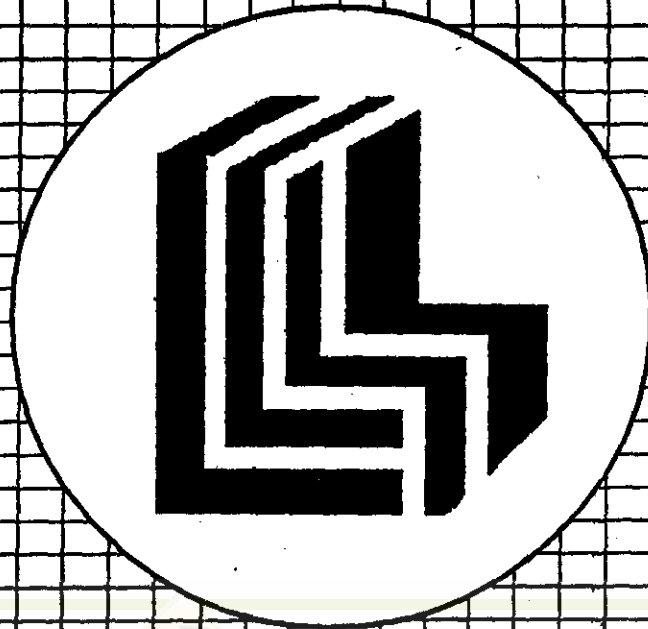


**6TH
ANNUAL REPORT
1998-99**



LYONS CORPORATE MARKET LIMITED



LYONS CORPORATE MARKET LIMITED

6th Annual Report & Accounts 1998-99

LYONS CORPORATE MARKET LIMITED

Fortified to be true Copy

BOARD OF DIRECTORS :

Sri Lalit Mehta, Chairman
Sri D. R. Agarwal, Director
Sri A. K. Maheswari, Director
Sri Ram Karan Gupta, Director
Sri Sushil Kumar Poddar, Director

For LYONS CORPORATE MARKET LTD.

[Signature]

AUDITORS :

Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

BANKERS :

Vijaya Bank
State Bank of Travancore
Punjab National Bank

REGISTERED OFFICE :

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

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LYONS CORPORATE MARKET LIMITED

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of M/s. LYONS CORPORATE MARKET LIMITED, will be held on Wednesday, the 29th day of September, 1999 at 10.00 A.M. at Calcutta Chamber of Commerce Hall, 18H, 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, 1999 and the Profit & Loss Account of the Company for the year ended on March 31, 1999 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri D. R. Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT Sri Ram Karan Gupta be and is hereby appointed as a Director of the Company liable to retire by rotation."
5. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.
"RESOLVED THAT Sri Sushil Kumar Poddar be and is hereby appointed as a Director of the Company liable to retire by rotation."

Place : Calcutta

By Order of the Board
Ram Karan Gupta
Sushil Kumar Poddar
Directors

Dated, the 25th day of August, 1999.

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 25th September to 29th September, 1999 (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.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to section 173(2) of the Companies Act 1956.
Item No. 4 & 5

In order of board base its Board of Directors ("The Board") the board has appointed Mr. Ram Karan Gupta and Mr. Sushil Kumar Poddar as Additional Directors during the year. Under the provisions of Section 260 of the Companies Act, 1956, they hold office as such till the date of this Annual General Meeting. The Company has received Notices from the members proposing their candidature for the office of Directors, together with the requisite deposit of Rs. 500/- each under section 257 of the Companies Act, 1956. The Board is of the view that appointments of Mr. Ram Karan Gupta and Mr. Sushil Kumar Poddar would further strengthen the management of the company. Except Mr. Ram karan Gupta and Mr. Sushil Kumar Poddar none of the other Directors are in anyway concerned or interested in the Resolution. The Board recommends the Resolution for your approval.


LYONS CORPORATE MARKET LIMITED
DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Sixth Annual Report together with Audited Accounts of the Company for the year ended 31st March, 1999.

