



LYKIS LIMITED

Corporate Office: Grandeur Bldg., 4th Floor, Veera Desai Road, Opp Gundecha Symphony, Near Country Club, Andheri-West, Mumbai- 400 053.

Registered Office: Omer Mansion, 29A, Weston Street, 2nd Floor, R. No. B5, Kolkata, West Bengal - 700 012

Tel.: (+9122) 4069 4069 website: www.lykisgroup.com

CIN NO. L74999WB1984PLC038064

26th September, 2017

To,
The Department of Corporate Services,
BSE Ltd,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 101.

Re: Script Code 530689

Sub: 33rd Annual Report of Lykis Limited

Dear Sir,

Please find attached herewith 33rd Annual Report of Lykis Limited for your reference and records.

Request you to upload the same on your website.

Thanking You,

Yours faithfully,

For Lykis Limited

**Rupa Khanna
Company Secretary**

Encl:- As above



Personal Care



Hair Care



Beverages



Home Care



ANNUAL REPORT 2016-2017

Lykis™
**Kesh
Gaurav**

Ayurvedic Medicinal Oil



TEL PAK VIDHI

Newly Launched
Ayurvedic Products



*Shuddh Jadibutiyo ka samavesh
de aapko sundar majboot kesh*

LYKIS LIMITED

CIN L74999WB1984PLC038064

Omer Mansion, 29A, Weston Street , 2nd Floor, Room No. B5, Kolkata - 700 012
Telefax : 033 4004 5265, E-mail : lykisho@lykisgroup.com, Website : www.lykisgroup.com

NOTICE OF THE 33RD ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the members of Lykis Limited will be held on Friday, 22nd day of September, 2017 at 10.30 a.m., at "SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060 to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss for the year ended as on that date together with the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Vijay Kishanlal Kedia (DIN: 00230480), who retires by rotation, and being eligible, offers himself for re-appointment.

3. Ratification of Appointment of Statutory Auditors

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Sanjay P Agarwal & Associates., Chartered Accountants, (Registration no. 325683E), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company scheduled to be held in the year 2018 at such remuneration as may be determined by Board of Directors of the Company."

SPECIAL BUSINESS :

4. AUTHORITY FOR BORROWING POWER UPTO Rs. 200 CRORES

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) to borrow from time to time such sum or sums of money in any form, from one or more bodies corporate, banks, financial institutions, or from other entity by way of advances, loans, debentures/bonds or any other security(ies) or otherwise and whether secured or unsecured, as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs.200 Crores (Rupees Two Hundred Crores Only)."

Contd....

RESOLVED FURTHER THAT all and any borrowings made by the Company, if any, under the authority of the Board and all acts, deeds and things done in this regard, be and are hereby ratified, approved and confirmed.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution and/or to execute all such documents, instruments and writings as may be required."

5. TO APPROVE CREATION OF CHARGE/SECURITY OVER THE ASSETS/UNDERTAKING OF THE COMPANY IN RESPECT OF BORROWING:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force), to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) to mortgage and/or charge, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, on any of the immovable & movable properties of the Company wheresoever situate, both present and future, and whole or substantially whole of the undertaking of the Company (with power to takeover the management of the business and concern of the company in certain events) to or in favour of any person including, but not limited to, financial / investment institution(s), bank(s), corporate body(ies), etc. to secure the loans, borrowings, debentures, and / or working capital facilities and other credit facilities availed / to be availed by the Company as the Board deem fit, subject to the limits approved under section 180(1)(c) of the Act from time to time and that charges created on the movable and immovable properties of the Company, if any, and agreements, deeds, papers etc., executed for the purpose, under the authority of the Board and all acts, deeds and things done in this regard, be and are hereby ratified, approved and confirmed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings as may be required in this regard and to settle any question, difficulty or doubt that may arise in this regard and also to delegate all or any of the above powers to any other person."

6. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 5, 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the necessary approvals, permission and sanctions, if any, of the Registrar of Companies, Kolkata, the existing set of Articles of Association of the Company be and is hereby replaced, altered, modified and revised as per the new set of Articles of Association, and the same be and is hereby approved and adopted as the Articles of Association of the Company in substitution, and to the entire exclusion, of the existing Articles of Association of the Company.

Contd....

RESOLVED FURTHER THAT the Board of Directors of the Company and /or Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

For Lykis Limited
Rupa Khanna
Company Secretary

Place : Kolkata
Date : 12th August, 2017

NOTES :

1. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. A person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person can act as Proxy for a Member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Members / Proxies are requested to bring their attendance slips duly filled in along with their copies of the Annual Report to the Meeting for attending the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th September, 2017 to Friday 22nd September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned below quoting their folio number(s).

M/s. R & D Infotech Pvt. Ltd. 7A, Beltala Road, 1st Floor, Kolkata- 700 026. Phone no. 033 24192642.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to M/s. R & D Infotech Pvt. Ltd.
9. Pursuant to the provision of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, details in respect of the Directors seeking re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their reappointment.

Contd....

10. Electronic copy of the Notice and Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for the financial year for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2016-17 is being sent in the permitted mode.
11. The Annual Report 2016-17 of the Company circulated to the Members of the Company, will be available on the website of the Company at www.lykisgroup.com
12. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days, except Sunday between 11.00 a.m. to 05.00 p.m. up to and including the date of Annual General Meeting of the Company.
13. Members desires of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may send the same to the office of the Registrar and Transfer Agent of the Company.
14. Members are requested to:-
 - a. bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - b. complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - c. send their questions at least 10 days in advance before the Annual General Meeting about any further information on accounts or other related topics in the Annual Report so as to enable the Company to answer their question satisfactorily.
15. Members holding shares in physical form may be aware that trading of the Equity Shares of the Company has to be in demat form. In view of this and several other benefits of holding shares in demat mode, you are requested to have your shares dematerialized to avail the benefits of electronic form of trading.
16. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members which will be in compliance with Section 20 of the Companies Act, 2013 and the rules framed there under. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with M/s. R & D Infotech Pvt. Ltd. -Registrar and Transfer Agents of the Company.
17. A route map, showing directions to reach the AGM venue is annexed hereto.
18. Voting through electronic means.
 - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule, 2014 as substituted vide Companies (Management & Administration) Rule, 2015, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015, the Company is pleased to provide its members voting by electronic means (remote e-voting i.e. voting electronically from a place other than the venue of the general meeting) to cast their votes electronically in respect of businesses to be transacted at the 33rd Annual General Meeting. The Company has engaged the services of **NSDL** as agency to provide the E-voting facility to the member of the Company.
 - b) The facility for voting through polling paper shall be made available at the annual general meeting (AGM) venue. Only those members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper.
 - c) The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again.

Contd....

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No 4 & 5

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs for additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. It is therefore, proposed to increase the maximum borrowing limits upto Rs. 200 Crores (Rupees Two Hundred Crores) Pursuant to Section 180(1)(c) of the Companies Act, 2013, consent of the shareholders by way of special resolution is required to authorise the Board of Directors to borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time.

Pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made there under, consent of the shareholders by way of special resolution is required to create mortgage/ charge/lien over the present or future assets/movable/immovable properties of the Company to secure the borrowings of the Company.

It is, therefore, necessary for the members to pass a Special Resolutions under Section 180(1)(c) and Section 180 (1)(a) of the Companies Act, 2013, as set out at Item No. 4 & 5 of the Notice.

The Board recommends these resolutions for the approval of the members as Special Resolutions.

None of the Directors or the Key Managerial Personnel of the Company including their relatives are in any way concerned or interested in the resolutions.

ITEM NO. 6

The existing Articles of Association has been in force since the incorporation of the Company under the Companies Act, 1956 subject to necessary alterations from time to time. With the enforcement of the Companies Act, 2013 introducing several new provisions, the reference to the existing Articles of Association have been rendered ineffective to the extent they are inconsistent with the Companies Act, 2013.

It is, therefore, considered expedient to replace, substitute or alter the existing Articles of Association so as to align with Table F of Schedule I to the Companies Act, 2013, which sets out the model articles of association with the new Articles of Association.

In terms of Section 5 and 14 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, consent of the Members of the Company by way of special resolution is sought to adopt the new set of Companies (Incorporation) Rules, 2014 in complete substitution to the existing Articles of Association of the Company. A copy of the proposed set of new Articles of Association of the Company would be available for inspection by the members at the Registered Office of the Company during the office hours on any working day between 11.00 a.m. to 5.00 p.m., except Sunday and public holiday, upto date of the AGM.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the said Resolution.

Contd....

The Board of Directors recommend the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

By Order of the Board of Directors
For Lykis Limited
Rupa Khanna
Company Secretary

Place : Kolkata
Date : 12th August, 2017

CIN:L74999WB1984PLC038064

Regd. office :

Omer Mansion, 29A, Weston Street,
2nd Floor, R. No. B5, Kolkata, West Bengal- 700 012.
Telefax: 033-40045265,
E-mail:lykisho@lykisgroup.com,
Website: www.lykisgroup.com

Details of Directors Seeking Appointment/Re-appointment at the 33rd Annual General Meeting of the Company. (In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015)

Name of Director	Vijay Kishanlal Kedia
DIN	00230480
Date of Birth	04 th November, 1959
Date of Appointment	19 th May, 2009
Qualification	B.Com(Hons.)
Directorship in other Public Limited Company	1. Atul Auto Ltd 2. Cheers Consumer Products Limited
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)	NA
Number of shares held in the company	3234383
Relationship between directors inter-se	NA


Route Map to the Venue of AGM



VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is providing the members with the facility to cast their vote electronically from a location other than the venue of the Annual General Meeting (hereinafter to be referred as "Remote e-voting"). That the business at the Annual General Meeting may be transacted by Remote e-voting. The Company has engaged National Securities Depository Limited (here in after to be referred as "NSDL") to provide to the Members the e-voting platform and services for casting their vote through the said remote E-voting on all resolutions set forth in this Notice.
2. The instructions for remote e-voting are as under:
 - A. Members whose shareholding is in the dematerialized form and whose email addresses are registered with the Company/ Depository Participant(s) will receive an email from NSDL informing the User-ID and Password. Thereafter, the following steps are to be followed:-
 - i. Open email and open PDF file viz. "LykisLtd_e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: **<https://www.evoting.nsdl.com>**.
 - iii. Click on Shareholder – Login.
 - iv. Put user ID and password as initial password noted in step (1) above. Click Login.
 - v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" (E Voting Event Number) of "LYKIS LIMITED" **106796**
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail **agarwaldcs@yahoo.co.in** with a copy marked to **evoting@nsdl.co.in**.
 - B. For Members holding shares in dematerialized form whose email IDs are not registered with the Company/ Depository Participants, Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following steps may be noted:
 - i. To refer to the attached instruction sheet for the e-voting particulars viz. initial password along with EVEN (E voting Event Number) and USER ID.
 - ii. Please follow all steps from Sr. No. 2 to Sr. No. 10 of (i) above, to cast vote.
3. In case of any query, you may refer to the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of **www.evoting.nsdl.com** or call on toll-free no. 1800-222-990.
4. Login to the remote e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

5. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote.
6. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
7. The remote e-voting period commences on Tuesday, 19th September, 2017 (at 9:00 A.M.) and ends on Thursday, 21st September, 2017 (at 5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. E-voting shall not be allowed beyond 5 P.M. on 21st September, 2017. The remote e-voting module shall be disabled by NSDL for voting at 5 P.M. on 21st September, 2017. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
8. In addition to the aforesaid Remote e-voting, the company is also providing facility to cast vote at the venue of the aforesaid Annual General Meeting through the process of ballots and that the business may be transacted by voting at the venue of the Annual General Meeting through ballots, as well. Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 15th September, 2017 may cast their vote at the venue of the said Annual General Meeting through ballots as mentioned above, only if they have not cast their vote through/participated in the aforesaid Remote e-voting.
9. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital (in case of electronic shareholding) of the Company as on the cut-off date of 15th September, 2017.
10. Only such person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 15th September, 2017, shall be entitled to avail the facility of remote e-voting/voting by ballot at AGM.
11. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date, i.e. 15th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or lykisho@lykisgroup.com mentioning his/her Folio Number/DPID and Client ID. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com.
12. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
13. In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.
14. Pursuant to the provisions of section 108 of the Companies Act, 2013, **Mr. Dinesh Agarwal** Company Secretary, (Membership No. FCS 6315 and CP No. 5881) Kolkata has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through ballot paper at the AGM in a fair and transparent manner.
15. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Ballot Paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
16. The Scrutinizer shall, after the conclusion of voting at the AGM, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report on Remote e-voting and voting at the venue of the Annual general meeting through ballots, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
17. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.lykisgroup.com and on the website of the NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman.
18. The Results shall also be simultaneously forwarded to the Stock Exchanges.
19. Subject to receipt of requisite majority (requisite number of votes), pursuant to section 114 of the Companies Act 2013, a resolution shall be deemed to be passed on the date of the aforesaid Annual General Meeting.



