointment of directors and senior management personnel and their removal;
- iii) To evaluate the individual directors performance;
- iv) Formulate the criteria for determining the qualification, positive attribute and independence of the directors;
- v) Recommend to the board policy relating to remuneration for directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee presently comprises of three (3) non-executive directors. Mr. Sushil Kumar Poddar, Independent Director is the Chairman of the Committee.

During the financial year ended 31<sup>st</sup> March, 2019, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 13<sup>th</sup> September, 2018 and 25<sup>th</sup> March, 2019. The composition and attendance details of the committee meetings are as follows:

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

**AUDIT COMMITTEE :**

The role / terms of reference of the Audit Committee are in conformity with the SEBI Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013.

At the Board Meeting held on 13<sup>th</sup> September, 2018, the Board of Directors reconstituted the Audit Committee by admitting Mr. Suvabrata De as a member of the Committee due to resignation of Mr. Krishna Awatar Agarwal from the Board of Directors of the Company.

During the year ended 31<sup>st</sup> March, 2019, 6 (Six) meetings of the Audit Committee were held on 10<sup>th</sup> April, 2018, 30<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 13<sup>th</sup> November, 2018, 14<sup>th</sup> January, 2019 and 25<sup>th</sup> March, 2019. The present composition and attendance details of the committee meetings are as follows

| <i>Sl. No.</i> | <i>Name of the Committee Members</i> | <i>Nature of Directorship</i>             | <i>Membership</i> | <i>Attendance</i> |
|----------------|--------------------------------------|---|-------------------|-------------------|
| 1.             | <i>Mr. Ram Karan Gupta</i>           | <i>Non-Executive Independent Director</i> | <i>Chairman</i>   | 6                 |
| 2.             | <i>Mr. Sushil Kumar Poddar</i>       | <i>Non-Executive Independent Director</i> | <i>Member</i>     | 6                 |
| 3.             | <i>Mr. Suvabrata De</i>              | <i>Managing Director</i>                  | <i>Member</i>     | 3                 |

**MEETINGS :**

**(A) BOARD MEETINGS :**

During the year under review, 10 (Ten) Board Meetings were held on 10<sup>th</sup> April, 2018, 30<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 14<sup>th</sup> August, 2018, 13<sup>th</sup> September, 2018, 13<sup>th</sup> November, 2018, 16<sup>th</sup> November, 2018, 7<sup>th</sup> January, 2019, 14<sup>th</sup> January, 2019 and 25<sup>th</sup> March, 2019. 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.             | <i>Mr. Sushil Kumar Poddar</i>    | 10                              |
| 2.             | <i>Mr. Ram Karan Gupta</i>        | 10                              |
| 3.             | <i>Mr. Krishna Awatar Agarwal</i> | 04                              |
| 4.             | <i>Ms. Madhumita Tapader</i>      | 10                              |
| 5.             | <i>Mr. Suvabrata De</i>           | 10                              |

**(B) GENERAL MEETINGS**

During the year, the Annual General Meeting was held on 25<sup>th</sup> September, 2018. No Extra-Ordinary General Meeting was held during the year.

**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; if any
- (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.

## **LYONS CORPORATE MARKET LIMITED**



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.

### **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 :**

At the Annual General Meeting held on 27<sup>th</sup> September, 2014, members had appointed M/s. Mandawewala & Co., Chartered Accountants, (Firm Registration No. 322130E) to hold office till the conclusion of the ensuing Annual General Meeting.

Pursuant to the provisions of the Companies Act, 2013 the term of M/s. Mandawewala & Co. shall be completed at the conclusion of ensuing Annual General Meeting and they are not eligible for reappointment.

The Board recommends the appointment of Mitra Kundu & Basu, Chartered Accountants, (Firm Registration No. 302061E), as statutory auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of sixth consecutive Annual General Meeting to be held in 2024.

The Auditors' Report for the FY 2018-19 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 Ms. Dipika Jain, (ACS 50343, CP No 18466), a Practicing Company Secretary to conduct secretarial audit pursuant to section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Her 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.

**SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY :**

Aditya Translink Pvt. Ltd. (CIN - U17232WB1995PTC067056) ceased to be the Associate Company during the financial year ended 31st March, 2019

**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 shares of the Company continue to be listed on Bombay Stock Exchange and Calcutta Stock Exchange.

The Annual Listing Fees has 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  
**Suvabrata De**  
Managing Director  
(DIN : 07911004)

**Ram Karan Gupta**  
Director  
(DIN : 00247432)

Kolkata, the 30th day of May, 2019.

**ANNEXURE - "A"****FORM NO. MGT - 9****Extract of Annual Return as on the Financial year ended on 31st March, 2019**

[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<br>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<br>3A Auckland Place, 7th Floor, Room No. 7A & 7B<br>Kolkata-700017, Phone-2280-6616 / 6617 |

**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   | -                                | 18.72%                             |
| 2.      | Renting  | -                                | 77.85%                             |

**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 |
|----------------|---------------------------------|-----------|-------------------------------|------------------|--------------------|
| <b>NIL (*)</b> |                                 |           |                               |                  |                    |

(\*) Aditya Translink Private Limited ceased to be the Associate Company during the financial year ended 31st March, 2019.

