

Ref: 164/SECT/BSE/2017 – 18

Date: September 23, 2017

To
The BSE Limited
Rotunda Building
Pheroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001

Sub: Annual Report of LANCOR HOLDINGS LIMITED duly approved and adopted at the AGM

Ref.: Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

LANCOR HOLDINGS LIMITED, ISIN: INE572G01025

Dear Sir,

Pursuant to the Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the 32nd Annual Report of our company i.e., Lancor Holdings Limited duly approved and adopted by the Shareholders at the Annual General Meeting (AGM) of the Company held on Friday, September 22, 2017 at the Quality Inn Sabari, No: 29, Thirumalai Pillai Road, T. Nagar, Chennai – 600 017 at 02:30 P.M. (IST).

Kindly take the above on record and oblige.

For LANCOR HOLDINGS LIMITED



Dr. V. RAJESH
Company Secretary cum Compliance Officer

Lancor Holdings Limited

VTN Square, 2nd Floor, No: 58 (Old No.104), G.N. Chetty Road,
T.Nagar, Chennai – 600017.

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CIN: L65921TN1985PLC049092



**32nd
ANNUAL
REPORT
2016-17**



BOARD OF DIRECTORS

Sl. No	DIN	Name of the Directors	Position
01.	00259129	Mr. R.V. Shekar	Chairman, Non - Executive & Non - Independent
02.	00004010	Mr. S.V. Venkatesan	Non – Executive & Independent
03.	00172202	Mr. R. Sankaranarayanan	Non – Executive & Independent
04.	00320782	Mr. T.P. Raman	Non – Executive & Independent
05.	01773791	Mr. S. Sridharan	Non – Executive & Non – Independent
06.	03344252	Mrs. Sangeetha Shekar	Non – Executive & Non – Independent

KEY MANAGERIAL PERSONNEL

Sl. No	Name of the Person	Designation
01.	Mrs. Mallika Ravi	Chief Executive Officer
02.	Mr. K. Prakash	Chief Financial Officer (Since March 20, 2017)
03.	Dr. V. Rajesh	Company Secretary & Compliance Officer

Sl. No	BOARD COMMITTEES	Audit Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee	Corporate Social Responsibility Committee
01.	Mr. R. Sankaranarayanan	Chairman cum member			
02.	Mr. S.V. Venkatesan	Member			
03.	Mr. T.P. Raman	Member			

Statutory Auditors	Secretarial Auditors
M/s. G.M. Kapadia & Co., Chartered Accountants, 7A, P.M. Towers, No: 37, Greams Road, Chennai - 600006	M/s. Rabi Narayan & Associates Company Secretaries, "APARAJITA", No.12(Old No.122), Second Floor First Sector, Sixth Street, K.K.Nagar, Chennai 600 078

SOLICITORS

M/s. Raman & Associates, Chennai

BANKERS AND FINANCIAL INSTITUTIONS		Registered Office
S.No	Name of the Bankers	"VTN Square", 2nd floor, No: 58, G.N. Chetty Road, T. Nagar, Chennai – 600017.
01.	M/s. The Catholic Syrian Bank Limited	Share Transfer Agent (STA) Cameo Corporate Service Limited, "Subramanian Buildings" No: 1, Club House Road, Chennai – 600 002.
02.	M/s. City Union Bank Limited	
03.	M/s. Axis Bank Limited	
04.	M/s. HDFC Bank Limited	
05.	M/s. TATA Capital Housing Finance Limited	
06.	M/s. LIC Housing Finance Limited	
07.	M/s. State Bank of India	

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MISSION STATEMENT

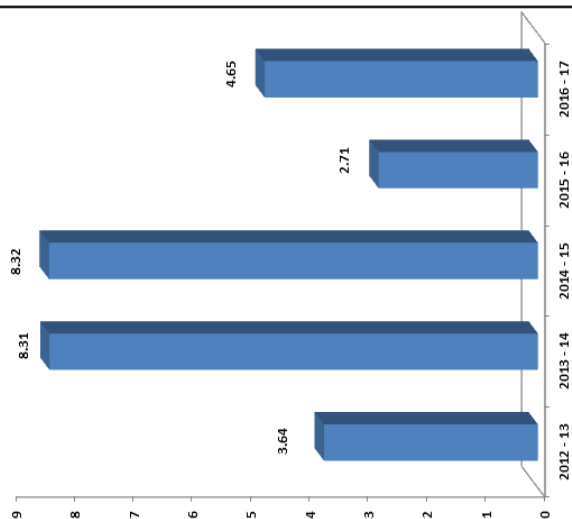
To create profitable developments with enduring value, distinguishing characteristics leading to high customer satisfaction, with full compliance to building standards, rules and regulations.