LYKIS LIMITED

33rd Annual Report

2016-2017

The Board Of Directors :

Mr. Vijay Kishanlal Kedia,
Chairman Non-Executive Director

Mr. Prince Tulsian,
Managing Director

Mr. Nadir Umedali Dhrolia
Non Executive, Non Independent Director

Mr. Mayank Jhunjhunwala
Non Executive, Independent Director

Ms. Jyoti Budhia
Non Executive, Independent Director

Mr. Rajendra Manilal Shah
Non Executive, Independent Director

Key Managerial Personel :

Mr. Pawan Kumar Gupta
Chief Executive Officer (CEO)

Mr. Ankit Maheshwari
Chief Financial Officer (CFO)

Ms. Rupa Khanna
Company Secretary

Mr. Udayan Bal
Compliance Officer

Auditors :

M/s. Sanjay P. Agarwal & Associates
Chartered Accountants
4, Fairlie Place, "HMP House"
Mazzenine Floor, Room No. M-29
Kolkata - 700 001

Bankers :

Indian Bank
ICICI Bank
DCB Bank
Canara Bank
Kotak Mahindra Bank
State Bank of India
DBS Bank
Bank of India

Registrar & Share Transfer Agent :

M/s. R & D Infotech Pvt. Ltd.
7A, Beltala Road, 1st Floor
Kolkata - 700 026
Ph. : 033-24192642

Registered Office :

Omer Mansion, 29A Weston Street
2nd Floor, Room No. B5,
Kolkata - 700 012, W.B.
Ph. : 033-40045265

Corporate Office :

Grandeur Building, 4th Floor,
Veera Desai Road,
Opposite Gundecha Symphony,
Near Country Club, Andheri (West),
Mumbai – 400 053
Ph. : 022-40694069
E-mail : lykisho@lykisgroup.com
Website : www.lykisgroup.com

LETTER TO SHAREHOLDERS

Dear Shareholders,

It gives me immense pleasure in presenting to you the 33rd Annual Report of the Company. Over the last many years, we have run the business ably and efficiently using our key assets - brand, talent, and culture to deliver sustainable business and earnings growth, thereby creating long-term value for our shareholders.

These are extremely challenging times for our industry and also for Lykis. The industry saw a slow growth rate in the recent past, due in some measure to Government policies and control measures. Also, globally, we witnessed increasing pressure on the Tea & FMCG industry – regulatory and compliance issues are getting more demanding, increasingly have become more complex and pricing pressures are intensifying. Moreover, socio-economic and environmental volatility is prevalent in most of the markets that we serve across the world.

FMCG Industry

The FMCG segment is the 4th largest sector in the Indian economy, with food products being the leading segment, of the FMCG market. Going forward, Lykis consumer products business will be focusing on research & development and innovation as means of growth. The proposed implementation of the Goods and Services Tax (GST) will have a positive outlook on the consumption sector.

Tea Industry

We believe that the production of quality tea enables us to sustain our brand value resulting in building customers loyalty as well as placing us on an advantageous position. The demand for quality remains a key driver of our industry due to increasing affluence and evolving consumer taste for high quality beverages in coming years.

Lykis has an exceptionally talented management team. A Scheme of Arrangement envisages Demerger of the Tea Division of Lykis Limited into Cheers Consumer Products Limited is under process.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our consumers, business partners, employees and stakeholders who have shown their trust in us and have extended their constant support.

With best Wishes,

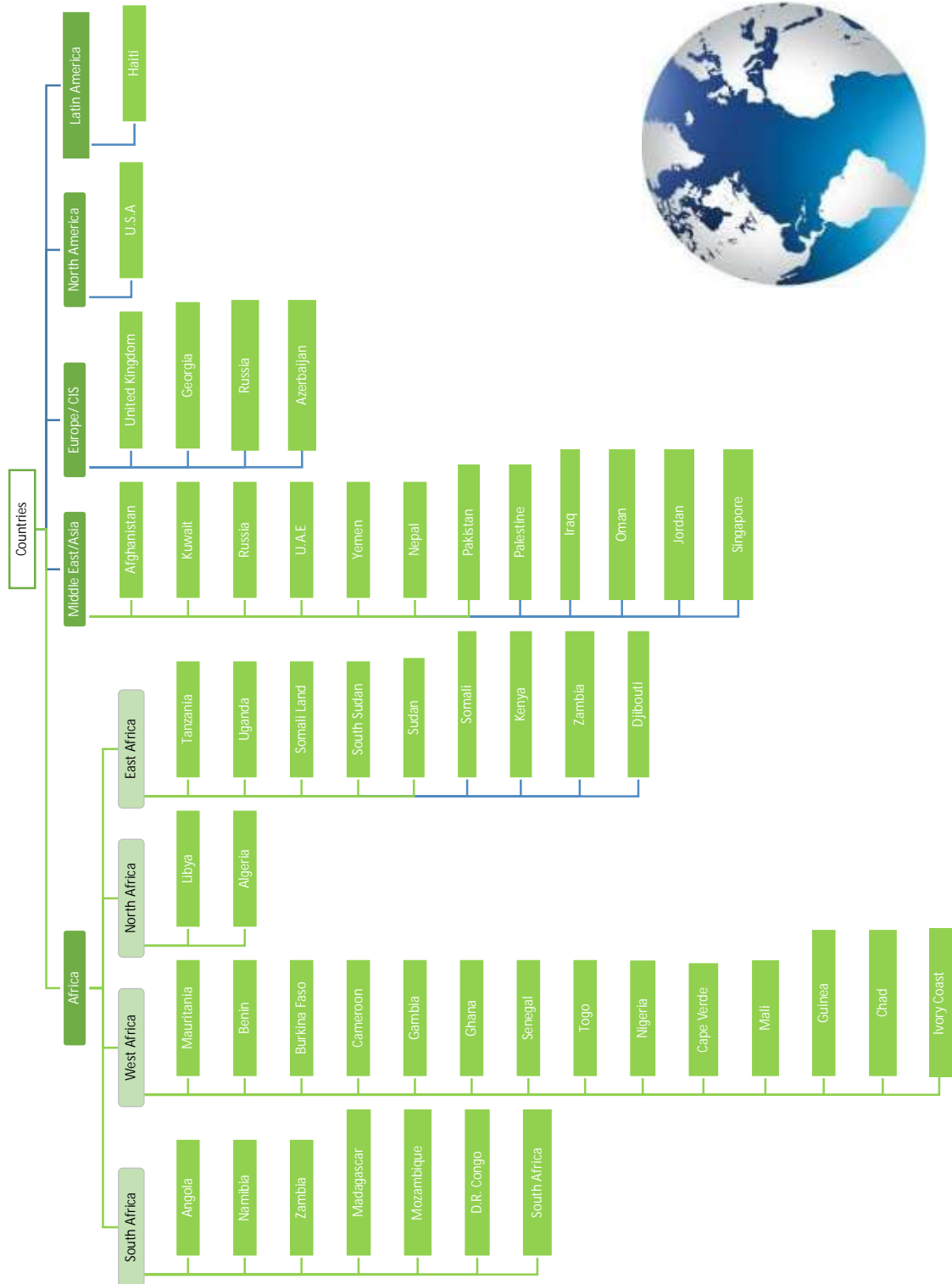
Place : Kolkata
Dated : 12th August, 2017

Sincerely,
Vijay Kishanlal Kedia
Chairman

CONTENTS

1. Company Information
2. Letter to Shareholders
3. Key Performance Indicators
4. Boards' Report
5. Annexures to Directors' Report
 - a) Secretarial Audit Report (Form MR-3)
 - b) Extract of Annual Return (Form MGT-9)
 - c) Form No. AOC-2
6. Management Discussion & Analysis
7. Report on Corporate Governance
8. Standalone Financial Statements
9. Consolidated Financial Statements
10. Green Initiative in Corporate Governance

International Presence Countrywise



World Presence



Kept Intentionally Blank

DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the 33rd Annual Report together with the Audited Statement of Accounts for the financial year ended on 31st March, 2017.

1. FINANCIAL PERFORMANCE SUMMARY :

(` in Lakhs)

Particulars	For the year ended on 31.03.2017 (Standalone)	For the year ended on 31.03.2016 (Standalone)	For the year ended on 31.03.2017 (Consolidated)	For the year ended on 31.03.2016 (Consolidated)
Income				
Revenue from operation	10608.22	10466.76	10723.88	10693.70
Capital Expenditure on tangible assets during the year	45.62	219.21	45.70	233.24
Amount transferred to Reserve	-	-	-	-
Profit / (Loss) before Depreciation, Interest and Tax	397.46	476.09	24.94	335.82
Less : Depreciation	41.73	34.27	42.00	40.63
Profit / (Loss) after Depreciation but before Interest & Tax	355.73	441.82	(17.04)	295.19
Less : Interest	282.84	206.68	284.30	208.02
Profit / (Loss) after Depreciation and Interest but before Tax	72.89	235.14	(301.34)	87.17
Less : Provision For Taxation	-	-	-	-
Current Tax	20.62	51.20	20.62	51.20
Deferred Tax	(7.98)	4.69	(7.98)	4.69
Profit / (Loss) after Tax for the period	60.25	179.25	(313.98)	31.28
Add/(Less): Share of Loss transferred to Minority Interest	-	-	0.19	2.64
Profit / (Loss) for the period after adjustment	60.25	179.25	(313.79)	33.92

2. PERFORMANCE REVIEW

The turnover including other income of the Company for the financial year 2016-17 stood at ` 10723.88 Lakhs as against last year's ` 10693.70 Lakhs. The Profit/(Loss) before tax is ` 24.96 Lakhs as against ` 335.82 Lakhs of last year. Profit/(Loss) for the year stood ` (313.79)Lakhs as against ` 33.92 Lakhs of last year. Your Company has taken several remedial steps to meet the challenges viz. measures in saving cost at all front of operations, optimize use of available resources etc.

3. BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vijay Kedia (DIN 00230480) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Accordingly, his re-appointment forms part of the notice of the ensuing Annual General Meeting.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and have no pecuniary relationship or transactions with the Company.

4. KEY MANAGERIAL PERSONNEL (APPOINTMENT & RESIGNATION)

In accordance with provisions of section 203 of the Companies Act, 2013 and the rules made there under the Key managerial Person are Mr. Pawan Kumar Gupta, Chief Executive Officer; Mr. Ankit Maheshwari, Chief Financial Officer. Mr. Shailesh Bhaskar, Company Secretary resigned w.e.f 21st April, 2017 and Ms. Rupa Khanna was appointed as Company Secretary w.e.f 30th May, 2017.

5. DIVIDEND

Your Directors have not recommended dividend for the financial year ended 31st March, 2017.

6. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2017 stood at 19375155 no. of shares. During the year under review, the Company has not issued any shares or convertible instruments.