**LYONS CORPORATE MARKET LIMITED**

**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   | 7,73,800  | 5,27,250         | 13,01,050        | 27.81%            | 7,73,800                                  | 5,27,250         | 13,01,050        | 27.81%            | 0.00%                   |
| ii) Overseas  | -   | -                | -                | -                 | -   | -                | -                | -                 | -                       |
| b) Individuals  |   |                  |                  |                   |   |                  |                  |                   |                         |
| i) Individuals shareholders holding nominal share capital upto Rs.1 lakh          | 75,200  | 9,11,800         | 9,87,000         | 21.10%            | 77,000                                    | 9,10,000         | 9,87,000         | 21.10%            | 0.00%                   |
| ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakh | 0   | 75,600           | 75,600           | 1.62%             | 0   | 75,600           | 75,600           | 1.62%             | 0.00%                   |
| c) Other (specify)  | -   | -                | -                | -                 | -   | -                | -                | -                 | -                       |
| <b>Sub-total (B) (2)</b>  | <b>8,49,000</b>                                 | <b>15,14,650</b> | <b>23,63,650</b> | <b>50.53%</b>     | <b>8,50,800</b>                           | <b>15,12,850</b> | <b>23,63,650</b> | <b>50.53%</b>     | <b>0.00%</b>            |
| <b>Total Public shareholding (B)=(B)(1)+ (B)(2)</b>                               | <b>8,49,000</b>                                 | <b>15,14,650</b> | <b>23,63,650</b> | <b>50.53%</b>     | <b>8,50,800</b>                           | <b>15,12,850</b> | <b>23,63,650</b> | <b>50.53%</b>     | <b>0.00%</b>            |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                            | -   | -                | -                | -                 | -   | -                | -                | -                 | -                       |
| <b>Grand Total (A+B+C)</b>  | <b>31,63,350</b>                                | <b>15,14,650</b> | <b>46,78,000</b> | <b>100.00%</b>    | <b>31,65,150</b>                          | <b>15,12,850</b> | <b>46,78,000</b> | <b>100.00%</b>    | <b>0.00%</b>            |

**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 |   |
|         | 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>                              |


**(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<br>excluding deposit | Unsecured Loans  | Deposits | Total Indebtedness |
|--|------------------------------------|------------------|----------|--------------------|
| <b>Indebtedness at the beginning<br/>of the financial year</b> |                                    |                  |          |                    |
| i) Principal Amount  | 0                                  | 22,50,000        | 0        | 22,50,000          |
| 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>22,50,000</b> | <b>0</b> | <b>22,50,000</b>   |
| <b>Change in Indebtedness during<br/>the financial year</b>    |                                    |                  |          |                    |
| * Addition   | 0                                  | 39,87,229        | 0        | 39,87,229          |
| *Reduction   | 0                                  | 14,50,000        | 0        | 14,50,000          |
| <b>Net Change</b>  | <b>0</b>                           | <b>25,37,229</b> | <b>0</b> | <b>25,37,229</b>   |
| <b>Indebtedness at the end of<br/>the financial year</b>       |                                    |                  |          |                    |
| i) Principal Amount  | 0                                  | 46,10,000        | 0        | 46,10,000          |
| ii) Interest due but not paid                                  | 0                                  | 0                | 0        | 0                  |
| iii) Interest accrued but not due                              | 0                                  | 1,77,229         | 0        | 1,77,229           |
| <b>Total(i+ii+iii)</b>   | <b>0</b>                           | <b>47,87,229</b> | <b>0</b> | <b>47,87,229</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  | Suvabrata De<br>Managing<br>Director |   |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 4,98,621                             | 0 | 4,98,621     |
|         | (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)   | 4,98,621                             | 0 | 4,98,621     |
|         | Ceiling as per the Act  |                                      |   |              |


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

| Sl. No. | Particulars of Remuneration                    | Name of the Directors |   | Total Amount |
|---------|--|-----------------------|---|--------------|
| 1.      | Independent Directors                          |                       |   |              |
|         | Fee for attending Board and Committee meetings | 0                     | 0 | 0            |
|         | Commission                                     | 0                     | 0 | 0            |
|         | Others, Please specify                         | 0                     | 0 | 0            |
|         | <b>Total (1)</b>                               | 0                     | 0 | 0            |
| 2.      | Other Non Executive Directors                  |                       |   |              |
|         | Fee for attending Board and Committee meetings | 0                     | 0 | 0            |
|         | Commission                                     | 0                     | 0 | 0            |
|         | Others, Please specify                         | 0                     | 0 | 0            |
|         | <b>Total (2)</b>                               | 0                     | 0 | 0            |
|         | <b>Total (B) = (1+2)</b>                       | 0                     | 0 | 0            |
|         | Total Managerial Remuneration                  | 0                     | 0 | 0            |
|         | 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 | Sanjiv Kumar Agarwal<br>CFO | Total        |
| 1.      | Gross Salary  |                          |    |                             |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 0                        | 0  | 4,27,411                    | 4,27,411     |
|         | (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  | 4,27,411                    | 4,27,411     |

**LYONS CORPORATE MARKET LIMITED****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<br>Penalty<br>Punishment<br>Compounding                      |                              |                   | Nil  |                            |                                   |
| B. DIRECTORS<br>Penalty<br>Punishment<br>Compounding                    |                              |                   | Nil  |                            |                                   |
| C. OTHER OFFICERS<br>IN DEFAULT<br>Penalty<br>Punishment<br>Compounding |                              |                   | Nil  |                            |                                   |

For and on behalf of the Board

**Suvabrata De**

Managing Director

(DIN : 07911004)

**Ram Karan Gupta**

Director

(DIN : 00247432)

Kolkata, the 30th day of May, 2019.



**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 2018-2019 Rs.2,27,928

The percentage increase in the median remuneration of employees in the financial year Nil

The Number of permanent employees on the rolls of Company as on 31st March, 2019 8

| Name of Director/KMP                 | Remuneration of Director/KMP for the financial year 2018 - 2019 (Rs.) | Ratio of remuneration to median remuneration of all employees | % increase in remuneration in the financial year year 2018 - 2019 |
|--------------------------------------|---|---|---|
| <b>Executive Director</b>            |   |   |   |
| Mr Suvabrata De<br>Managing Director | 4,98,621  | 2.19 : 1  | 1.52  |
| <b>Non - Executive Director</b>      |   |   |   |
| Mr Krishna Awatar Agarwal (*)        | Nil   | N.A.  | N.A.  |
| Ms Madhumita Tapader                 | Nil   | N.A.  | N.A.  |
| <b>Independent Directors</b>         |   |   |   |
| Mr Ram Karan Gupta                   | Nil   | N.A.  | N.A.  |
| Mr Sushil Kumar Poddar               | Nil   | N.A.  | N.A.  |
| <b>Key Managerial Personnel</b>      |   |   |   |
| Mr Sanjiv Kumar Agarwal - CFO        | 4,27,411  | 1.88 : 1  | 3.52  |

(\*) Mr. Krishna Awatar Agarwal resigned from the Board of Directors of the Company w.e.f 13<sup>th</sup> September, 2018.

