

LYONS CORPORATE MARKET LIMITED
CIN NO-L74140WB1994PLC061497

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting 22th Annual Report of the Company along with the Audited Statement of Accounts for the year ended 31st March, 2015.

1. FINANCIAL RESULTS

	For the Year Ended 31-03-2015 <u>Rs. In Lakhs</u>	For the Year Ended 31-03-2014 <u>Rs. In Lakhs</u>
Profit/(Loss) before Depreciation & Tax	21.48	7.79
Less: Depreciation	0.98	0.59
Profit/(Loss) before Tax	20.49	7.20
Provision for Taxation	1.75	1.21
Income Tax for Earlier Years	0.39	0.00
Deferred tax (Charge)/Credit	0.08	0.25
Profit/(Loss) after Tax	18.28	5.74
Transfer to Reserve Fund	3.66	1.15
Add: Balance brought forward from Previous Year	(84.36)	(88.95)
Balance Carried to Balance Sheet	(69.74)	(84.36)

2. REVIEW OF BUSINESS OPERATIONS

The Company is a Non-Banking Financial Company and is engaged in NBFC activities. The Profit before tax for the year is Rs. 20.49 Lacs as compared with the last year figure of Profit before tax of Rs. 7.20 Lacs.

3. DIVIDEND

With view of brought forward losses, your Director has not recommended any Dividend.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industrial Structure and developments

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

b. Opportunities and threats

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

c. Segment-wise performance

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

d. Industry Outlook

The Company continues to concentrate on finance and investment.

e. Risks and concerns

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

f. Internal control system and their adequacy

The Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorised, recorded and reported correctly.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Audit Committee periodically reviews Policies and adequacy of internal controls.

g. 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.

5. 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.

6. 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 Investors Education and Protection fund under Section 125(2) of the Companies Act, 2013.

7. 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, Clause 49A of Listing Agreement is not applicable to your Company. However, adequate steps have been taken for better corporate governance.

8. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

9. 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(1) of section 188 of the companies Act 2013 during the year under review.

10. 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.

11. 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.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Madhumita Tapader (DIN 07126692) was appointed as Additional Director on 18th March, 2015. Pursuant to section 160 of the Companies Act, 2013 she holds her office till the date of the forth coming Annual General Meeting. A notice has been received from a shareholder along with requisite deposit to propose her name for appointment as additional director.

The Company has received requisite declaration from all the independent directors under section 149(9) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in sub-section (6).

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

13. BOARD EVALUATION:

Pursuant to the provisions of Companies Act, 2013 and Listing Agreements, 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.

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its committees and individual directors. 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.

14. NOMINATION AND REMUNERATION POLICY:

The Board of Directors of the Company at their meeting held on 18th March, 2015 constituted a Nomination and Remuneration Committee of Directors mainly for the purposes of recommending the Company's policy on remuneration package for the Managing/Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of Key Management Personnel. The composition of the Nomination and Remuneration Committee is as follows:-

Name of the Committee Members	Nature of Directorship	Membership
Mr. Sushil Kumar Poddar	Non Executive Independent Director	Chairman
Mr. Ram Karan Gupta	Non Executive Independent Director	Member
Smt. Madhumita Tapader	Non Executive Director	Member

15. AUDIT COMMITTEE

The Audit Committee comprises of Mr. Ram Karan Gupta (Non – Executive Independent Director),as Chairman and Mr. Sushil Kumar Poddar (Non – Executive Independent Director) and Mr. Krishna Awatar Agarwal (Non – Executive Director) as members. All the meetings of the committee were duly held and attended by the members.

The recommendations of the Audit Committee have been accepted by the Board.