7. TRANSFER TO RESERVES

During the period under review, the Company has not transferred any amount to reserves.

8. MATERIAL CHANGE IN NATURE OF BUSINESS

No material changes and commitments have occurred from the date of close of the financial year till the date of this report, which affect the financial position of the Company.

9. RISK MANAGEMENT

Business risks exist for any enterprise having national and international exposure. The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions. The Audit Committee reviews business risk areas covering operational, financial, strategic and regulatory risks.

10. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate Internal Control System commensurate with its size and nature of business. Internal Audit is periodically conducted by an external firm of Chartered Accountants who monitors and evaluates the efficiency and adequacy of internal control system in the Company. Based on the report of internal audit function, concern person/department undertakes corrective actions and thereby strengthens the controls.

11. SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANIES

Lykis Marketing Pvt. Ltd., It is a wholly owned subsidiary of Lykis Limited. In a very short period the Company has set up a marketing network in 10 States. The Company is focused on domestic marketing of Tea and FMCG products.

Lykis Packaging Pvt. Ltd., Lykis Confectioners Pvt. Ltd., Lykis Soaps Pvt. Ltd., Lykon Foods. Pvt. Ltd., Bion Aerosols Pvt. Ltd., and Lykis Homecare Pvt Ltd are the associates Companies.

12. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

13. CORPORATE SOCIAL RESPONSIBILITY

Lykis Limited is committed to empower the local communities in its area of operation and support them in their path to sustainable and inclusive growth. This commitment is fundamental to the Company's long term success. Lykis Limited is focused on creating shared value and making a difference through our Corporate Social Responsibility initiatives.

- i. Being in the FMCG Sector, the company is extremely environmental friendly and strives to contribute towards preserving nature and our environment.
- ii. The Company provides several local employment opportunities and contributes towards improvement in standard of living.
- iii. Immense care is taken to ensure that the necessities of all our stakeholders are met. We treasure our employees and ensure their happiness in several ways.
- iv. The employees are provided with a healthy working environment, free lunch and proper sanitation and water supply. Considerable amount has been invested into infrastructure to ensure health and safety of our employees.

14. CORPORATE GOVERNANCE

The disclosures as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed with and forms part of this annual report.

15. HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and an enthusiastic and healthy work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual financial statements for the year ended 31st March 2017, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any ;
- b) For the financial year ended 31st March 2017, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended 31st March 2017.
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The annual financial statements have been prepared on a going concern basis.
- e) That director has laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively.
- f) That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

17. MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis forms part of the Annual Report.

18. PARTICULARS OF EMPLOYEES

As required under the provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement of particulars of the employees concerned forms part of the Board's Report. Since, the company does not fall under the prescribed limit of the aforesaid provisions. Therefore, this requirement is not applicable to the Company.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, required information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the “**Annexure I**” to the Directors' Report.

20. AUDITORS AND AUDITORS' REPORTS

a) Statutory Audit

Your Company's Auditors, M/s. Sanjay P. Agarwal & Associates, Chartered Accountants were appointed as the Statutory Auditors at the 30th Annual General Meeting for a term of 5 years. Their appointment is to be ratified by the Shareholders under Section 139 of the Companies Act, 2013 at the ensuing Annual General Meeting.

The Statutory Auditor's Report does not contain any qualification, reservation or adverse remark. A Resolution seeking member's approval for ratification of appointment of Statutory Auditor forms part of the Notice convening the Annual General Meeting.

b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Mr. Bijay Agarwal, Practicing Company Secretary, as its Secretarial Auditor to undertake the Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report certified by our Secretarial Auditors, in the specified form MR-3 is annexed herewith and forms part of this report. **(Annexure-II)**

It does not contain any qualification, reservation or adverse remark

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

22. EXTRACT OF ANNUAL RETURN

The details of the extract of the Annual Return in form MGT9 is annexed herewith and forms part of this report. **(Annexure III)**

23. BOARD EVALUATION

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and provisions of Schedule IV to the Act as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation programme for the Board of Director, Committees of the Board and Individual Directors for the financial year 2016-17.

24. RELATED PARTY TRANSACTION POLICY

All transactions entered into with related parties as defined under the Companies Act 2013 and Regulation 23 of SEBI (LODR) Regulation 2015 during the year under review were in the ordinary course of business and on an arms' length basis and did not attract the provisions of Section 188 of the Companies Act, 2013. With regard to transactions with related parties, prior approval of the Audit Committee was obtained wherever required.

During the year under review, the Company had not entered into any contract/ arrangement / transactions with related parties which could be considered as material. The particulars of contracts or arrangements referred to in section 188(1) of the Companies Act, 2013 with related parties and as mentioned in form AOC-2 of the Rules prescribed under Chapter IX under the Companies Act, 2013 is annexed herewith and forms part of this report. **(Annexure IV)**

25. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to provision of Section 177 of the Companies Act 2013, rules framed thereunder and Regulation 22 of the SEBI (LODR) Regulation, 2015 your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders including Directors and employees to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases.

The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman. Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website www.lykisgroup.com and circulated to all the Directors / employees.

26. BOARD MEETINGS

During the financial year, Five (5) Meeting of Board Director were held on 27th May, 2016, 02nd August, 2016, 12th August, 2016, 14th November, 2016 and 14th February, 2017 respectively.

27. AUDIT COMMITTEE

The Board has well-qualified Audit Committee with majority of Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. As on 31st March, 2017, it comprises of Mr. Mayank Jhunhunwala as a Chairman, Mr. Prince Tulsian and Mrs. Jyoti Budhia as member of the Committee.

28. NOMINATION & REMUNERATION COMMITTEE & POLICY

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The detail of the same has been disclosed in the corporate governance report.

29. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and Redressal of complaints of sexual harassment at workplace. The Company has not received any complaint on sexual harassment during the financial year 2016-17.

30. DEMERGER

The Board of Directors of the Company in their meeting held on 22nd June, 2017 has considered and approved, after recommendation of the Audit Committee, a Scheme of Arrangement between the Company and Cheers Consumer Products Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, for demerger and vesting of 'Tea' Division of the Company to Cheers Consumer Products Limited. The resulting entity "Cheers Consumer Products Limited " shall also be listed on BSE Limited. The above said Scheme is subject to the approval of SEBI, Stock Exchanges, shareholders, creditors, the National Company Law Tribunal, and other regulatory authorities, as applicable.

ACKNOWLEDGEMENT

We thank our Vendors, Bankers, Statutory Authorities and other Institutions for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels.

Our consistent growth was made possible by their hard work, solidarity, co-operation and support. We also wish to express our gratitude to the Governments of various countries where we have our operations.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 12th August, 2017

Vijay Kedia
Chairman
DIN :00230480

ANNEXURE TO THE DIRECTORS' REPORT
ANNEXURE - I
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

Pursuant to provision of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

- (a) Energy Conservation measures taken : Constant monitoring of power factor.
- (b) Investment for reduction of consumption of energy : 250 KVA HITECH SILENT DIESEL GENERATING SET is maintained for last few years in replacement of noisy fuel inefficient engine.
- (c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the Cost of Production of goods : Benefits have accrued at tea factory of the company.
- (d) Total energy consumption per unit of production.

FORM —A
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY

Power and Fuel Consumption	Current Year	Previous Year
1. Electricity		
(a) Purchased Unit	324069.25	257566.38
Total Cost (`)	3840801.00	3322849.41
Rate / Unit (`)	11.85	12.90
(b) Own Generation		
(i) Through Diesel Generator		
Units	44412	116079
Unit per Ltr. of Diesel	3.00	3.00
Cost / Unit. (`)	18.78	16.71
(ii) Through Steam	-	-
Turbine/Generator Unit		
(iii) Unit per Ltr. of Fuel	-	-
Oil/Gas	-	-
Cost/Unit	-	-
2. Coal		
Qty. (MT)	493.32	414.58
Total Cost (`)	3135144.69	2597817.98
Avg. Rate (`)	6355.19	6266.14
3. Furnace Oil		
Qty. (K. Ltrs.)	491.99	281.95
Total Cost (`)	112448.08	71531.00
Avg. Rate (`)	228.56	253.70
4. Other/Internal generation		

CONSUMPTION PER UNIT OF PRODUCTION

For Black Tea Per Kg.	Current Year	Previous Year
Electricity (in unit)	0.63	0.80
Furnace Oil (in Ltr.)	0.001	0.001
Coal (Mixture) (in Kg.)	0.97	0.89

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption - as per Form - B given below :

FORM – B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT (R & D)

RESEARCH AND DEVELOPMENT (R & D)

- Specific areas in which Research and Development (R & D) carried out by the Company :

The main concentration of R & D activity was in the field of plantation. Trials were carried out on pruning cycle, growth regulators, optimum use of fertilizers and manures, some agro chemical were applied.

- Benefit derived as a result of above.

The findings helped to improve tea husbandry for sustained high cropping in years to come.

- Future Plan of action:

Long term trials will be continued to solve some problem and fresh field will be introduced for short term and medium term gains.

- Expenditure on R & D:

	Current Year	Previous Year
Recurring	52308	25544
Percentage of R & D expenditure on turnover	0.0007	0.0024

Technology Absorption, Adaptation and Innovation

The Company continuously makes investment in technological tools and imparts its employees training on the new technologies for deployment on development projects to support the business of the Company.

- Efforts, in brief, made towards technology absorption, adaptation and innovation :

Improvement were brought out in the manufacturing process by bringing in new generation machines and better processing conditions.

- Benefits derived as a result of above efforts e.g. product improvement, cost reduction product development etc. :

Standardization of product and field practices to a large extent.

- Imported Technology - Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Current Year	(` in Lakhs) Previous Year
Foreign Exchange outgo	141.60	139.55
Foreign Exchange earned	8645.33	9022.54

Form No.MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017.

[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,
M/s Lykis Limited,
Omer Mansion, 29A, Weston Street,
2nd Floor, Room No.B5,
Kolkata-700012, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by '**M/s Lykis 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 the '**M/s Lykis Limited**', 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 31st March 2017 complied with the statutory provisions listed hereunder and also that 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 '**M/s Lykis Limited**' ("the Company") for the financial year ended on 31st March 2017, and made available to me, 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

Not applicable as the Company has not issued any shares during the financial year under review.

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

Not applicable as the Company has not granted any Options to its employees during the financial year under review.

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not applicable as the Company has not issued any issued any debt securities during the financial year under review.

- (f) The Securities and Exchange Board of India (Registrars 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; and

Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Not applicable as the Company has not bought back any of its securities during the financial year under review.

- (i) The Securities and Exchange Board of India (Listing and Obligation Disclosure Requirements) Regulations 2015 ('Listing Regulations') to the extent applicable during the Audit period;

- (vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof the Company has complied with the following laws applicable specifically to the Company:

- Factories Act, 1948
- The Tea Act, 1953
- Payment Of Wages Act, 1936, and rules made thereunder
- The Minimum Wages Act, 1948, and rules made thereunder
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder.
- The Payment of Bonus Act, 1965, and rules made thereunder
- Food Safety and Standards Act, 2006, and rules made thereunder
- Environmental Protection Act 1986
- Agricultural Income Tax
- Assam Sales Tax
- Cess on Greenleaf (Excise)
- Export Licence & Rules
- Foreign Currency Act

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard-1 and Secretarial Standard-2 issued by The Institute of Company Secretaries of India. (Applicable to the Company during the audit period as it has come into force on 1st day of July, 2015).
- (ii) The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- Corporate Social Responsibility Policy, pursuant to Section 135(5) of the Companies Act, 2013 is not applicable to the Company.

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.

During the audit period under review all decisions at Board meeting and Committee Meeting were carried out unanimously

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has no specific events/ actions having major bearing the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Kolkata
Date: 30/05/2017

Sd/-
Bijay Agarwal
(Practicing Company Secretary)
ACS No. 36489
C. P. No. 13549

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.