FINANCIAL HIGHLIGHTS OF LANCOR HOLDINGS LIMITED, ITS SUBSIDIARIES AND INTEREST IN JOINT VENTURE – PARTNERSHIP FIRM (on consolidated basis)

Rs. In Lakhs

S.NO.	PARTICULARS	2016 -2017	2015 -2016	2014-2015	2013-2014	2012-2013
1	CONSTRUCTED AREA (SQ.FT)	45,573	1,51,596	3,36,759	4,78,795	2,60,219
2	CONSTRUCTED AREA LINKED TO SALES (SQ.FT)	95,809	1,41,968	2,97,908	2,61,328	1,91,283
3	INCOME FROM OPERATIONS	4121.12	7,402.80	12,931.06	11,307.32	5,232.94
4	TOTAL INCOME	8372.73	9,627.45	15,126.18	13,654.09	7,931.00
5	EBIDTA	4238.95	3,753.58	5,385.15	5,307.23	2855.35
6	INTEREST	2078.58	2,125.34	2,387.21	2,237.59	1576.45
7	DEPRECIATION	271.85	249.70	326.60	269.44	233.46
8	TAX	6.82	270.59	966.36	1,115.96	276.45
9	NET PROFIT	1881.54	1,097.86	1,683.82	1,683.51	737.84
10	EQUITY SHARE CAPITAL	810.00	810.00	405.00	405.00	405.00
11	NETWORTH	15347.77	14,355.68	13,745.26	12,646.45	11,436.77
12	GROSS FIXED ASSETS	7386.08	11,227.93	10,276.07	10,462.13	10241.27
13	NET FIXED ASSETS	5299.77	9,138.37	8,424.33	8,748.02	8,777.18
14	TOTAL ASSETS	32706.31	39,664.92	38,083.87	38,908.96	32,410.68
15	BOOK VALUE PER SHARE (Rs.)	37.90	35.45	67.88	62.45	56.48
16	TURNOVER PER SHARE (Rs.)	20.67	23.77	74.69	67.42	39.17
17	EARNINGS PER SHARE (Rs.)	4.65	2.71	8.32	8.31	3.64
18	EBIDTA/GROSS TURNOVER (%)	50.63	38.99	35.60	38.87	36.00
19	ROCE (%)	12.26	7.65	12.25	13.31	6.45

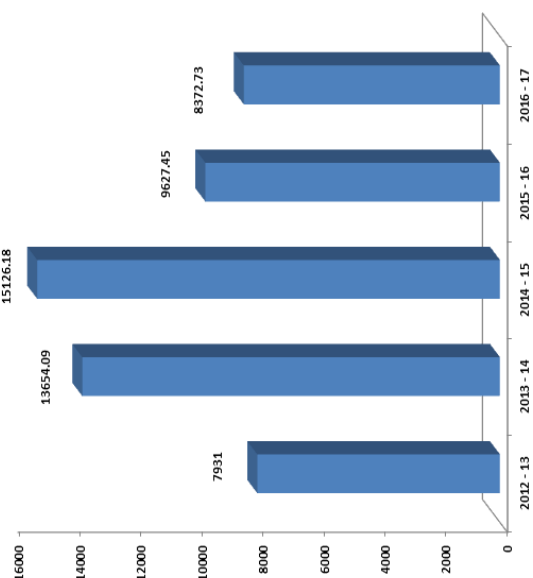
EARNINGS PER SHARE



NET PROFIT (Rs. in Lakh)



TOTAL INCOME (Rs. in Lakh)



DIRECTORS' REPORT TO THE MEMBERS

Dear Member(s),

Your Directors have great pleasure in presenting the 32nd Annual Report on the business and operations of your Company together with Audited financial statement of the Company including consolidated financial statement of the Company for the financial year ended 31st March 2017 and the Auditors' report thereon.

FINANCIAL SUMMARY AND HIGHLIGHTS

(Amount in Rs. Lakhs)

Particulars	Standalone		Consolidated	
	2016 – 17	2015 - 2016	2016 – 17	2015 – 2016
Total Revenue	7956.45	8397.48	8372.73	9627.45
Expenditure	3809.58	5349.88	4133.78	5873.87
EBITDA	4146.87	3047.60	4238.95	3753.58
Interest	2078.58	1616.20	2078.58	2125.34
Depreciation	210.34	234.47	271.85	249.70
Profit / (Loss) before extraordinary items & tax	1857.95	1196.92	1888.52	1378.54
Less Extraordinary items	0	0	0	9.67
Profit / (Loss) after extraordinary items & tax	1857.95	1196.92	1888.52	1368.86
Current tax	0	339.79	8.83	433.37
Deferred tax	14.26	33.28	16.51	24.65
(Excess) / short provision of Tax earlier year	(18.52)	(191.29)	(18.52)	(187.42)
Profit / (Loss) after Tax	1862.21	1015.14	1881.70	1098.27
Minority Interest	0	0	0.15	0.4
Add : Balance brought forward from previous year (includes LGDL & LSDL)	8153.25	7727.08	9118.842	8609.93
Less : Prior year adjustments	-	-	-	-
Available for appropriation	10911.26	8742.22	11625.87	9707.79
Dividend	81	405	81	405
Tax on dividend	16.49	82.45	16.49	82.45
Transfer to General Reserve	-	101.52	-	101.51
Balance Carried to Balance Sheet	10813.76	8153.26	11528.39	9118.84