**Notes:**

The ratio of remuneration to median remuneration is based on remuneration paid during the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.

**(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. 2018-19 was Nil and its comparison with the percentile increase in the managerial remuneration was 2.44%.

**(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, 2019**

**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 |
|----------------------|-------------------|------------------------------|-------------------------------|------------------------------------|---------------|---|
| Suvabrata De         | Managing Director | 4,98,621                     | B.Com (H) & 14 Years          | 18-08-2017                         | 22-12-1978    | Aditya Translink (P) Limited                    |
| Sanjiv Kr Agarwal    | CFO               | 4,27,411                     | B.Com (H) & 23 Years          | 01-08-2017                         | 19-06-1970    | Chariot Eximp Ltd                               |
| Prithwis Gupta       | Staff             | 3,21,387                     | B.SC & 35 Years               | 01-06-2015                         | 28-05-1957    | N.A.  |
| Sandip Dutta         | Staff             | 2,77,733                     | B.Com & 7 Years               | 15-04-2016                         | 06-01-1979    | N.A.  |
| Rajesh Mallick       | Staff             | 1,78,122                     | Under Gradute & 18 Years      | 01-04-2001                         | 21-03-1980    | N.A.  |
| Pradip Kumar Shaw    | Staff             | 1,69,997                     | Under Gradute & 9 Years       | 01-03-2010                         | 25-10-1980    | N.A.  |
| Vaibhav Baid         | Staff             | 1,60,000                     | B.Tech & 12 Years             | 01-11-2016                         | 17-04-1983    | N.A.  |
| Arabindo Ghosh       | Staff             | 1,43,247                     | Under Gradute & 7 Years       | 01-04-2012                         | 21-03-1988    | 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.

For and on behalf of the Board  
**Suvabrata De**  
Managing Director  
(DIN : 07911004)  
**Ram Karan Gupta**  
Director  
(DIN : 00247432)

Kolkata, the 30th day of May, 2019.



DIPIKA JAIN  
COMPANY SECRETARY

51, NALINI SETT ROAD  
5<sup>TH</sup> FLOOR, ROOM NO 19  
KOLKATA – 700 007  
TEL NO: 2259-7715/7716  
email id: csjaindipika@gmail.com

**FORM No MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

[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's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 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, 2019 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, 2018; (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, 2018. (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 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.**
- ii) **The Company has not appointed Company Secretary as required under section 203 of the Companies Act, 2013.**

**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. The Changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views, 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.

**Place: Kolkata**  
**Dated: 30th May, 2019**

**Company Secretary in practice : Dipika Jain**  
**ACS No : 50343**  
**C.P.No. : 18466**

**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.





DIPIKA JAIN  
COMPANY SECRETARY

**LYONS CORPORATE MARKET LIMITED**

51, NALINI SETT ROAD  
5<sup>TH</sup> FLOOR, ROOM NO 19  
KOLKATA – 700 007  
TEL NO: 2259-7715/7716  
email id: csjaindipika@gmail.com

**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: 30th May, 2019**

**Company Secretary in practice : Dipika Jain**  
**ACS No : 50343**  
**C.P.No. : 18466**



**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 Ltd. ( 'the company')** (CIN: L74140WB1994PLC061497) which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, 2019;
- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Information other than the Financial Statement and Auditor's Report thereon**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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



accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **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, we give in the Annexure "IA", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure IB", and
  - g) With respect to the matters to be included in the Auditor's Report under section 197 (16) :

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provision of Section 197 of the Act.
  - h) With respect to the matter to be included in the Auditors' Report under in accordance with Rule 11 of the Companies (Audit and Aitors) 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 Statements.
    - 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.

Place : Kolkata

The 30th day of May, 2019

For Mandawewala & Co.  
Chartered Accountants  
(Firm Registration No. 322130E)  
CA.Hemant Agarwal  
Partner  
Membership No. 313439



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

The Annexure referred to in Independent Auditor’s Report to the members of on the financial statements for the year ended 31st March, 2019, we report 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) Stock of securities physically lying with the company has been verified by the management at reasonable intervals. The company used to maintain proper records of inventory during the year. No material discrepancies had been noticed on such verification.
- 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) As explained to us, the Provident Fund Scheme and Employees’ State Insurance Scheme are not applicable to the Company. The Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Goods and Service Tax, 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, 2019 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 government during the year. The Company does not have any outstanding debentures during the year. Hence clause 3(viii) of the Order is not applicable.



- 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) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided any amount for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 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) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

Place : Kolkata

The 30th day of May, 2019

For Mandawewala & Co.  
*Chartered Accountants*  
(Firm Registration No. 322130E)  
CA.Hemant Agarwal  
*Partner*  
Membership No. 313439



**ANNEXURE - "IB" 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, 2019 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, 2019, 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, 2019

For Mandawewala & Co.  
*Chartered Accountants*  
(Firm Registration No. 322130E)  
CA.Hemant Agarwal  
*Partner*  
Membership No. 313439