To,
The Members,
M/s Lykis Limited,
Omer Mansion, 29A, Weston Street,
2nd Floor, Room No.B5,
Kolkata-700012, West Bengal

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 30/05/2017

Sd /-
Bijay Agarwal
(Practicing Company Secretary)
ACS No. 36489
C. P. No. 13549

ANNEXURE - III
FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
AS ON THE TWELVE MONTH PERIOD ENDED MARCH 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of Companies (Management and Administration) Rules, 2014]
I. Registration and other details

CIN	L74999WB1984PLC038064
Registration Date	15.10.1984
Name of the Company	LYKIS LIMITED
Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
Address of the Registered Office and contact details	Omer Mansion, 29A Weston Street, 2nd Flr. R.No.B5 Kolkata, West Bengal – 700 012; Telephone: (033) 4004 5265 Website : www.lykisgroup.com, E-mail : lykisho@lykisgroup.com
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	M/s. R & D Infotech Private Limited 7A, Beltala Road, 1st floor, Kolkata – 700 026 Telephone: (033) 2419 2642 E-mail : rdinfo.investors@gmail.com, Website : www.rdinfotech.org

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:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover Of the Company
Toiletry, perfumery and cosmetics	617	60.75%
Confectionary and biscuits	606.2	39.25%

III. Particulars of Holding, Subsidiary and Associate Companies

Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate Company	% of Shares held	Applicable Section
LYKIS MARKETING PVT LTD	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U74120MH2012PTC230365	Wholly Owned Subsidiary	99.95%	2(87)
LYKIS PACKAGING PVT LTD	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U74900MH2012PTC230784	Associate	19.61%	2(6)
LYKIS CONFECTIONERS PVT LTD	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U15122MH2011PTC217810	Associate	49.91%	2(6)
LYKIS SOAPS PVT. LTD.	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U74900MH2015PTC267885	Associate	44%	2(6)
LYKON FOODS PVT. LTD.	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U15122MH2016PTC274568	Associate	26.67%	2(6)
BION AEROSOLS PVT. LTD.	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U27100MH2015PTC268209	Associate	50%	2(6)
LYKIS HOMECARE PVT. LTD.	Grandeur Building 4th Floor, Andheri (W) Mumbai-400053	U15100MH2014PTC255863	Associate	50%	2(6)

IV. 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 period				No. of Shares held at the end of the period				% Change During the Period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	3234383	-	3234383	16.69	3234383	-	3234383	16.69	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2479435	-	2479435	12.80	2479435	-	2479435	12.80	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other.....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	5713818	-	5713818	29.49	5713818	-	5713818	29.49	0.00
Category of Shareholders	No. of Shares held at the beginning of the period				No. of Shares held at the end of the period				% Change During the Period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other.....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	5713818	-	5713818	29.49	5713818	-	5713818	29.49	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (S)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the period				No. of Shares held at the end of the period				% Change During the Period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	100114	2017900	2118014	10.93	233685	2017900	2251585	11.62	0.69
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholding holding nominal share capital upto Rs 1 lakh	1025795	622806	1648601	8.51	1154483	551206	1705689	8.80	0.29
ii) Individual Shareholding holding nominal share capital in excess of Rs 1 lakh NBFC registered with RBI	1308472	8507925	9816397	50.66	1105745	8507925	9613670	49.62	-1.05
c) Others									
i) Foreign Bodies	-	-	-	-	-	-	-	-	-
ii) NRI / OCBs	78325	-	78325	0.40	90393	-	90393	0.47	0.06
iii) Clearing Members/Clearing House	-	-	-	-	-	-	-	-	-
iv) Trusts	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	2512706	11148631	13661337	70.51	2584306	11077031	13661337	70.51	0.00
Total Public Shareholding (B) = (B) (1) + (B) (2)	2512706	11148631	13661337	70.51	2584306	11077031	13661337	70.51	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8226524	11148631	19375155	100	8298124	11077031	19375155	100	0.00

ii. Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the period			Shareholding at the end of the period			% Change in Shareholding During the Period
	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	
Vijay Kishanlal Kedia	3234383	16.69%	0	3234383	16.69%	0	0.00
Kedia Securities Pvt. Ltd.	2479435	12.80%	0	2479435	12.80%	0	0.00
Total	5713818	29.49%	0	5713818	29.49%	0	0.00

iii. Change in Promoters' Shareholding (Please specify, If there is no change)

	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
At the beginning of the period	5713818	29.49%		
Datewise Increase / Decrease in Promoters Shareholding during the period specifying the reasons for increase / decrease allotment / transfer / bonus / sweat equity etc):	NO CHANGE DURING THE PERIOD			
At the end of the period			5713818	29.49%

iv. Shareholding Pattern of Top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1. Nazim Sadrudin Charania				
At the beginning of the year	2998585	15.48%	2998585	15.48%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2998585	15.48%
2. Salim Anwarali Kamani				
At the beginning of the period	2441170	12.60%	2441170	12.60%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2441170	12.60%
3. Sajid Umedali Dhrolia				
At the beginning of the period	2359370	12.18%	2359370	12.18%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2359370	12.18%
4. Vighnar Holdings Pvt Ltd				
At the beginning of the period	2000000	10.32%	2000000	10.32%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2000000	10.32%
5. Pawan Kumar Gupta				
At the beginning of the period	968000	5.00%	968000	5.00%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period - On 09-Nov.-2015	Closing Balance :		968000	5.00%
6. P L Sutodiya (HUF)				
At the beginning of the period	160000	0.83%	160000	0.83%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		160000	0.83%

	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
7. Parmeswarlal Sutodiya				
At the beginning of the period	160000	0.83%	160000	0.83%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		160000	0.83%
8. Pradeep Sutodiya				
At the beginning of the period	154700	0.80%	154700	0.80%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		154700	0.80%
9. Manicklal Daga				
At the beginning of the period	74500	0.38%	74500	0.38%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		74500	0.38%
10. Jaikishan Rathi (HUF)				
At the beginning of the period	50000	0.26%	50000	0.26%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		50000	0.26%

v. Shareholding of Directors and key Managerial Personnel

	Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
For Each of the Directors and KMP				
Mr. Vijay Kishanlal Kedia				
At the beginning of the period	3234383	16.69%	3234383	16.69%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		3234383	16.69%
Mr. Pawan Kumar Gupta				
At the beginning of the period	968000	5.00%	968000	5.00%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		968000	5.00%

vi. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4500000	341,051,002		345,551,002
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	4,500,000	341,051,002.00	-	345,551,002
Change in Indebtedness during the financial year				
* Addition	75,273,593	1,449,508,792	-	1,524,782,385
* Reduction	17,373,844	1,168,671,080	-	1,186,044,924
Net Change	57,899,749	280,837,712	-	338,737,461
Indebtedness at the end of the financial year				
i) Principal Amount	62,399,749	760,082,147	-	822,481,896
ii) Interest due but not paid	-	1,284,792	-	1,284,792
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	62,399,749	761,366,939	-	823,766,688

vii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Prince Tulsian, Managing Director	Total Amount
1.	Gross Salary		
	(a) Value of perquisites under Section 17(1) of Income-Tax Act, 1961	7,20,000.00	7,20,000.00
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	0.00	0.00
	(c) Profits in lieu of Salary under Section 17(3) of Income-tax Act, 1961	0.00	0.00
2.	Stock Options	0.00	0.00
3.	Sweat Equity	0.00	0.00
4.	Commission		
	- as % of profit	0.00	0.00
5.	Others, please specify	0.00	0.00
	Total	7,20,000.00	7,20,000.00

B. Remuneration to other Director :

Sl. No.	Particulars of Remuneration	Directors					
		Vijay Kedia	Mayank Jhunjhunwala	Jyoti Bhudhia	Nadir Dhrolia	Rajendra Shah	Total
	Gross Salary						
1.	(a) Value of Perquisites u/sec 17 (1) of the Income Tax Act, 1961	0	0	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0	0
2.	Stock Option	0	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0	0

4.	Commission	0	0	0	0	0	0
	- as % of profit	0	0	0	0	0	0
	others, specify.....	0	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0	0
	Total	0	0	0	0	0	0

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Pawan Kumar Gupta	Shailesh Bhaskar	Ankit Maheswari	Total
	Gross Salary				
1.	(a) Value of Perquisites u/sec 17 (1) of the Income Tax Act, 1961	2937000	696000	975337	4608337
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	others, specify.....	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total	2937000	696000	975337	4608337

viii. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NGLT/COURT]	Appeal made if any (give details)
A. COMPANY Penalty Punishment Compounding	-	-	-	-	-
B. DIRECTORS Penalty Punishment Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 12th August, 2017

Vijay Kedia
Chairman
DIN :00230480

ANNEXURE - IV
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykis Marketing Pvt Ltd Subsidiary
b)	Nature of contracts/arrangements/transaction	Marketing & sales agreement
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	For marketing the products and other sales promotion
	Justification for entering into such contracts or arrangements or transactions'	The company markets our products throughout the market under different geographical area of India.
e)	Date of approval by the Board	27/05/2016
f)	Amount paid as advances, if any	1250/-
g)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Crown Soaps Director is a partner
b)	Nature of contracts/arrangements/transaction	Purchase of Laundry soaps
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Crown soaps fulfill the requirement of laundry soaps and noodles required for the laundry soaps.
e)	Justification for entering into such contracts or arrangements or transactions'	We get laundry soaps at cheaper rate as compared to other suppliers in the market
f)	Date of approval by the Board	27/05/2016
g)	Amount paid as advances, if any	1099305/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

3. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykis Confectioners Pvt. Ltd. (Formerly known as Sterling Confectioners Pvt. Ltd.) Common director
b)	Nature of contracts/arrangements/transaction	Purchase of Confectionery item
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Investment in shares
e)	Justification for entering into such contracts or arrangements or transactions'	Investment in shares
f)	Date of approval by the Board	27/05/2016
g)	Amount paid as advances, if any	4,26,54,329/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

4. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykis Packaging Pvt Limited (Formerly known as Lykis Pharma Pvt. Ltd.) Associate
b)	Nature of contracts/arrangements/transaction	Investment in shares of Associate
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Investment in shares of Associate
e)	Justification for entering into such contracts or arrangements or transactions'	Investment in shares of Associate
f)	Date of approval by the Board	27/05/2016
g)	Amount paid as advances, if any	33,92,038/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

5. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Spectra International Pvt Ltd. Common Director
b)	Nature of contracts/arrangements/transaction	Leave & License Agreement
c)	Duration of the contracts/arrangements/transaction	From 01/12/14 to 31/10/19.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	They have provided us the right to use their premises as corporate office.
e)	Justification for entering into such contracts or arrangements or transactions'	A premise is taken on rental basis.
f)	Date of approval by the Board	27/11/2014
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

6. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Spectra Packaging Director is Partner
b)	Nature of contracts/arrangements/transaction	Development of corrugated boxes
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Develop and provide corrugate boxes
e)	Justification for entering into such contracts or arrangements or transactions'	Provide corrugate boxes to our suppliers at very competitive price
f)	Date of approval by the Board	29/05/2015
g)	Amount paid as advances, if any	52,630/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable since the aggregate value of the transaction is not material.

7. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Vijay Kedia Director
b)	Nature of contracts/arrangements/transaction	Loan from Director
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Loan from Director who is also a share holder
e)	Justification for entering into such contracts or arrangements or transactions'	Loan from Director
f)	Date of approval by the Board	29/05/2015
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Required u/s 188 of the Companies Act, 2013 since the agreement was executed prior to 1 st April 2014

8. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Pramod Gupta Father of CEO
b)	Nature of contracts/arrangements/transaction	Professional service
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Providing professional services
e)	Justification for entering into such contracts or arrangements or transactions'	Reach experience in the field of cosmetics products and well known Astrologer (Vastu Shastra)
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Required u/s 188 of the Companies Act, 2013 since the agreement was executed prior to 1 st April 2014

9. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shikha Gupta Wife of CEO
b)	Nature of contracts/arrangements/transaction	Professional Service
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Providing professional services
e)	Justification for entering into such contracts or arrangements or transactions'	Professional for art work development
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Required u/s 188 of the Companies Act, 2013 since the agreement was executed prior to 1 st April 2014

10. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Pragati Aerosols Pvt Ltd. Common Director
b)	Nature of contracts/arrangements/transaction	Purchase of Aerosol Cans
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Develop and Provide Cans
e)	Justification for entering into such contracts or arrangements or transactions'	Provide Cans to our suppliers at very competitive price
f)	Date of approval by the Board	27/05/2016
g)	Amount paid as advances, if any	13,587,113/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

11. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykis Herbals Pvt. Ltd. Common Director
b)	Nature of contracts/arrangements/transaction	Purchase of Cosmetics
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Lykis Herbals Pvt. Ltd. fulfill the requirement of Cosmetics & Herbals
e)	Justification for entering into such contracts or arrangements or transactions'	We get cosmetics at cheaper rate as compared to other suppliers in the market.
f)	Date of approval by the Board	27/05/2016
g)	Amount paid as advances, if any	5,74,99,183/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

12. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Dharamnagar Tea Estate Pvt. Ltd. Common Director
b)	Nature of contracts/arrangements/transaction	Purchase and Sales of CTC Tea and Green Leaf
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Both the Companies have cordial relationship at Tea Estate level and are engaged in contracts of buying and selling of Greenleaf and CTC tea as per mutual understanding and suitability of each other.
e)	Justification for entering into such contracts or arrangements or transactions'	Dharamnagar tea Estate is plucking good quality of green tea leaf and more so they are supplying leaf at cheaper rate than other Estates, Further our Tea Estate is producing good quality of CTC tea and hence buying and selling of tea is beneficial for both the companies.
f)	Date of approval by the Board	Before 27/05/2016
g)	Amount paid as advances, if any	Rs. 9,282,624.63
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

Note: - The Company has not entered in any transactions which are not at Arm's length basis.

13. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykis Soaps Pvt. Ltd. Common director
b)	Nature of contracts/arrangements/transaction	Purchase of Soaps
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	It is an Associate company and dealing of in all types of soaps.
e)	Justification for entering into such contracts or arrangements or transactions'	Dealing in all types of Soaps
f)	Date of approval by the Board	27-05-2016
g)	Amount paid as advances, if any	1,11,03,005/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

14. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykon Foods Pvt. Ltd. Common director
b)	Nature of contracts/arrangements/transaction	Advance For Expenses
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	It is an Associate company, dealing in confectionery.
e)	Justification for entering into such contracts or arrangements or transactions'	For dealing in Confectionery items
f)	Date of approval by the Board	27-05-2016
g)	Amount paid as advances, if any	5,38,655/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

15. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Bion Aerosols Pvt. Ltd. Common director
b)	Nature of contracts/arrangements/transaction	Advance For Expenses
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	It is an Associate company.
e)	Justification for entering into such contracts or arrangements or transactions'	It is an Associate company.
f)	Date of approval by the Board	27-05-2016
g)	Amount paid as advances, if any	3005/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

16. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lykis Homecare Pvt. Ltd. Common director
b)	Nature of contracts/arrangements/transaction	Advance for Expenses
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	It is an Associate company and dealing of in all types of milk products.
e)	Justification for entering into such contracts or arrangements or transactions'	For dealing of in all types of milk products.
f)	Date of approval by the Board	27-05-2016
g)	Amount paid as advances, if any	3005/-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not applicable

MANAGEMENT DISCUSSION AND ANALYSIS

In view of diversification of business, constant monitoring regarding quality control of all products of the company is maintained every moment. In competition with other global players, our company proceeded with reasonable price and genuine items. As a result the turnover of the company increased substantially as compared to earlier years. The export demand was also steady throughout the year. In tea, domestic consumption is increasing year by year. The new extension work became a continuous activity at our Iringmara Tea Estate. The production at our tea estate is increasing gradually from our own greenleaf together with the purchased leaf from other gardens. In future years our tea estate will be one of the giant producer garden in that area of Assam. We have started packet tea brand “CHEERS” and are getting fair response in the market. We have also started Government Organisation supplies namely Central Police Canteen of our packet tea as dry ration item.

Segment wise Report:

Financial year 2016-17, our segment wise sales stood as under:

Category	Food	Soap	Cosmetics	Deo/Sprays	Others
Revenue	39.25%	12.66%	17.68%	6.28%	24.12%

For international segment, we have exported our products in more than 39 countries as on date. The company is striving hard to expand its geographical base by exporting to many more countries in future.

Outlook:

There are some trends which are emerging in the markets. Especially in the developed markets, due to the continuing recessionary trends, the consumer spending is cautious with higher value demands which are giving rise to high competitive intensity in those markets. There is also a continual shift of consumers towards health, wellness and convenience segments. There is also a growing trend for more premiumised products in some markets. We expect these challenges and trends to remain for some time to come also. We expect the retail environment to be very competitive with aggressive promotions to sustain growth. We also expect the significance of modern trade to increase over traditional trade in the developing markets exacerbating the competitive environment. The Company continues to constantly strive to meet these challenges with a continuous support to brands, category expansion, innovation and cost rationalization.

Internal Control System and Adequacy:

The company has proper and adequate system of Internal Controls which is commensurate with the size and the nature of business, to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposal and commercial transactions are authorised, recorded and reported correctly. The internal control is supplemented by an extensive program of internal and external audits. The company accords greatest importance to the security of its information assets and has the requisite security controls and checks. Adequate storage and back-up system is maintained to ensure security and availability of data at all times.

Strengths:

Lykis is an existing brand, experienced in operations and management of FMCG products. Operations are handled by a strong experienced management and professional team and also there is a strong technical and development team for support. Moreover, the company launched packet tea brand “CHEERS” and is getting fair response in the normal domestic market, malls and departmental stores.

Risk and Concern:

Fast expansion in various geographical locations may require more exposure in management and control.

Threats:

Since it is a growing industry, there is a threat of competition from the other players who might try to create an unhealthy practice of competition by compromising on the quality and pricing. We have an established team of professionals to handle the operations and are in the process of hiring more such kinds of professionals.

Opportunities:

FMCG industry is a growing industry in India. FMCG is indigenous to India and because of its pre- eminence as a foreign exchange earner. Indian FMCG industry represents nearly 2.5% of the country's GDP.

Material Development in Human Resource:

Employees are the valuable assets and the strength of an organisation in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills.

Your Company is continuously striving to create appropriate environment, opportunities and systems to facilitate identification, development, and utilization of their full potential and inculcating a sense of belongingness.

Cautionary Statement:

Certain statements made in this report relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

REPORT ON CORPORATE GOVERNANCE

The Company remains committed to good Corporate Governance by attainment of the highest levels of transparency, accountability and integrity to all its Shareholders, Customers, Employees, the Government and other Business Associates. Its core values are based on integrity, emphasis on product quality and transparency in its dealings with all the stakeholders.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness and integrity in all its transactions to enhance the interest of all its shareholders/investors, suppliers and customers. The company operating in the FMCG and labour intensive tea industry gives due emphasis to the human assets and excellent relations are being maintained at all levels to secure optimum results.

The Company complies with the requirements regarding Corporate Governance as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. BOARD OF DIRECTORS

The Board of the Company has an optimum combination of Executive and Non-Executive Directors with at least one woman director and less than fifty percent of the board of directors shall comprise of non-executive director. The composition of the board is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of the Directors, their directorships and committee chairmanship/membership held by them in other public companies (excluding Lykis Limited) are as under:

Name of the Director	Category	No. of Directorships in other Public Limited Companies*	#Committee Positions in other Public Companies	
			Chairman#	Member#
Mr. Vijay Kedia DIN: 00230480	Chairman - Non-Executive, Non-Independent (Promoter)	2	0	0
Mr. Prince Tulsian DIN: 02691348	Managing Director - Executive	1	0	0
Mr. Nadir Dhrolia DIN: 03303675	Non-Executive Director, Non-Independent	1	0	0
Mr. Mayank Jhunjunwala DIN: 02695948	Non-Executive, Independent	1	0	0
Ms. Jyoti Budhia DIN: 00332044	Non-Executive, Independent	1	0	1
Mr. Rajendra Shah DIN: 07259569	Non-Executive, Independent	0	0	0

1. *Other directorships exclude directorships of Private Limited Companies, Foreign Companies and Section 8 Companies.
2. # Represents Memberships / Chairmanships of Audit Committee and Stakeholders Relationship Committee has been considered.
3. Members of the Board of the Company do not have membership of more than ten Committee or Chairmanship of more than five Committee.
4. The tenure of the Independent Directors is in Compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria of the Independence as mentioned under SEBI (LODR) Regulation 2015 and Section 149 of the Companies Act, 2013.
5. None of the Directors have any inter-se relation among themselves.

Board Meetings

During the year, Five (5) Meeting of Board Director were held on 27th May, 2016, 02nd August, 2017, 12th August, 2016, 14th November, 2016, and 14th February, 2017 and the particulars of attendance of the Directors are as under:

Name of the Director	No. of Board Meetings Attended during the year 2016-17	Whether attended last AGM held on 30th September, 2016
Mr. Vijay Kedia	3	No
Mr. Prince Tulsian	5	Yes
Mr. Nadir Dhrolia	3	No
Mr. Mayank Jhunjunwala	5	Yes
Ms. Jyoti Budhia	5	No
Mr. Rajendra Shah	3	No

The terms and conditions of appointment of independent directors are disclosed on the website of the Company.

During the year under review, Separate meeting of the Independent Directors was held on 14th February, 2017 to review the performance of Non-Independent Directors and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

Shareholding of Directors:

Shareholding of Non-Executive Directors are as under:

Name of the Director	Number of equity shares held	% of Paid-up Capital
Vijay Kedia	3234383	16.69

Brief Profile of the Directors:**1. Mr. Vijay Kishanlal Kedia (DIN: 00230480)**

He is an investor with more than 3 decades of experience in capital market.

He is a member of Nomination & Remuneration Committee.

2. Mr. Prince Tulsian (DIN: 02691348)

He joined the Board on 22nd December, 2009. Mr. Prince Tulsian is Managing Director. He has completed his graduation in Bachelors of Commerce. He has more than 20 years vast experience in tea plantation and production of good quality tea.

He is a member of Audit Committee and Stakeholder Relationship Committee.

3. Mr. Nadir Umedali Dhrolia (DIN: 03303675)

He joined the Board on 05th December, 2011. Mr. Nadir Dhrolia is Non-Executive, Non-Independent Director. He has completed his graduation in Bachelors of Commerce. He has more than 21 years of rich experience and expertise in the African markets. His contribution towards export business is of immense importance for the company to grow in the industry.

He is a member of Nomination & Remuneration Committee.

4. Mr. Mayank Jhunjunwala (DIN: 02695948)

He joined the Board on 26th February, 2014. Mr. Mayan Jhunjunwala is Non-Executive, Independent Director. He is a Chartered Accountant and has completed his graduation in Bachelors of Commerce. He has over 13 years of experience in financial and industrial matters.

He is a Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

5. Ms. Jyoti Budhia (DIN: 00332044)

She joined the Board on 31st March, 2015. Ms. Jyoti Budhia is Non-Executive, Independent Director. She has completed her graduation in Bachelors of Commerce. She has over 31 years of experience in financial and industrial matters.

She is a Member of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

6. Mr. Rajendra Manilal Shah (DIN: 07259569)

He joined the Board on 14th July, 2015. Mr. Rajendra Shah is Non-Executive, Independent Director. He is B.E. Mechanical & M.E.(Auto). He has over 41 years of experience in plastic engineering. He was a Professor in VTJL, Mumbai for graduation studies for more than 12 years.

He is not a Member of any Committee.