FINANCIAL RESULTS
(Rs. in Lakhs)

	For the year ended 31.03.99	For the year ended 31.03.98
Gross Income	356.46	73.91
Gross Profit	5.53	12.95
Less : Depreciation	4.73	9.09
Profit before Tax	0.80	3.86
Provision for Taxation	0.30	1.70
Profit after Tax	0.50	2.16
Add : Balance brought forward from previous year	29.36	26.80
Profit available for Appropriation :	29.86	28.96
Add/(Less) Lease Equalisation Adjustment	(0.50)	0.40
Balance Carried Forward	29.35	29.36

DIVIDEND

Due to the adequacy of profit, no dividend is recommended.

FORFEITURE OF SHARES

During the year 3,22,000 equity shares of Rs. 10/- each were forfeited for non payment of allotment/call money due on the equity shares, after meeting necessary compliances as per law.

YEAR IN RETROSPECT :

Gross profit of the Company decreased during the year by 57% to Rs. 5.53 lakhs (previous year Rs. 12.95 lakhs). After making provision for depreciation of Rs. 4.73 lakhs and provision for taxation of Rs. 0.30 lakhs (previous year Rs. 1.70 lakhs) net profit was Rs. 0.50 lakhs against Rs. 2.16 lakhs in the previous year.

Brokerage & Incentive Income decreased during the year to Rs. 0.24 lakhs against Rs. 2.34 lakhs last year. Interest income and dividend income also decreased during the year to Rs. 27.83 lakhs and Rs. 0.19 lakhs respectively against Rs. 39.67 lakhs and Rs. 3.56 lakhs respectively last year but lease Rent & Management Fee Income increased during the year to Rs. 21.03 lakhs against Rs. 10.00 lakhs last year. The other fee based activities remained low due to depressed market condition.

FUTURE PROSPECTS

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 in the areas of various trading activities.

DIRECTORS :

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

During the year the Board of Directors (The Board) appointed Mr. Ram Karan Gupta and Mr. Sushil Kumar Poddar Additional Directors who shall hold office only upto the date of next Annual General Meeting of the Company Mr. Ram Karan Gupta and Mr. Sushil Kumar Poddar are eligible for re-appointment.

LISTING

The Company's shares are listed on the Calcutta, Mumbai & Ahmedabad Stock Exchange. The Listing fees to the Stock Exchanges for the year 1999-2000 have been paid.

Y2K COMPLIANCE

The Company has reviewed the risk associated with Y2K compliance and has in place a comprehensive plan to address the same in a systematic manner.

AUDITORS AND AUDITORS' REPORT

M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the Sixth Annual General Meeting and being eligible offer themselves for re-appointment.

With reference to the observations made by the auditors in their report, the directors are to state that the notes forming part of the Company's Accounts are self-explanatory. The action taken by your company is based on prudent practices & is in the interest of its members.

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.

Place : Calcutta

Dated, the 25th day of August, 1999.

By Order of the Board

Ram Karan Gupta
Sushil Kumar Poddar
Directors



LYONS CORPORATE MARKET LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of Lyons Corporate Market Limited, as at 31st March, 1999 and also the Profit and Loss Account of the Company for the year ended on that date, both annexed hereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in annexure referred to in paragraph 1 above, we state that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account, as required by law have been kept by the Company so far as appears from our examination of such books.
 - (c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of Account.
 - (d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in Sub-section 3(C) of section 211 of the Companies Act, 1956 except for our comment in para 2e(i) below.
 - (e) In our opinion and to the best of our information and according to explanations given to us, the Balance Sheet and Profit and Loss Account subject to the following notes on Schedule -"13" whose impact on the Company's profit / reserves is indicated in the respective notes : -
 - (i) Note No. 2.01 regarding non-provision of diminution in the value of long-term investments, as in the opinion of the Board such diminution is temporary in nature.
 - (ii) Note No. 2.02 regarding non-compliance of the Provisions of "Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998." However, in the opinion of the Board, the provisions of these Directions are not applicable.

and read together with other notes thereon, give information required by the Companies Act, 1956 in the manner so required and give a true and fair view : -

 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 1999 and
 - (ii) in the case of the Profit and Loss Account, of the PROFIT for the year ended on that date.

2, India Exchange Place,
Calcutta - 700 001

For Thakur, Vaidyanath Aiyar & Co.,
Chartered Accountants

Dated, the 31st day of May 1999.

(R. K. THAKUR)
Partner