**LYONS CORPORATE MARKET LIMITED****Balance Sheet As At 31st March, 2019**

Amount in Rupees

| <b>PARTICULARS</b>             | <b>Notes</b> | <b>As at<br/>31-03-2019</b> | <b>As at<br/>31-03-2018</b> |
|--------------------------------|--------------|-----------------------------|-----------------------------|
| <b>EQUITY AND LIABILITIES</b>  |              |                             |                             |
| <b>Shareholders' Funds</b>     |              |                             |                             |
| Share Capital                  | 1            | 4,78,20,259                 | 4,78,20,259                 |
| Reserves and Surplus           | 2            | (79,74,312)                 | (57,95,043)                 |
|                                |              | <u>3,98,45,947</u>          | <u>4,20,25,216</u>          |
| <b>Non-Current Liabilities</b> |              |                             |                             |
| Deferred Tax Liabilities (Net) | 3            | 2,70,338                    | 2,57,327                    |
|                                |              | <u>2,70,338</u>             | <u>2,57,327</u>             |
| <b>Current Liabilities</b>     |              |                             |                             |
| Short Term Borrowings          | 4            | 46,10,000                   | 22,50,000                   |
| Other Current Liabilities      | 5            | 3,82,315                    | 1,63,331                    |
| Short Term Provisions          | 6            | 5,117                       | 5,117                       |
|                                |              | <u>49,97,432</u>            | <u>24,18,448</u>            |
| <b>TOTAL</b>                   |              | <u><b>4,51,13,717</b></u>   | <u><b>4,47,00,991</b></u>   |
| <b>ASSETS</b>                  |              |                             |                             |
| <b>Non-Current Assets</b>      |              |                             |                             |
| Property, Plant & Equipment    | 7            | 17,77,845                   | 18,19,470                   |
| Non Current Investments        | 8            | 3,24,19,200                 | 3,24,19,200                 |
| Long Term Loans and Advances   | 9            | 17,29,041                   | 17,29,041                   |
|                                |              | <u>3,59,26,086</u>          | <u>3,59,67,711</u>          |
| <b>Current Assets</b>          |              |                             |                             |
| Inventories                    | 10           | 54,00,000                   | 54,00,000                   |
| Cash and Cash Equivalents      | 11           | 10,02,398                   | 7,24,592                    |
| Short Term Loans and Advances  | 12           | 25,26,644                   | 23,56,698                   |
| Other Current Assets           | 13           | 2,58,589                    | 2,51,990                    |
|                                |              | <u>91,87,631</u>            | <u>87,33,280</u>            |
| <b>TOTAL</b>                   |              | <u><b>4,51,13,717</b></u>   | <u><b>4,47,00,991</b></u>   |

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

**1 to 22****For MANDAWEWALA & CO.**

Chartered Accountants  
Firm Registration No. 322130E  
CA.Hemant Agarwal  
Partner  
Membership No. 313439  
Kolkata, the 30th day of May,2019.

For and on behalf of the Board

Suvabrata De  
Managing Director  
(DIN : 07911004)

Ram Karan Gupta  
Director  
(DIN : 00247432)

Sanjiv Kumar Agarwal  
CFO


**Statement of Profit & Loss For The Year Ended 31st March, 2019**

Amount in Rupees

| PARTICULARS   | Notes | For the<br>Year Ended<br>2019 | For the<br>Year Ended<br>2018 |
|---|-------|-------------------------------|-------------------------------|
| <b>INCOME</b>   |       |                               |                               |
| Revenue from Operations                                       | 14    | 2,19,307                      | 2,19,307                      |
| Other Income  | 15    | 9,52,115                      | 9,12,021                      |
| <b>Total Revenue</b>  |       | <b>11,71,422</b>              | <b>11,31,328</b>              |
| <b>EXPENSES</b>   |       |                               |                               |
| Changes in Inventories  | 16    | -                             | -                             |
| Employee Benefits Expense                                     | 17    | 22,90,011                     | 21,57,970                     |
| Finance Costs   | 18    | 1,96,922                      | 1,27,343                      |
| Depreciation Expense  | 7     | 41,625                        | 41,625                        |
| Other Expenses  | 19    | 8,53,515                      | 12,51,157                     |
| <b>Total Expenses</b>   |       | <b>33,82,073</b>              | <b>35,78,095</b>              |
| <b>Profit before Tax</b>                                      |       | <b>(22,10,651)</b>            | <b>(24,46,767)</b>            |
| <b>Tax Expenses</b>   |       |                               |                               |
| a. Current Tax  |       | -                             | -                             |
| b. Deferred Tax   |       | 13,011                        | (26,369)                      |
| c. Income Tax for Earlier Years                               |       | (44,393)                      | 740                           |
| <b>Profit/(Loss) for the year</b>                             |       | <b>(21,79,269)</b>            | <b>(24,21,138)</b>            |
| Earnings Per Equity Share of Rs.10/- each - Basic and Diluted | 20    | (0.47)                        | (0.52)                        |

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

**1 to 22**
**For MANDAWEWALA & CO.**

 Chartered Accountants  
 Firm Registration No. 322130E  
 CA.Hemant Agarwal  
 Partner  
 Membership No. 313439  
 Kolkata, the 30th day of May,2019.

For and on behalf of the Board

 Suvabrata De  
 Managing Director  
 (DIN : 07911004)

 Ram Karan Gupta  
 Director  
 (DIN : 00247432)