III. Committees of the Board

As on 31st March 2017, the Company has Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee.

1. Audit Committee

The Audit Committee is constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial/accounting expertise/exposure. Managing Director/ Chief Executive Officer, Chief Financial Officer, Internal Auditors and Statutory Auditors are the permanent invitee to the Audit Committee. The Audit Committee invites executives, as it considers appropriate, representatives of Statutory Auditors and Internal Auditors to present at its meetings.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 30th September, 2016.

Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 27th May, 2016, 12th August, 2016, 14th November, 2016, and 14th February, 2017.

Names of the Committee Members along with their attendance are given below:

Name of the Director	Category	No. of Meetings attended during the Financial year 2016-17
Mr. Mayank Jhunjhunwala	Chairman	4
Ms. Jyoti Budhia	Member	4
Mr. Prince Tulsian	Member	4

2. Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The committee comprises of non-executive directors and majority of them are independent. The Chairman of the Committee is an Independent Director.

Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 27th May, 2016, 12th August, 2016, 14th November, 2016, and 14th February, 2017.

Names of the Committee Members along with their attendance are given below:

Name of the Director	Category	No. of Meetings attended during the Financial year 2016-17
Mr. Mayank Jhunjunwala	Chairman	4
Mr. Vijay Kedia	Member	3
Mr. Nadir Dhrolia	Member	3
Ms. Jyoti Budhia	Member	4

Remuneration policy:

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. It is in compliance with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Details of Remuneration, Sitting fees, Commission paid to the Directors during the financial year ended 31st March, 2017 are given below.

Notes:

- The Non-Executive Directors are not paid sitting fees for attending the Board Meeting and any Committee meetings.
- There were no pecuniary relationship or transactions of Non-Executive Directors vis-à-vis the Company.
- The Company has not issued any convertible instruments.

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The Chairman of Committee i.e. Mr. Mayank Jhunjunwala is a non-executive director.

Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 27th May, 2016, 12th August, 2016, 14th November, 2016, and 14th February, 2017.

Name of the Committee Members along with their attendance is given below –

Name of the Director	Category	No. of Meetings attended during the Financial year 2016-17
Mr. Mayank Jhunjunwala	Chairman	4
Ms. Jyoti Budhia	Member	4
Mr. Prince Tulsian	Member	4

Mr. Udayan Bal is the Compliance Officer .

The “SCORES” website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and Compliance Officer and there no pending complaints registered with SCORES till 31st July, 2017.

Terms of Reference

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

Details of Investor Complaints

The Company received 01 complaints during the financial year 2016-17 and all the complaints were redressed. There were no outstanding complaints as on 31st March, 2017.

General Body Meetings

(i) Annual General Meetings (AGM):

The details of the last 3 Annual General Meetings held:

Year	Venue of the Meeting	Date	Time	Whether Special Resolution passed
2016	SANAI” 181/1, Upen Banerjee Road, Behala Airport More, Kolkata - 60	30-09-2016	10.00 A.M.	No
2015	125/1, Sagar Manna Road, Parnasree, Behala, Kolkata-60	30-09-2015	10:30 A.M	Yes
2014	134,S.N.Banerjee Road, Kolkata-13	30-09-2014	10:30 A.M.	No

Details of Special resolutions passed in last three Annual General Meetings:

AGM dated 30th September, 2015

1. Issue of 9,68,000 Equity Warrants, convertible into Equity Shares, on preferential basis to Chief Executive Officer (CEO).

Postal Ballot

During the year under review, no resolution has been passed through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot.

Disclosures

(i) **Related Party Transactions**

The Company entered into a contract/arrangement/transaction with related parties which could not be considered material in nature. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. Necessary disclosure required under the Accounting Standard (AS-18) have been made in the notes to Financial Statement. The Company has adopted a policy for related Party transactions which has been uploaded on the Company's website at www.lykisgroup.com.

(ii) The Company has complied with the requisite regulations relating to capital markets. No Penalties/ strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the year.

(iii) **Whistle Blower Policy**

The Company has adopted whistle blower policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put on the website of the Company at www.lykisgroup.com.

(iv) **Details of Compliance with mandatory requirements and adoption of non- mandatory requirements**

The Company has complied with the applicable mandatory requirements of the SEBI Listing Regulations. . The Company has adopted following non-mandatory requirements of SEBI Listing Regulations, 2015.

Adoption of Non-Mandatory Requirements

i. **Shareholder Rights**

As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

ii. **Audit Qualifications**

The Company's financial statement for the financial year 2016-17 does not contain any audit qualification.

iii. **Reporting of Internal Auditor**

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and directly inter-acts to the audit committee.

(v) **Disclosure of Accounting Treatment**

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. No deviation is made in following the same.

(vi) Code of Conduct

The code of conduct has been put on the Company's website. The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2017. The Annual Report contains declaration to this effect signed by the Mr. Prince Tulsian – Managing Director of the Company.

(vii) Certificate under Regulation 17(8)

The certificate pursuant to the provisions of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs is annexed and forms part of the Annual Report.

(viii) Familiarisation programme for Directors

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of Familiarisation Programme is available on the website of the Company at www.lykisgroup.com

(ix) The Company has adopted policies and are available on the website of the Company at “www.lykisgroup.com”.

VI. Means of Communication

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to the Stock Exchange, where the shares are listed. The results are published normally in Business Standard (English) and Kalantar (Bengali). The results are also displayed on the Company's website at “www.lykisgroup.com”. The Management Discussion & Analysis Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting

Day :- Friday

Date :- 22nd September, 2017

Time :- 10.30 am

Venue :- “SANAI” 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060

2. Financial Calendar (Tentative)

Financial Year of the Company 01st April, 2017 to 31st March 2018.

Results for the Quarter ending:

30th June, 2017 On or before 14th August, 2017.

30th September, 2017 On or before 14th November, 2017.

31st December, 2017 On or before 14th February, 2018.

31st March, 2018 On or before 30th May, 2018.

3. Date of book Closure: 18th September, 2017 to 22nd September, 2017 (Both days inclusive)

4. Listing on Stock Exchange

Company's equity shares are listed and are under suspension at the following Stock Exchanges

- i. BSE Limited. (BSE), Mumbai
- ii. The Calcutta Stock Exchange Association Ltd. (CSE), Kolkata,
- iii. The Ahmedabad Stock Exchange (ASE), Ahmedabad.

The Company's equity shares are regularly traded in BSE. The Equity Shares are in Suspension at CSE & ASE.

5. Stock code

Bombay Stock Exchange Limited – 530689
The Calcutta Stock Exchange Association Ltd. - 17061
The Ahmedabad Stock Exchange – 19707

6. E-mail address for investor grievances:

The investors can e-mail their grievances to rd.infotech@vsnl.net

7. Plant Locations:

IRINGMARA TEA ESTATE P.O. Dwarbund, Dist- Cachar, Pin code – 788 113, Assam

8. Registrar and Share Transfer Agents

Work related to both physical/demat Shares is handled by M/s. R & D Infotech Pvt. Ltd at its address given below:-

R & D Infotech Pvt. Ltd.
7A, Beltala Road, 1st Floor, Kolkata - 700 026,
E-mail ID: rd.infotech@gmail.com,
Web Site: rdinfotech.org
Telephone No. (033) 2419 2642, (033) 2419 2641

9. Share transfer system

The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in physical form are processed by the registrar and Share Transfer Agent.

As required by Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary with regard to, inter alia, effecting transfer, transmission, sub-division, consolidation, renewal and exchange of equity shares within fifteen days of their lodgment. The certificate is also filed with BSE where the equity shares of the Company are listed.

10. Stock Market price data for the year 2016-17

Monthly high and low of market prices of the Company's equity shares traded at the Bombay Stock Exchange Limited during the financial year 2016-17 along with the BSE SENSEX:

Months	Lykis Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
Apr-16	71.7	65.95	67.25	26100.54	24523.2	25606.62
May-16	68.5	54.25	54.25	26837.2	25057.93	26667.96
Jun-16	65	49.8	64.1	27105.41	25911.33	26999.72
Jul-16	67.3	54.2	57.25	28240.2	27034.14	28051.86
Aug-16	58.35	46.35	57.2	28532.25	27627.97	28452.17
Sep-16	59.45	49	51.9	29077.28	27716.78	27865.96
Oct-16	55.4	50	54.55	28477.65	27488.3	27930.21
Nov-16	54.95	45.15	52.1	28029.8	25717.93	26652.81
Dec-16	61.45	50.15	52.7	26803.76	25753.74	26626.46
Jan-17	57	50.55	54.1	27980.39	26447.06	27655.96
Feb-17	56.65	49.1	52.75	29065.31	27590.1	28743.32
Mar-17	53.85	47.55	48.65	29824.62	28716.21	29620.5

Performance of Company's Equity Shares in comparison to BSE Sensex on the basis of closing price:



11. Distribution of shareholding

Class-wise distribution of Equity Shares as on 31st March, 2017

Category	No of Holders	% To Holders	No. of Shares	% To Equity
UPTO to 5000	1977	71.656%	455007	2.35%
5010 to 10000	426	15.440%	353119	1.82%
10010 to 20000	174	6.307%	254970	1.32%
20010 to 30000	48	1.740%	122180	0.63%
30010 to 40000	29	1.051%	103096	0.53%
40010 to 50000	23	0.834%	106973	0.55%
50010 to 100000	42	1.522%	304574	1.57%
100010 to 500000	23	0.834%	512842	2.65%
500010 to 1000000	5	0.181%	366451	1.89%
1000010 and Above	12	0.435%	16795943	86.69%
Total	2759	100.00%	19375155	100.00%

12. Shareholding pattern as on 31st March, 2017 concentrate

Category	Percentage
Res. Ind.	58.42%
Dom. Com.	24.42%
N. R. I.	0.47%
For. Com.	0.00%
Mutu.Fnd.	0.00%
Fin.Ins	0.00%
Banks	0.00%
Directors/Rel	16.69%
F. I. I.	0.00%
Others	0.00%
	100.00%

13. Dematerialization of shareholding

The Company's shares are admitted into both the depositories viz National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and the ISIN allotted for the equity shares of the Company is INE624M01014. As on 31st March, 2017, total 8298124 shares representing 42.79% of the Company's shares are held in demat form in the depositories.

14. Reconciliation of Share Capital Audit Report

A qualified Practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the total issued and listed equity share capital. The audit confirms that the issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

15. Practicing Company Secretary's Certificate on Corporate Governance:

As required under Regulation of the Listing Agreement, Mr. Dinesh Agarwal, Practicing Company Secretary has verified the compliance of the Corporate Governance norms by the Company. Certificate issued by her in this regard is annexed hereto.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 12th August, 2017

Vijay Kedia
Chairman
DIN :00230480

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

The Members,
M/s. LYKIS LIMITED
Omar Mansion, 29A,
Weston Street 2nd Floor,
Room No. B5, Kolkata-700012.

I have examined the compliance of conditions of Corporate Governance by Lykis Limited for the year ended 31st March, 2017, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of corporate governance is the responsibility of the Management. My review was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company. In my opinion and to the best of my information and according to the explanations given to me and the representations made by

The Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Listing Regulations, as applicable.

I further state that, such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted affairs of the Company.

Place: Kolkata
Date: 12th August, 2017

Dinesh Agarwal
Practicing Company Secretary
FCS No. 6315
CP No. 5881

Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015 on the audited Financial Statement for the year ended on 31st March, 2017.

We, Mr. Pawan Kumar Gupta, Chief Executive Officer and Mr. Ankit Maheshwari, Chief Financial Officer of Lykis Limited, to the best of our knowledge and belief certify that:

- a) We have reviewed Financial Statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee:-
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **LYKIS LIMITED**
(PAWAN KUMAR GUPTA)
Chief Executive Officer

For **LYKIS LIMITED**
(ANKIT MAHESHWARI)
Chief Financial Officer

Place : Kolkata
Dated : 30th May, 2017

**DECLARATION ON CODE OF CONDUCT
To the Shareholders of Lykis Limited
Sub.: Compliance with Code of Conduct**

In accordance with Regulation 17(5)(a) of SEBI Listing Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the Financial year ended 31st March, 2017.

