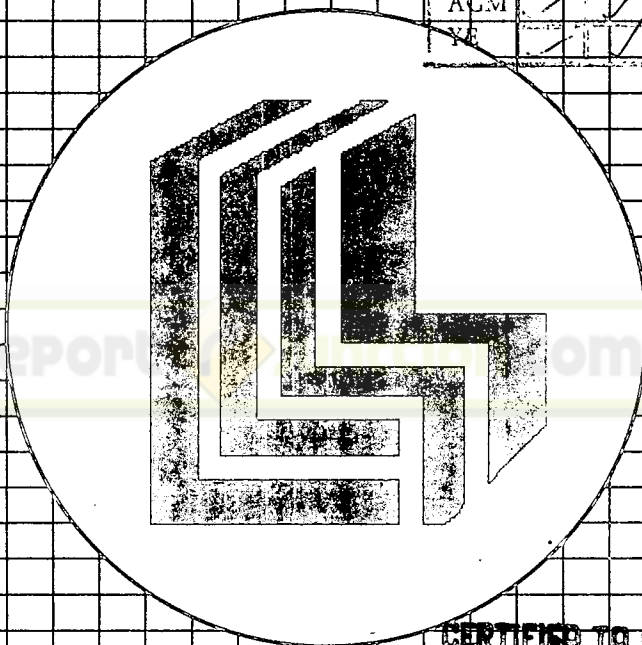


5th
ANNUAL REPORT
1997-98

MD	✓	BKC	✓
CS	NA	DPY	NA
RO	✓	FIN	NA
TRA	NA	SEC	✓
AGM	✓	SHH	✓
YE	✓		✓



CERTIFIED TO BE TRUE COPY
For Lyons Corporate Market Limited

Richard
Asst. Secretary

LYONS CORPORATE MARKET LIMITED





5th Annual Report & Accounts 1997-98

LYONS CORPORATE MARKET LIMITED

BOARD OF DIRECTORS :

Sri Lalit Mehta, Chairman
Sri D. R. Agarwal, Director
Sri A. K. Maheswari, Director

Report Junction.com

AUDITORS :

Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

BANKERS :

Vijaya Bank
State Bank of Travancore

SOLICITORS :

Khaitan & Co.
Advocates & Solicitors

REGISTERED OFFICE :

Chatterjee International Centre
33A, Jawaharlal Nehru Road
18th Floor, Suit No. A-3
Calcutta 700 071

CONTENT

NOTICE	4
DIRECTORS' REPORT	5
AUDITORS' REPORT	8
BALANCE SHEET	11
PROFIT & LOSS A/C.	12
SCHEDULES	13-20
AUDITOR'S CERTIFICATE	21
CASH FLOW STATEMENT	22



NOTICE

NOTICE is hereby given that the Fifth Annual General Meeting of **LYONS CORPORATE MARKET LTD.** will be held on Thursday, the 24th September, 1998 at 11.30 a.m. at The Calcutta Chamber of Commerce Hall, 18-H Park Street, Calcutta - 700 071 to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 1998 and the Profit & Loss Account of the Company for the year ended on March 31, 1998 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri A. K. Maheswari who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution :-

"RESOLVED that clause III of the Memorandum of Association of the Company be and is hereby altered by inserting the following sub clause between clause III (A) (3) and clause III (B) :-

4. To carry on all or any of the business of manufacturers, producers, traders, suppliers, merchant importers and exporters, brokers, stockists, agents, distributors and dealers of and in all kind of engineering goods, hemp, raw jute, jute and every kind of jute products, cotton, handicrafts, readymade garments, chemicals, building materials, plastic products, electric parts and devices, iron & steel products, agricultural implements & products and merchandise of any other description.

CALCUTTA - 700 071
Dated : 31st July, 1998

By Order of the Board
A. K. MAHESWARI
Director

NOTES :

1. A member entitled to attend and vote at the meeting is also entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member of the Company. In order to be effective the Proxy Form must be lodged at least 48 hours before the meeting at the Registered Office of the Company.
2. Attendance Slips duly filled in should be brought in the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September to 24th September, 1998 (both days inclusive).
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the company to keep the information ready.
5. Members are requested to notify immediately any change in their address to the Company.
6. The relative explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 setting out the material facts in respect of the business under item No.4 is annexed hereto.