 Sanjiv Kumar Agarwal  
 CFO

**LYONS CORPORATE MARKET LIMITED****Cash Flow Statement For The Year Ended 31st March, 2019**

|   |          |             | Amount in Rupees |             |
|---|----------|-------------|------------------|-------------|
|   | 2019     | 2019        | 2018             | 2018        |
| <b>A. Cash Flow from Operating Activities</b>               |          |             |                  |             |
| Net Profit /(Loss) Before Tax                               |          | (22,10,651) |                  | (24,46,767) |
| Adjustment for :  |          |             |                  |             |
| Depreciation  | 41,625   |             | 41,625           |             |
| Interest Paid   | 1,96,922 |             | 1,27,343         |             |
| Interest on Income Tax Refund                               | (17,853) |             | 0                |             |
| Bad Debts   | 0        |             | 61,226           |             |
| Contingent provision against Standard Assets written back   | 0        | 2,20,694    | (21)             | 2,30,173    |
| Operating profit/(Loss) before working capital changes      |          | (19,89,957) |                  | (22,16,594) |
| Adjustment for :  |          |             |                  |             |
| Inventories   | 0        |             | 0                |             |
| Other Current Assets  | (6,599)  |             | (1,707)          |             |
| Other Current Liabilities                                   | 2,18,984 | 2,12,385    | (2,01,208)       | (2,02,915)  |
| Cash generated from Operations                              |          | (17,77,572) |                  | (24,19,509) |
| Less : Tax Paid   | (91,200) | (91,200)    | (91,940)         | (91,940)    |
| Net Cash from Operating Activities                          |          | (18,68,772) |                  | (25,11,449) |
| <b>B. Cash Flow From Investing Activities</b>               |          |             |                  |             |
| Purchase of Investments                                     |          | 0           |                  | 0           |
| Net cash used in investing activities                       |          | 0           |                  | 0           |
| <b>C. Cash Flow from Financing Activities</b>               |          |             |                  |             |
| Loan Given  |          | (2,13,422)  |                  | (1,01,435)  |
| Loan Taken  |          | 23,60,000   |                  | 22,50,000   |
| Net Cash from Financing Activities                          |          | 21,46,578   |                  | 21,48,565   |
| Net Increase/(Decrease) in cash and cash equivalent (A+B+C) |          | 2,77,806    |                  | (3,62,884)  |
| Opening Balance of Cash and Cash Equivalents                |          | 7,24,592    |                  | 10,87,477   |
| Closing Balance of Cash and Cash Equivalents                |          | 10,02,398   |                  | 7,24,592    |
| <b>Cash and Cash Equivalents at the end of the year</b>     |          |             |                  |             |
| Cash in Hand  |          | 4,31,574    |                  | 4,62,429    |
| Balances with Scheduled Banks on Current Accounts           |          | 5,70,824    |                  | 2,62,163    |
|   |          | 10,02,398   |                  | 7,24,592    |

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".

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

**1 to 22**

**For MANDAWEWALA & CO.**

Chartered Accountants  
Firm Registration No. 322130E  
CA.Hemant Agarwal  
Partner  
Membership No. 313439  
Kolkata, the 30th day of May,2019.

For and on behalf of the Board

Suvabrata De  
Managing Director  
(DIN : 07911004)

Ram Karan Gupta  
Director  
(DIN : 00247432)

Sanjiv Kumar Agarwal  
CFO

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



Amount in Rupees

| PARTICULARS  | As at<br>31-03-2019 | As at<br>31-03-2018 |
|--|---------------------|---------------------|
| <b>NOTE 1 : SHARE CAPITAL</b>  |                     |                     |
| <b>Authorised</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>Issued and Subscribed</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>Paid up</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 31-03-2019 |                    | As at 31-03-2018 |                    |
|-------------------------------|------------------|--------------------|------------------|--------------------|
|                               | 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        |              |
|----------------------------|--------------|--------------|
|                            | 31-03-2019   | 31-03-2018   |
|                            | 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  
31-03-2019**      **As at  
31-03-2018****NOTE 2 : RESERVES AND SURPLUS****Statutory Reserve (Reserve Fund as per Section 45-IC  
of the Reserve Bank of India Act, 1934)**

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Opening Balance                | 29,59,400        | 29,59,400        |
| Add : Transferred from Surplus | 0                | 0                |
| Closing Balance                | <u>29,59,400</u> | <u>29,59,400</u> |

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

|   |                      |                    |
|---|----------------------|--------------------|
| Opening Balance   | (87,54,443)          | (63,33,305)        |
| Add : Net Profit / (Loss) after tax from Statement of Profit & Loss | (21,79,269)          | (24,21,138)        |
| Amount available for appropriation                                  | <u>(1,09,33,712)</u> | <u>(87,54,443)</u> |

**Less : Appropriations**

|                               |                      |                    |
|-------------------------------|----------------------|--------------------|
| Transfer to Statutory Reserve | 0                    | 0                  |
| <b>Closing Balance</b>        | <u>(1,09,33,712)</u> | <u>(87,54,443)</u> |
| <b>Total</b>                  | <u>(79,74,312)</u>   | <u>(57,95,043)</u> |

**NOTE 3 : DEFERRED TAX LIABILITIES**

|                      |                 |                 |
|----------------------|-----------------|-----------------|
| Opening Balance      | 2,57,327        | 2,83,696        |
| Changes for the year | 13,011          | (26,369)        |
| Closing Balance      | <u>2,70,338</u> | <u>2,57,327</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 : SHORT TERM BORROWINGS (Unsecured)**

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| Loan Taken from Related Party | 46,10,000        | 22,50,000        |
| <b>Total</b>                  | <u>46,10,000</u> | <u>22,50,000</u> |

**NOTE 5 : OTHER CURRENT LIABILITIES**

|  |                 |                 |
|--|-----------------|-----------------|
| Interest Accrued and due on borrowings | 1,77,229        | 0               |
| Statutory Liabilities                  | 22,405          | 14,113          |
| Liabilities for Expenses               | 1,66,137        | 1,28,953        |
| Other Payables                         | 16,544          | 20,265          |
| <b>Total</b>                           | <u>3,82,315</u> | <u>1,63,331</u> |

**NOTE 6 : SHORT TERM PROVISIONS**

|   |              |              |
|---|--------------|--------------|
| Contingent Provision on Standard Assets         |              |              |
| Opening Balance                                 | 5,117        | 5,138        |
| Add : Provision made/(Reversed) during the year | 0            | (21)         |
| <b>Total</b>                                    | <u>5,117</u> | <u>5,117</u> |