For **LYKIS LIMITED**

Place : Kolkata
Dated : 30th May, 2017

(PRINCE TULSIAN)
Managing Director

Sanjay P. Agarwal & Associates

Chartered Accountants

4, Fairlie Place, "HMP House"
Mazzenine Floor, Room No. M-29
Kolkata - 700 0001

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S LYKIS LIMITED

Report on the Financial Statements

We have audited the accompanying (standalone) financial statements of **LYKIS LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss & the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) 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 (Standalone) 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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 of the state of affairs of the Company as at 31st March 2017, its profit and its cash flows for the year ended on that date.

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 A**" a statement on the matters Specified in 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 cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid (standalone) 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 written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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 litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 28 to the financial statements

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn. No. 325683E

Place : Kolkata

Date : 30th May, 2017

(SANJAY AGARWAL)

Partner

Mem. No. 062218

“Annexure A” to the Auditors' Report

[[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of LYKIS LIMITED on the accounts of the company for the year ended 31st March, 2017]

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that :

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of the immovable properties are held in the name of the company.
- (ii) a) As explained to us, the inventories of Finished goods, semi finished goods, stores, spare parts and raw material physically verified at the end of the year by the Management. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification as compared to book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loan to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and securities provisions of section 185 and 186 of the Companies Act, 2013 has been complied with.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, and others except Cess on Green Leaf which is in arrear amounting to Rs. 11,01,153.65 as at March 31, 2017 for a period more than six month from the date which is being payable with the appropriate authorities.
- (viii) According to the information and the explanation given to us the company has not defaulted in repayment of loans & borrowings to financial institution, bank, government or due to any debenture holder.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised any money by way of term loans, debt instrument & initial public offer or further public offer during the year.

- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) According to the information & explanation given to us and based on our examination of records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule v to the act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standard.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential issue of equity shares during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion and according to information given to us, the company is not Required to obtain registration under section 45 IA of the Reserve Bank of India Act, 1934.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn. No. 325683E

Place : Kolkata

(SANJAY AGARWAL)

Date : 30th May, 2017

Partner
Mem. No. 062218

“Annexure B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of LYKIS LIMITED Report on the Internal Financial Controls 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 Lykis Limited as of March 31, 2017 in conjunction with our audit of the standalone 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.

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 31, 2017, 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.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn. No. 325683E

Place : Kolkata

(SANJAY AGARWAL)

Partner

Date : 30th May, 2017

Mem. No. 062218

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	199,269,925.00	199,269,925.00
Reserves and Surplus	3	149,081,364.17	142,919,852.02
		<u>348,351,289.17</u>	<u>342,189,777.02</u>
Non Current Liabilities			
Long Term Borrowings	4	4,974,155.67	4,027,340.10
Deferred Tax Liability(Net)	5	1,045,890.00	1,844,075.00
		<u>6,020,045.67</u>	<u>5,871,415.10</u>
Current Liabilities			
Short Term Borrowings	6	848,244,383.21	514,793,449.53
Trade Payables	7	41,567,795.50	23,786,028.70
Other Current Liabilities	8	56,672,965.86	194,531,458.82
Short Term Provisions	9	20,235,841.33	14,850,331.00
		<u>966,720,985.90</u>	<u>747,961,268.05</u>
TOTAL		<u>1,321,092,320.74</u>	<u>1,096,022,460.17</u>
II. ASSETS			
Non Current Assets			
Fixed Assets (Tangible Assets)	10	129,711,716.68	129,322,813.95
Capital Work in Progress	10	2,698,957.89	-
Non- Current Investments	11	26,346,290.00	76,094,000.00
Other Non Current Assets	12	115,733.00	115,733.00
		<u>158,872,697.57</u>	<u>205,532,546.95</u>
Current Assets			
Current Investments	13	4,076.44	48,306,626.57
Inventories	14	20,356,453.16	26,807,401.04
Trade Receivables	15	446,806,316.81	299,151,587.91
Cash & Cash Equivalents	16	170,979,223.37	76,994,393.70
Short term Loans & Advances	17	16,979,151.00	6,642,811.00
Other Current Assets	18	507,094,402.39	432,587,093.00
		<u>1,162,219,623.17</u>	<u>890,489,913.22</u>
TOTAL		<u>1,321,092,320.74</u>	<u>1,096,022,460.17</u>

Summary of Significant Accounting Policies 1

The accompanying notes are an integral parts of financial statements.
As per our Report of even date

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata

Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note	<u>2016-17</u> (`)	<u>2015-16</u> (`)
INCOME			
Revenue from Operations	19	1,060,822,209.20	1,046,675,685.50
Other Income	20	29,475,914.62	10,930,493.64
Total Revenue		1,090,298,123.82	1,057,606,179.44
EXPENDITURE			
Purchases of Stock-in trade		872,575,805.48	849,260,314.00
Cost of Material Consumed (Green Leaf)		15,238,904.50	11,753,515.75
Change in Inventories of Finished Goods, Stock in Process and Stock-in Trade	21	5,548,646.82	(10,558,958.24)
Employee Benefit Expenses	22	34,941,858.18	31,758,762.93
Finance Cost	23	28,283,602.84	20,667,605.15
Depreciation & Amortization Expense	24	4,172,912.51	3,426,710.00
Other Expenses	25	122,247,772.34	127,784,354.83
Total Expenses		1,083,009,502.67	1,034,092,304.42
PROFIT / (LOSS) BEFORE TAXATION		7,288,621.15	23,513,875.02
LESS : Tax Expenses			
Current Tax		2,061,725.00	5,120,000.00
Deferred Tax		(798,185.00)	469,370.00
PROFIT / (LOSS) FOR THE YEAR		6,025,081.15	17,924,505.02
Basic Earnings per equity share (in `)	26	0.31	0.95
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral parts of financial statements.
As per our Report of even date

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata
Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

CASH FLOW STATEMENT FOR THE YEAR 2016 - 2017

	2016 - 2017 ([^])	2015 - 2016 ([^])
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (loss) Before Taxes and Extraordinary Items	7,288,621.15	23,513,875.02
Adjustment For:		
Transferred to Investment Allowance Reserve	1,624,380.00	283,685.00
Finance Cost	28,283,602.84	20,667,605.15
Depreciation and Amortisation Expenses	4,172,912.51	3,426,710.00
Adjustment for Earlier Year	--	(109,455.29)
Decrease in Deferred Tax Liability	(798,185.29)	--
Agriculture Income Tax Paid for Earlier Years	(1,487,949.00)	--
 Operating Profit Before Working Capital Changes	 <u>39,083,382.21</u>	 <u>47,782,419.88</u>
Adjustment For:		
(Increase) / decrease in Stock	6,450,947.88	(9,423,128.42)
(Increase) / decrease in Trade Receivable	(147,654,728.90)	138,656,798.62
(Increase) / decrease in Current Assets	(74,507,309.39)	(127,324,657.81)
(Increase) / decrease in Loans & Advances	(10,336,340.00)	(6,642,811.00)
Increase / (decrease) in Current Liabilities	(137,858,492.96)	177,008,961.71
Increase / (decrease) in Trade Payables	17,781,766.80	(43,544,957.15)
	<u>(346,124,156.57)</u>	<u>128,730,205.95</u>
 Cash Generated From Operations	 <u>(307,040,774.36)</u>	 <u>176,512,625.83</u>
Less : Finance Cost	<u>(28,283,602.84)</u>	<u>(20,667,605.15)</u>
 Net Cash (used in) Operating Activities	 'A' <u>(335,324,377.20)</u>	 <u>155,845,020.68</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/decrease in Fixed Assets	(388,902.73)	(22,174,964.07)
(Increase)/decrease in Capital Wip	(2,698,957.89)	13,738,444.22
(Increase)/decrease in Investments	97,999,318	(70,573,683.93)
 Net Cash (used in) Investing Activities	 'B' <u>94,911,457.62</u>	 <u>(79,010,203.78)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(decrease) in Long Term Borrowings	946,815.57	645,482.35
Increase/(decrease) in Short Term Borrowings	333,450,933.68	(98,137,399.41)
Increase/(decrease) in Share Capital	--	9,680,000.00
Increase/(decrease) in Share Premium	--	29,040,000.00
Net Cash from Financing Activities	 'C' <u>334,397,749.25</u>	 <u>(58,771,917.06)</u>
 Net Increase in cash and cash equivalents	 (A+B+C) <u>93,984,829.67</u>	 <u>18,062,899.84</u>
Opening Balance cash and cash equivalents	<u>76,994,393.70</u>	<u>58,931,493.86</u>
Closing Balance cash and cash equivalents	<u><u>170,979,223.37</u></u>	<u><u>76,994,393.70</u></u>

For SANJAY P AGARWAL & ASSOCIATES
Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata
Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting:

General

The 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 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. 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 except for change in the accounting policy for depreciation. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company's activities in its business segments have operating cycles which do not exceed 12 months. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

(b) Revenue Item

Items of Incomes and Expenses are accounted for on the Accrual Basis, unless otherwise specifically stated hereunder in this Schedule.

(c) Fixed Assets

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any depreciation on the acquisition cost includes the purchase price (excluding refundable taxes) and expenses directly attributable to bring the asset to the location and condition for its intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

(d) Depreciation

- i Depreciation has been provided on assets acquired and or purchased prior to 01.04.87 on WDV method as per the useful life prescribed in schedule II of company's Act, 2013.
- ii On assets acquired after 1.4.87 on SLM basis as per the useful life prescribed in schedule II of company's Act, 2013.

(e) Investments

Investments have been stated at cost.

(f) Stock In Trade

Inventories are valued at as under :

- i Stores and spares Parts-At Cost
- ii Stock of unsold Tea-At Estimated net realizable value
- iii Stock of Nursery Plants- At estimated net realizable value

(g) Provisions for Current and Deferred Tax

Provision for Income tax has been made in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax liability is recognised and carried forward.

(h) Contingent Liabilities

Contingent Liabilities, if any not provided for are disclosed by way of Notes on Accounts.

(i) Foreign Currency Transactions

Transactions in foreign currencies are translated to the reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognised as income or expenses in the Statement of Profit and Loss. Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are valued at year end rates, and unrealised translation differences are included in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
2 SHARE CAPITAL		
Authorised		
200,00,000 Equity Shares of ` 10/- each	<u>200,000,000.00</u>	<u>200,000,000.00</u>
Issued, Subscribed and		
- Paid up		
- 1,93,75,155 (1,84,07,155) Equity Shares of ` 10/- each	193,751,550.00	193,751,550.00
- Add : Forfeited Shares	5,518,375.00	5,518,375.00
	<u>199,269,925.00</u>	<u>199,269,925.00</u>

Notes of the Above

- i (a) 45,000 Equity Shares of ` 10/- each issued as fully paid up for consideration other than Cash.
- (b) 12,75,340 Equity Shares of ` 10/- each issued as fully paid up bonus shares through capitalisation of Reserves and Surplus.
- (c) The above (a) and (b) were not issued within the period of five years immediately preceding the date as at 31st March, 2017.
- (d) 22,07,350 Equity shares of ` 10/- each are forfeited shares.

- ii Terms / rights attached to equity shares.