Explanatory Statement as required by section 173 (2) of the Companies Act, 1956 :-

ITEM NO.4

Your Company has reviewed the market economy and found that business of Merchant Banking has gone down and is no longer lucrative due to sluggishness of the Capital Market for the past two-three years. Due to uncertainty in the above field your Company require your approval, according to section 17 of the Companies Act, 1956, for exploring the possibilities to enter in the area of various trading activities.

The Resolution is recommended for approval of the members.

None of the Directors of the Company is concerned or interested in the Resolution.



DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Fifth Annual Report together with the Audited Accounts of the company for the year ended 31st March 1998.

FINANCIAL RESULTS :

(Rs. in lakhs)

	For the Yr. ended 31.03.98	For the Yr. ended 31.03.97
Gross Income	73.91	89.87
Gross Profit	12.95	40.81
Less : Depreciation	9.09	31.01
Profit before Tax	3.86	9.80
Provision for Taxation	1.70	1.27
Profit after Tax	2.16	8.53
Add : Balance brought forward from previous years.	26.80	6.01
Profit available for Appropriation :	28.96	14.54
Add/(Less) Lease Equalisation Adjustment	0.40	12.26
Less : Dividend for 1995-96	Nil	0.002
Balance Carried Forward	29.36	26.80

DIVIDEND :

Due to insufficient profits, no dividend is recommended.

YEAR OF RETROSPECT :

Gross profit of the Company decreased during the year by 68% to Rs.12.95 lakhs (previous year Rs.40.81 lakhs). After making a provision for depreciation of Rs.9.09 lakhs (previous year Rs.31.01 lakhs) and provision for taxation Rs.1.70 lakhs (previous year Rs. 1.27 lakhs) net profit was Rs. 2.16 lakhs against Rs.8.53 lakhs in the previous year.

Brokerage & Incentive Income increased during the year to Rs.2.34 lakhs against Rs.0.05 lakhs last year. Interest Income and Dividend Income also increased during the year to Rs.39.67 lakhs and Rs. 3.56 lakhs respectively against Rs. 38.97 lakhs and Rs.1.56 lakhs respectively last year. The other fee based activities remained low due to depressed market condition.



DIRECTORS' REPORT TO THE MEMBERS (Contd.)

MERCHANT BANKING :

Securities And Exchange Control Board of India (SEBI) have amended the norms for registration and working of Merchant Bankers. Your Company does not comply with the revised norms. The Company has decided to abandon the work of Merchant Banking since its scope has narrowed down in the changed economy. The scope of Leasing & Hire Purchase Business has also gone down. Substantially in view of the sluggishness in Industrial growth of the country the defaults in this field is rising. As an alternative of better return the company is considering the possibilities to enter in the area of various trading activities.

PROJECTION VS. PERFORMANCE :

The projections as reported in the company's prospectus dated 24th October, 1995 and the corresponding figure of actuals as per audited accounts for the year ended 31st March 1998 are as under.

		Projections	Actual
Total Income	(Rs.in lakhs)	292.34	12.95
Profit after Tax	(Rs.in lakhs)	212.42	2.16
Earning per share	(Rs.)	4.25	0.05
Dividend	(%)	15	Nil

The variation between the projected and actual figure is attributable to overall sluggishness in the economy.

FUTURE PROSPECTS :

Due to uncertainties and non-growth in the field of Merchant Banking as well as in Leasing and Hire Purchase Business, your Company with its strong professional base expects to see a period of sustained growth in the project consultancy, loan syndication and are also exploring the possibilities to enter in the areas of various trading activities.

**DIRECTORS' REPORT TO THE MEMBERS (Contd.)****DIRECTORS :**

Sri S. K. Dasgupta, Sri R. K. Vyas and Sri C.R. Chandak resigned from the office of Directors of the Company during the year. Your Directors place on record their appreciation for the services rendered by them as Directors of the Company. Sri A. K. Maheswari, Director of the Company retire by rotation and being eligible, offer himself for re-appointment.

AUDITORS AND AUDITORS' REPORT :

M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the Fifth Annual General Meeting and being eligible offer themselves for re-appointment. The notes to accounts referred to in the Auditors Report are self explanatory and therefore do not call for any further comment.

DISCLOSURE OF PARTICULARS :

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

ACKNOWLEDGEMENTS :

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

On behalf of the Board

LALIT MEHTA, Chairman

A. K. MAHESWARI } Directors
D. R. AGARWAL }

Dated the 30th day of June, 1998.