**Notes Forming Part of the Financial Statements**

Amount in Rupees

**NOTE 7 : PROPERTY, PLANT & EQUIPMENT**

| Particulars         | GROSS BLOCK         |           |                        |                     | DEPRECIATION        |                 |                                |                          | NET BLOCK           |                     |                     |
|---------------------|---------------------|-----------|------------------------|---------------------|---------------------|-----------------|--------------------------------|--------------------------|---------------------|---------------------|---------------------|
|                     | As at<br>01.04.2018 | Additions | Sales /<br>Adjustments | As at<br>31.03.2019 | As at<br>01.04.2018 | For the<br>year | on Sales /<br>Adjust-<br>ments | Transition<br>Adjustment | As at<br>31.03.2019 | As at<br>31.03.2019 | As at<br>31.03.2018 |
| *Office Premises    | 22,57,005           | 0         | 0                      | 22,57,005           | 4,37,540            | 41,625          | 0                              | 0                        | 4,79,165            | 17,77,840           | 18,19,465           |
| 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>        | 29,25,656           | 0         | 0                      | 29,25,656           | 11,06,186           | 41,625          | 0                              | 0                        | 11,47,811           | 17,77,845           | 18,19,470           |
| Previous Year       | 29,25,656           | 0         | 0                      | 29,25,656           | 10,64,561           | 41,625          | 0                              | 0                        | 11,06,186           | 18,19,470           | 18,61,095           |

\* Please refer note no. 22(d) (ii)




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

Amount in Rupees

| PARTICULARS   |                   | As at<br>31-03-2019 | As at<br>31-03-2018 |
|---|-------------------|---------------------|---------------------|
| <b>NOTE 8 : NON CURRENT INVESTMENT (Valued at cost unless otherwise stated)</b>             |                   |                     |                     |
| <b>Investment in Equity Shares</b>  | <b>Face Value</b> |                     |                     |
| <b>Equity Quoted</b>  |                   |                     |                     |
| <b><u>INVESTMENT IN OTHERS</u></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                                  |                   | <u>43,22,500</u>    | <u>43,22,500</u>    |
|   |                   | 21,77,500           | 21,77,500           |
| 2,80,000 (P.Y.2,80,000) Fully Paid up Equity Shares of Siddheswari Garments Limited         |                   | <u>8,54,000</u>     | <u>8,54,000</u>     |
| <b>SUB TOTAL (A)</b>  |                   | <u>30,31,500</u>    | <u>30,31,500</u>    |
| <b><u>EQUITY (Unquoted)</u></b>   |                   |                     |                     |
| <b><u>INVESTMENT IN ASSOCIATE COMPANIES :-</u></b>  |                   |                     |                     |
| Fully Paid Up Equity Shares of Class - B of Aditya Translink (P) Limited (P.Y. 29,15,000)   | Rs.10             | 0                   | 58,30,000           |
| <b>SUB TOTAL (B)</b>  |                   | <u>0</u>            | <u>58,30,000</u>    |
| <b><u>Investment in Others :</u></b>  |                   |                     |                     |
| 29,15,000 Fully Paid up Equity Shares of Class - B of Aditya Translink (P) Limited          | Rs.10             | 58,30,000           | 0                   |
| 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 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. 4,50,470) Fully paid up Equity Shares of Celestial Consultants (P) Limited   | Rs.10             | 45,04,700           | 45,04,700           |
| 4,50,470 (P.Y. 4,50,470) Fully paid up Equity Shares of Millennium Holdings (P) Limited     | Rs.10             | <u>45,04,700</u>    | <u>45,04,700</u>    |
| <b>SUB TOTAL (C)</b>  |                   | <u>2,93,87,700</u>  | <u>2,35,57,700</u>  |
| <b>Total (A+B+C)</b>  |                   | <u>3,24,19,200</u>  | <u>3,24,19,200</u>  |
| <b>Aggregate Amount of Quoted Investment</b>  |                   | 30,31,500           | 30,31,500           |
| <b>Aggregate Market Value of Quoted Investment</b>  |                   | 41,37,500           | 41,37,500           |
| <b>Aggregate Amount of UnQuoted Investment</b>  |                   | 2,93,87,700         | 2,93,87,700         |

**LYONS CORPORATE MARKET LIMITED**

**Notes Forming Part of the Financial Statements**

Amount in Rupees

| PARTICULARS  | As at<br>31-03-2019                    | As at<br>31-03-2018                    |
|--|--|--|
| <b>NOTE 9 : LONG TERM LOANS AND ADVANCES</b>   |  |  |
| (Unsecured, Considered goods)  |  |  |
| <b>Advances</b>  |  |  |
| Other Advances   | 17,29,041                              | 17,29,041                              |
| <b>Total</b>   | <u>17,29,041</u>                       | <u>17,29,041</u>                       |
| <b>NOTE 10 : INVENTORIES</b>   |  |  |
| Stock in Trade (Shares)  | 54,00,000                              | 54,00,000                              |
| (Stock in trade of Securities is valued at cost or Net Realizable Value)             |  |  |
| <b>Total</b>   | <u>54,00,000</u>                       | <u>54,00,000</u>                       |
| <b>NOTE 11 : CASH AND CASH EQUIVALENTS</b>   |  |  |
| Balances with banks in Current Accounts  | 5,70,824                               | 2,62,163                               |
| Cash on Hand (as certified by management)  | 4,31,574                               | 4,62,429                               |
| <b>Total</b>   | <u>10,02,398</u>                       | <u>7,24,592</u>                        |
| <b>NOTE 12 : SHORT TERM LOANS AND ADVANCES</b>                                       |  |  |
| <i>(Unsecured, Considered Good)</i>  |  |  |
| Loan to Others   | 18,27,560                              | 18,27,560                              |
| Advance to Staff   | 16,500                                 | 0                                      |
| Advance Income Tax & TDS   | 6,82,584                               | 5,29,138                               |
| (Net of Provisions as at 31st March 2019 Rs.Nil-, as at 31st March 2018 Rs.89,000/-) |  |  |
| <b>Total</b>   | <u>25,26,644</u>                       | <u>23,56,698</u>                       |
| <b>NOTE 13 : OTHER CURRENT ASSETS</b>  |  |  |
| Accruals :   |  |  |
| Interest accrued on Loans  | 2,19,307                               | 2,19,307                               |
| Prepaid Expenses   | 22,738                                 | 12,418                                 |
| Receivable from others   | 16,544                                 | 20,265                                 |
| <b>Total</b>   | <u>2,58,589</u>                        | <u>2,51,990</u>                        |
|  | <b>For the<br/>Year Ended<br/>2019</b> | <b>For the<br/>Year Ended<br/>2018</b> |
| <b>NOTE 14 : REVENUE FROM OPERATIONS</b>   |  |  |
| Interest received on Loan  | 2,19,307                               | 2,19,307                               |
| <b>Total</b>   | <u>2,19,307</u>                        | <u>2,19,307</u>                        |
| <b>NOTE 15 : OTHER INCOME</b>  |  |  |
| Rent Received  | 9,12,000                               | 9,12,000                               |
| Contingent provision on Standard Assets Written Back                                 | 0                                      | 21                                     |
| Liabilities Written Back   | 22,262                                 | 0                                      |
| Interest on Income Tax Refund  | 17,853                                 | 0                                      |
| <b>Total</b>   | <u>9,52,115</u>                        | <u>9,12,021</u>                        |
| <b>NOTE 16 : CHANGES IN INVENTORIES</b>  |  |  |
| Inventories at the beginning of the year :   |  |  |
| Stock in trade   | 54,00,000                              | 54,00,000                              |
| Inventories at the end of the year :   |  |  |
| Stock in trade   | 54,00,000                              | 54,00,000                              |
| Net Increase / (decrease) in stock   | <u>0</u>                               | <u>0</u>                               |