BUSINESS OUTLOOK FOR LANCOR HOLDINGS LIMITED, ITS SUBSIDIARIES AND ASSOCIATES BUSINESS OVERVIEW

There has been no material change in the nature of business of the company

The demand in the real estate sector continued to be subdued in 2016-17 and the demonetization has completely halted the demand between November 2016 and January 2017. Since February 2017, the enquiries and the site visits have been improved; however the conversions have been slow.

In the last one year, your company has been focusing on liquidating its inventories. A summary of completed/on-going projects has been detailed in the Management Discussion and Analysis Report forming part of the Annual Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF REPORT:

There has been no other material changes and commitment effecting the financial position of the company between the end of the financial year and the date of the report.

FINANCIAL OVERVIEW

STANDALONE

During the financial year 2016-17, the Company has on a standalone basis, registered total revenues of **Rs.79,56,44,708/-** as compared to **Rs. 83,97,48,604/-** in the previous year, a decrease of **5.25%** year on year. However due to effective operations the overall expenditure has reduced from **Rs. 72,00,56,354/-** during previous FY 2015 -16 to **Rs.60,98,49,962/-** in FY 2016 -17, a straight decrease of **15.31%** in expenditure, consequently the Profit before Tax and Profit after Tax have increase by **55.23%** and **83.44%** respectively.

CONSOLIDATED

The consolidated revenues of the Company during the financial year 2016-17 was **Rs.83,72,73,400** a decline of **13.03%** from the previous year. The Profit before Tax was higher by **37.96%** and Profit after Tax was higher (after considering minority interest) by **71.38%** as compared to the financial year 2015-16.

DIVIDEND:

The Board of Directors at its meeting held on 29th May 2017 recommended a final dividend of **0.20** paise per equity share(i.e.,10% on Equity Paid up capital), subject to the approval of the members at the ensuing Annual General Meeting of the Company for the financial year ended 31st March 2017.

The total dividend appropriation (excluding dividend distribution tax) for the current year is Rs.81 lakhs.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, your Company has transferred **Rs.39.35 lakhs** to Lancor Foundation towards meeting of its objective.

Your Company through 'Lancor Foundation' has started initiative with an objective of not only to impart training to the youth at the rural area and also to make them employable.

BOARD OF DIRECTORS AND ITS COMMITTEES

A. Composition of the Board of Directors

The Board of Directors of the Company comprises of Non Executive Chairman who is a promoter of the Company along with him other Five Non-Executive Directors, including Three Independent Directors. The Company also has one Women Director who is also a Non Executive. The composition of the Board of Directors is in compliance with regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Obligations) Regulations 2015 and Section 149 of the Companies Act, 2013.

The Company has received necessary declarations from the Independent Directors under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and as per Regulation of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

B. Meetings

The Board of Directors duly met Eight (08) times during the year, the details of which are given in the Corporate Governance report that forms part of this annual report. In respect of all such meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on February 07, 2017.

C. Re-appointment of Director Retiring by Rotation (1/3 as per AOA no.100)

In terms of Section 152 of the Companies Act, 2013, Mrs. Sangeetha Shekar (DIN-03344252) liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board of Directors based on the recommendation of Nomination, Remuneration Committee, has recommended the re-appointment of Mrs. Sangeetha Shekar (DIN-03344252) retiring by rotation.

Brief resume of the Director proposed to be re-appointed have been provided in the note to the Notice convening the Annual General Meeting. Specific information about the nature of her expertise in specific functional areas and the names of the companies in which she hold Directorship and membership / chairmanship of the Board Committees as per regulation 26 (4) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 have also been included.

D. Committees of the Board

The Constitution and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee were aligned with the requirements of regulations 18 to 22 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as per Companies Act 2013.

A detailed note on the Committees of the Board of Directors is given in the Corporate Governance Report forming part of the Annual Report.

E. Performance Evaluation

Section 134 of the Companies Act, 2013 states that formal evaluation needs to be made by the Board, of its own performance and that of its committees and the individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Directors being evaluated.

Pursuant to the provisions of section 134 (3)(p) of the Companies Act, 2013 and SEBI (LODR) 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 Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. None of the Independent Directors is due for re-appointment.