16. BOARD MEETINGS

During the year under review, 10(Ten) Board Meetings were held on 30th April 2014, 31st May 2014, 15th July 2014, 19th September 2014, 13th October 2014, 19th December 2014, 21st January, 2015, 31st January 2015, 10th February 2015 and 18th March, 2015. The attendance of each Director is as under:

Name of the Director	No. of meeting attended
Mr. Sushil Kumar Poddar	10
Mr. Ram Karan Gupta	10
Mr. Krishna Awatar Agarwal	01
Smt. Madhumita Tapader	01

17. 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 Company has not paid any remuneration to the Directors / Key Managerial Persons. Therefore these particulars are not applicable during the year.

18. DISCLOSURE UNDER RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

There is no employee drawing remuneration in excess of the limits prescribed under Rule 5(2) of The Companies (Appointment) Rules, 2014.

19. 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;
- (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 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.

20. 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.

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.

21. 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.

22. 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.

23. 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.

24. 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 Sancheti Baid & Co, Chartered Accountants, Kolkata as an Internal Auditor. The firm is authorized to 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.

25. 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.

26. 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.

27. STATUTORY AUDITORS

M/S Mandawewala & Company, Chartered Accountants, (Firm Registration No. 322130E), are the present Statutory Auditors of your Company and shall hold office till the end of 26th Annual General Meeting which was approved in the Annual General Meeting held on September 27, 2014.

The appointment for the FY 2015-16 is from the conclusion of this 22nd Annual General Meeting till the conclusion of the 26th Annual General Meeting. In view of this, your ratification for appointment is being sought in the ensuing Annual General Meeting.

The Auditors' Report for the FY 2014-15 does not contain any qualification, reservation or adverse remark.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING

The Company being in the financial sector, requirements regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable. The Company has no foreign exchange inflow or outflow during the year under review.

29. SECRETARIAL AUDIT

The Company has appointed Sri Babu Lal Patni (FCS 2304), a Practising Company Secretary to conduct secretarial audit pursuant to section 204 of the Companies Act, 2013. Their report in form MR-3 is attached to this report as annexure 'B'

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.

30. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

Digvijay Agencies Pvt. Ltd. (CIN – U51909WB2010PTC150408) has ceased to be a subsidiary of the Company with effect from 30/03/2015.

Aditya Translink Pvt. Ltd. (CIN - U17232WB1995PTC067056) continues to be an associate Company.

31. 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.

32. 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.

33. LISTING ARRANGEMENTS

The Equity Shares of the Company are continued to be listed on the Calcutta Stock Exchange, Bombay Stock Exchange and Ahmedabad stock Exchange, the Annual Listing Fees have been paid upto the date.

34. GENERAL

Your Directors 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.

35. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company

Registered Office :

Chatterjee International Centre
33A, Jawaharlal Nehru Road.
6TH Floor, Flat No 5
Kolkata 700071
Dated: 29.05.2015

By Order of the Board


Ram Karan Gupta
Chairman

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015

Annexure-"A"

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i) CIN :-	L74140WB1994PLC061497
ii) Registration Date	18th January, 1994
iii) Name of the Company	Lyons Corporate Market Limited
iv) Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v) Address of the Registered office and contact details	33A, Jawaharlal Nehru Road, Kolkata-700071
vi) Whether listed company Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies (P) Ltd 511 Bagree Market, 71, BRB Road, Kolkata-700001 Phone-2234-3576

II. 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	% to total turnover of the company
1	NBFC	-	48.82%
1	Renting	-	51.18%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
1	Aditya Translink Pvt.Ltd	U17232WB1995PTC067056	Associate	45.30%	2(6)

IV. SHARE HOLDING 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	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	1,10,800	1,10,800	2.37%	0	1,10,800	1,10,800	2.37%	0.00%
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (S)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	23,14,350	13,350	23,27,700	49.76%	23,14,350	13,350	23,27,700	49.76%	0.00%
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other ...	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1) :-	23,14,350	1,24,150	24,38,500	52.13%	23,14,350	1,24,150	24,38,500	52.13%	0.00%
(2) Foreign									
a) NRIS - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2) :-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	23,14,350	1,24,150	24,38,500	52.13%	23,14,350	1,24,150	24,38,500	52.13%	0.00%