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

Amount in Rupees

| PARTICULARS  | For the<br>Year Ended<br>2019 | For the<br>Year Ended<br>2018 |
|--|-------------------------------|-------------------------------|
| <b>NOTE 17 : EMPLOYEE BENEFIT EXPENSES</b>   |                               |                               |
| Salaries, Wages and Bonus  | 21,76,518                     | 20,48,217                     |
| Staff Welfare Expenses   | 1,13,493                      | 1,09,753                      |
| <b>Total</b>   | <b>22,90,011</b>              | <b>21,57,970</b>              |
| <b>NOTE 18 : FINANCE COST</b>  |                               |                               |
| Interest Paid on Loan  | 1,96,922                      | 1,26,922                      |
| Interest on Others   | 0                             | 421                           |
| <b>Total</b>   | <b>1,96,922</b>               | <b>1,27,343</b>               |
| <b>NOTE 19 : OTHER EXPENSES</b>  |                               |                               |
| Advertisement Expenses   | 5,242                         | 1,323                         |
| Bank Charges   | 4,089                         | 7,393                         |
| Bad Debts  | 0                             | 61,226                        |
| Certification Fees   | 0                             | 47,000                        |
| Conveyance Expenses  | 1,078                         | 475                           |
| Custodial Fees   | 21,246                        | 20,748                        |
| CIC Fees   | 57,784                        | 0                             |
| Demat Charges  | 649                           | 518                           |
| Directors Fees   | 0                             | 15,000                        |
| Donation & Subscription Expenses   | 0                             | 5,000                         |
| Entertainment Expenses   | 3,327                         | 3,646                         |
| E-Voting Charges   | 15,683                        | 15,681                        |
| Filing Fees  | 3,600                         | 8,400                         |
| General Expenses   | 14,776                        | 7,114                         |
| Interest on Listing Fees   | 0                             | 46,764                        |
| Listing Fees   | 3,15,650                      | 6,68,464                      |
| Late Fees on Professional Tax  | 200                           | 0                             |
| Municipal Taxes  | 39,728                        | 39,728                        |
| Postage & Telegram   | 62,042                        | 57,163                        |
| Printing & Stationery  | 68,853                        | 61,933                        |
| Professional Fees  | 1,50,360                      | 25,000                        |
| Rates & Taxes  | 4,650                         | 15,872                        |
| Repairs & Maintenance  | 0                             | 38,140                        |
| Revocation of Suspension Fees  | 0                             | 20,060                        |
| Share Transfer Registrar Fees  | 23,600                        | 23,450                        |
| Secretarial Audit Fees   | 7,500                         | 7,500                         |
| Telephone Charges  | 30,448                        | 30,550                        |
| <b>Auditors Remuneration :</b>   |                               |                               |
| Statutory Audit  | 8,260                         | 8,260                         |
| Other Capacities   | 2,950                         | 2,950                         |
| Internal Audit Fees  | 11,800                        | 11,800                        |
| <b>TOTAL</b>   | <b>8,53,515</b>               | <b>12,51,157</b>              |
| <b>NOTE 20 :</b>   |                               |                               |
| <b>EARNINGS PER SHARE (EPS)</b>  |                               |                               |
| Net profit for the year  | (21,79,269)                   | (24,21,138)                   |
| <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.)                            | (0.47)                        | (0.52)                        |



**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 21 : 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) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation. Depreciation on Property, Plant and Equipment 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 decline is other than temporary.

**f) Stock in Trade**

Stock in trade is valued at cost or Net Realizable Value whichever is lower.

**g) Asset classification and provisioning:**

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

| <b>Particulars</b>    | <b>Criteria</b>   |
|-----------------------|---|
| 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 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.

**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**

Leave Encashment Benefits – Accumulated leave are not generally allowed to be encashed as a matter of Policy of the Company. However, in exceptional cases and at the discretion of the Management leave encashment is granted and the same is accounted for cash basis.

Post-Employment Benefits / Other Employment Benefits - Employees benefits of Short Term nature are recognized as expense as and when it accrues. Long term and post-employment benefit is recognized as expenses as and when it accrues.

**NOTE 22 : 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.


**Notes Forming Part of the Financial Statements**
**d) Contingent Liability**

The Company has provided following securities to Central Bank of India for various credit facilities sanctioned upto a maximum amount of Rs. 27.07 Crores (P.Y. 27.07 Crores) to Aditya Translink Pvt Ltd :-

- i) Corporate Guarantee of Rs. 4.42 Crores
- ii) Equitable Mortgage on its office premises at Kolkata as collateral security.

e) 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.

**f) Related party disclosures**

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

| <u>i. List of Related Parties:</u> | <u>Nature of Relationship:</u>               |
|------------------------------------|--|
| DIPL Computers Pvt. Ltd.           | Significant Influence                        |
| Mr Suvabrata De                    | Key Management Personnel (Designation : MD)  |
| Mr Sanjiv Kumar Agarwal            | Key Management Personnel (Designation : CFO) |

**ii. a) Transactions with Related Parties :-**

| Type of related parties | Description of the Nature of the transactions                         | Volume of transactions during 2018 - 2019 (Rs.) | Volume of transactions during 2017 - 2018 (Rs.) | Amount Outstanding as on |                      |
|-------------------------|---|---|---|--------------------------|----------------------|
|                         |   |   |   | 31-03-2019 (Rs.)         | 31-03-2018 (Rs.)     |
| Significant Influence   | LOAN<br>Repayment of Principal<br>Loan taken<br>Interest Paid (Gross) | 14,50,000/-<br>38,10,000/-<br>1,96,922/-        | NIL<br>22,50,000/-<br>1,26,922/-                | 47,87,229/-<br>(Cr.)     | 22,50,000/-<br>(Cr.) |

- b) Remuneration paid to Managing Director
- c) Remuneration paid to CFO

| <b>F.Y. 2018 - 2019</b> | <b>F.Y. 2017 - 2018</b> |
|-------------------------|-------------------------|
| Rs.4,98,621/-           | Rs.2,86,497/-           |
| Rs.4,27,411/-           | Rs.2,75,248/-           |

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

- g) Inventories representing Stock in trade amounting to Rs. 54,00,000/- comprise of 54000, 6% Redeemable Non-Cumulative Participating Preference Shares of Aditya Translink Private Limited of Rs.100/- each. The same was due for redemption on 30<sup>th</sup> March, 2019. Intimation for claiming redemption was received by the Company from Aditya Translink Private Limited. However, the amount due on such redemption could not be received by the Company till the Balance Sheet date due to some formalities pending, being a part of procedure of redemption. The same is under process and the Company is likely to receive the due amount immediately after the completion of such formalities.
- h) As per the Master Direction- Non – Banking Financial Company – Non- Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016, the company has made a provision of 0.25% against Standard Assets.
- i) 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 have been suspended by Bombay Stock Exchange.
- j) The Company has not appointed Company Secretary as required under section 203 of the Companies Act, 2013.
- k) 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".



**l) Additional Information:**

- (i) Value of Import on CIF basis is Rs Nil ( Previous year Rs Nil)
- (ii) Expenditure in Foreign Currency is Rs Nil (Previous year Rs Nil)
- (iii) Earnings in Foreign Currency is Rs Nil (Previous year Rs Nil)
- (iv) Amount remitted on account of dividends in Foreign Currency is Rs Nil (Previous year Rs Nil)

**m) Events Occurring after Balance Sheet Date**

No significant events which could affect the financial position as on 31-03-2019 to a material extent have been occurred after balance sheet date till the signing of the same.

**n) Exceptional and Extraordinary items**

During the year the company has not debited/ credited any items of exceptional/ extraordinary nature.

o) Previous years figure have been recasted / restated to confirm to the classification of the current period.

p) All the amounts have been stated in Rs. unless otherwise stated.

Notes forming part of the Financial Statements

**1 to 22**

As per our Report of even date

**For MANDAWEWALA & CO.**

Chartered Accountants

Firm Registration No. 322130E

CA.Hemant Agarwal

Partner

Membership No. 313439

Kolkata, the 30th day of May,2019.

For and on behalf of the Board

Suvabrata De  
Managing Director  
(DIN : 07911004)

Ram Karan Gupta  
Director  
(DIN : 00247432)

Sanjiv Kumar Agarwal  
CFO

**LYONS CORPORATE MARKET LIMITED**

**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>        |   | (Rs in Lakhs)             |                       |
|---------------------------|---|---------------------------|-----------------------|
| <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>  | 47.87                     | -                     |
|                           | (e) <i>Commercial Paper</i>   |                           |                       |
|                           | (f) <i>Public Deposits *</i>  | -                         |                       |
|                           | (g) <i>Other Loans (Specify Nature)</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>  | 37.92                     | -                     |
| 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>  |                           | -                     |



|  |  |  |
|--|--|--|
|  | <p>2. Unquoted :</p> <p>i) Share: (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (please specify)</p> <p>Long Term Investments:</p> <p>1. Quoted :</p> <p>(i) Share: (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (please specify)</p> <p>2. Unquoted : (a) Equity<br/>(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (please specify)</p> | <p>-</p> <p>54.00</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>30.32</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>293.88</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> |
|--|--|--|

**6. Borrower group - wise classification of assets financed as in (3) and (4) above :  
Please see note 2 below :**

| 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   | -                        | 37.87     | 37.87 |
| <b>Total</b>                    | -                        | 37.87     | 37.87 |

**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/<br>Break-up or<br>fair value or NAV | Book Value<br>(Net of<br>Provision) |
|---------------------------------|---|-------------------------------------|
| 1. Related Parties**            |   |                                     |
| (a) Subsidiaries                | -   | -                                   |
| (b) Companies in the same group | -   | -                                   |
| (c) Other related parties       | -   | -                                   |
| 2. Other than related parties   | 2210.22   | 319.89                              |
| <b>Total</b>                    | 2210.22   | 319.89                              |

\*\* As per Accounting Standard of ICAI (Please see note 3)



|    |  |   |
|----|--|---|
| 8. | <i>Other information</i><br><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> | - |

*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.*

**For MANDAWEWALA & CO.**

Chartered Accountants  
 Firm Registration No. 322130E  
 CA.Hemant Agarwal  
 Partner  
 Membership No. 313439  
 Kolkata, the 30th day of May,2019.

For and on behalf of the Board

Suvabrata De  
 Managing Director  
 (DIN : 07911004)

Ram Karan Gupta  
 Director  
 (DIN : 00247432)

Sanjiv Kumar Agarwal  
 CFO



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