The company has only one class of equity shares having par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share. 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.

iii Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholder	31st March, 2017		31st March, 2016	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of Rs.10/- each fully paid up				
Vijay Kishanlal Kedia	3,234,383	16.690	3,234,383	16.690
Nazim S Charania	2,998,585	15.480	2,998,585	15.480
Kedia Securities Pvt. Ltd.	2,479,435	12.800	2,479,435	12.800
Salim Anwarali Kamani	2,441,170	12.600	2,441,170	12.600
Sajid Umedali Dhrolia	2,359,370	12.180	2,359,370	12.180
Vighnhar Holdings Pvt. Ltd.	2,000,000	10.320	2,000,000	10.320
Pawan Kumar Gupta	968,000	5.000	968,000	5.000

As per records of the company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
3 RESERVES AND SURPLUS		
Securities Premium Account		
Balance as per Last Account	117,106,350.00	88,066,350.00
Add : During the Year	-	29,040,000.00
(A)	177,106,350.00	117,106,350.00
General Reserves		
Balance as per Last Account	176,450.00	176,450.00
Add : During the Year	-	-
(A)	176,450.00	176,450.00
Development Rebate Reserve		
Balance as per Last Account	13,089.00	13,089.00
Add : During the Year	-	-
(A)	13,089.00	13,089.00
Investment Allowance Utilised Reserve		
Balance as per Last Account	2,801,077.75	2,517,392.75
Add : During the Year	1,624,380.00	283,685.00
(A)	4,425,457.75	2,801,077.75
Revaluation Reserve		
Balance as per Last Account	1,075,518.16	1,075,518.16
Less : Transferred to Profit & Loss Account	-	-
(A)	1,075,518.16	1,075,518.16
Sub Total (A)	122,796,864.91	121,172,484.91
Surplus / (Deficit) in the statement of Profit & Loss		
Balances as per last Financial Statements	21,747,367.11	3,932,317.38
Add : Profit / (Loss) during the year	6,025,081.15	17,924,505.02
Less : Adjustments for Earlier year	-	109,455.29
Less : Agriculture Income Tax paid for earlier year	1,487,949.00	-
Sub Total (B)	26,284,499.26	21,747,367.11
(A+B)	149,081,364.17	142,919,852.02

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
4 LONG TERM BORROWINGS		
SECURED LOANS		
Bank Overdrafts :		
From Indian Bank (Secured against fixed deposits)	4,491,639.67	4,027,340.10
Car Loans :		
From Indian Bank (Secured by hypothecation of vehicles)	482,516.00	-
	4,974,155.67	4,027,340.10
5 DEFERRED TAX LIABILITY		
Deferred Tax	1,045,890.00	1,844,075.00
	1,045,890.00	1,844,075.00
6 SHORT TERM BORROWINGS		
UNSECURED LOANS		
Packing Credit Foreign Currency Loan (Repayable on Demand)	736,043,782.46	472,898,449.53
From IIFL Private Wealth Management	69,235,698.75	-
From Directors (Interest Free)	42,964,902.00	41,895,000.00
	848,244,383.21	514,793,449.53
7 TRADE PAYABLES		
Sundry Creditors for Goods & Services		
Due to Others	41,567,795.50	23,786,028.70
	41,567,795.50	23,786,028.70
Based on the information/documents available with the Company no creditors is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision/payments have been made by the Company to such creditors, if any, and no disclosures thereof are made in this financial statement.		
8 OTHER CURRENT LIABILITIES		
Trade Advances and Deposits	42,138,050.85	179,933,260.12
Sundry Creditors for Expenses	6,254,811.37	7,092,669.08
Other Finances	5,716,412.64	2,931,106.62
Liabilities of Car Loans	-	69,252.00
Plantation Finance Loan from Tea Board	2,563,691.00	4,505,171.00
	56,672,965.86	194,531,458.82
9 SHORT TERM PROVISIONS		
Provision for Fringe Benefit Tax (Earlier Years)	156,075.00	156,075.00
Provision for Income Tax (Earlier Years)	194,256.00	194,256.00
Provision for Income Tax (Asst. year 2014-15)	3,680,000.00	3,680,000.00
Provision for Income Tax (Asst. year 2015-16)	5,700,000.00	5,700,000.00
Provision for Income Tax (Asst. year 2016-17)	5,120,000.00	5,120,000.00
Provision for Income Tax (Asst. year 2017-18)	2,061,725.00	-
Provision for Expenses	3,323,785.33	-
	20,235,841.33	14,850,331.00

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

FIXED ASSETS

Note - 10
(Amount in `)

GROSS BLOCK					DEPRECIATION				NET BLOCK		
Description	As at 01.04.2016	Additions during the year	Deductions/ Adjustments	As at 31.03.2017	As at 01.04.2016	For the Period	Deductions/ Adjustments	Upto 31.03.2017	Transition adjustments (refer note no. 32)	As at 31.03.2017	As at 31.03.2016
TANGIBLE ASSETS											
- AIR CONDITIONER	1,22,805.00	-	-	1,22,805.00	66,367.40	8,344.00	-	74,711.40	-	48,093.60	56,437.60
- BUILDING & LABOUR LINES II	22,50,846.53	-	-	22,50,846.53	7,30,582.94	63,051.00	-	7,93,633.94	-	14,57,212.59	15,20,263.59
- BUILDING & LABOUR LINES III	17,37,393.13	-	-	17,37,393.13	5,84,424.87	24,779.00	-	6,09,203.87	-	11,28,189.26	11,52,968.26
- COMPUTER & PRINTER	36,99,835.20	2,38,227.00	-	39,38,062.20	22,14,589.48	11,51,868.97	4743.00	33,71,201.45	-	5,66,860.75	14,80,502.72
- CYCLE	13,367.00	-	-	13,367.00	13,367.00	-	-	13,367.00	-	-	-
- ELECTRICAL INSTALLATION	53,41,243.43	-	-	53,41,243.43	18,03,075.99	2,71,331.00	40843.00	21,15,249.99	-	32,25,993.44	34,97,324.44
- FACTORY BUILDING	75,06,902.15	-	-	75,06,902.15	49,92,794.45	3,33,282.00	2904.00	53,26,076.45	-	21,80,825.70	25,14,107.70
- FAX MACHINE	48,072.20	-	-	48,072.20	39,615.08	1,317.00	-	43,836.08	-	4,236.12	5,553.12
- FURNITURE & FIXTURES	68,944.55	16,149.00	-	85,093.55	50,293.13	2,800.00	-	53,093.13	-	32,000.42	18,651.42
- OFFICE EQUIPMENTS	8,200.00	-	-	8,200.00	837.00	1,466.00	-	2,303.00	-	5,897.00	7,363.00
- IRRIGATION EQUIPMENTS	33,11,528.45	-	-	33,11,528.45	17,32,559.17	1,27,377.00	4825.00	18,64,761.17	-	14,46,767.28	15,74,144.28
- LAND & PLANTATION	9,92,74,937.56	12,44,222.00	-	10,05,19,159.56	-	-	-	-	-	10,05,19,159.56	9,92,74,937.56
- MOTOR CAR	19,52,045.47	-	-	19,52,045.47	13,18,885.56	1,39,810.00	-	14,58,695.56	-	4,93,349.91	6,33,159.91
- MOTOR CYCLE	22,536.00	-	-	22,536.00	22,536.00	-	-	22,536.00	-	-	-
- PACKING MACHINE	12,98,644.90	-	-	12,98,644.90	17,050.71	78,176.00	-	2,48,676.70	-	10,49,968.20	11,28,144.20
- PLANT & MACHINERY	2,36,73,375.55	18,10,518.25	-	2,54,83,893.80	1,26,87,560.48	10,18,292.16	26033.00	1,37,31,885.64	-	1,17,52,008.16	1,09,59,782.07
- REFRIGERATOR	26,529.00	-	-	26,529.00	15,025.92	-	1761.00	16,786.92	-	9,742.08	9,742.08
- ROADS & BRIDGES	56,97,814.62	-	-	56,97,814.62	18,68,170.56	86,888.00	3419365.00	53,74,423.56	-	3,23,391.06	4,10,279.06
- SECURITY FENCING	30,15,760.00	-	-	30,15,760.00	15,84,896.46	12,886.00	1227392.00	28,25,174.46	-	1,90,585.54	2,03,471.54
- STAFF QUARTERS & BUNGALOW	30,11,203.74	-	-	30,11,203.74	8,82,842.67	1,26,341.00	-	10,09,183.67	-	20,02,020.07	21,28,361.07
- TRUCK, TRACTOR & TRAILORS	27,06,671.35	6,73,300.00	-	33,79,971.35	14,81,677.25	1,95,879.00	-	16,77,556.25	-	17,02,415.10	12,24,994.10
- TYPE WRITER	7,897.00	-	-	7,897.00	7,897.00	-	-	7,897.00	-	-	-
- WATER RESERVOIR	14,95,426.00	-	-	14,95,426.00	6,62,193.07	20,272.00	501703.00	11,84,168.07	-	3,11,257.93	3,31,529.93
- WEATHERING TROUGH	5,12,889.90	-	-	5,12,889.90	4,52,247.45	-	28818.00	4,81,065.45	-	31824.45	31,824.45
- MOBILE PHONE	7,00,108.00	2,96,385.00	-	9,96,493.00	1,90,264.10	3,21,519.05	-	5,11,783.15	-	4,84,709.85	5,09,843.90
- TELEVISION	25,600.00	-	-	25,600.00	21,285.54	3034.46	-	24,320.00	-	1,280.00	4,314.46
- WATER PUMP	9,500.00	23,650.00	-	33,150.00	3,427.88	873.00	-	4,300.88	-	28,849.12	6,072.12
- CYLINDER	38,13,440.20	-	-	38,13,440.20	38,11,643.07	-	-	38,11,643.07	-	1,797.13	1,797.13
- BROOKFIELD VISCOMETER	1,82,500.00	-	-	1,82,500.00	33,680.22	43,851.85	-	77,532.07	-	1,04,967.93	1,48,819.78
- BAR CODE PRINTER	13,000.00	-	-	13,000.00	6,057.17	4,667.02	-	10,724.19	-	2,275.81	6,942.83
- WEIGHING SCALE	33,330.00	2,46,500.00	-	2,79,830.00	22,972.78	2,453.00	-	25,425.78	-	2,54,404.22	10,357.22
- CANDLE MACHINE	86,141.25	-	-	86,141.25	18,259.36	24,517.13	-	42,776.49	-	43,364.76	67,881.89
- LABORATORY EQUIPMENTS	1,72,634.00	12,863.00	-	1,85,497.00	7,282.48	54,968.87	-	62,251.35	-	1,23,245.65	1,65,351.52
INTANGIBLE ASSETS											
- TRADE MARKS	2,54,260.00	-	-	2,54,260.00	16,369.00	52,868.00	-	69,237.00	-	1,85,023.00	2,37,891.00
TOTAL	17,20,95,382.18	45,61,814.25	-	17,66,57,196.43	3,75,14,181.23	41,72,912.51	5258387.00	4,69,45,480.74	-	12,97,11,716.68	12,93,22,813.95
PREVIOUS YEAR	14,99,20,418.11	2,21,74,964.07	-	17,20,95,382.18	3,40,87,471.23	34,26,710.00	-	3,75,14,181.23	52,58,387.00	12,93,22,813.95	11,05,74,559.88
CAPITAL WORK IN PROGRESS				-				-		26,98,957.89	-

Note : Transitional adjustment pursuant to Schedule II to the Companies Act 2013 adjustment made during the Financial Year 2014-15 transferred to Deductions/Adjustments of depreciation column in the current financial year.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
11 NON - CURRENT INVESTMENTS		
In Equity Shares - Unquoted, fully paid up		
10,000 (10,000) Nakamichi Securities Ltd. of ` 10/- each	100,000.00	100,000.00
20,02,500 (20,02,500) - Lykis Confectioners Pvt. Ltd.	20,025,000.00	20,025,000.00
2,40,075 (3,96,000) - Lykis Packaging Pvt. Ltd.	1,338,900.00	-
5,000 (Nil) - Bion Aerosols Pvt. Ltd.	50,000.00	-
5,000 (Nil) - Lykis Home Care Pvt. Ltd.	50,000.00	-
2,25,000 (Nil) - Lykis Soaps Pvt. Ltd.	2,250,000.00	-
53,339 (Nil) - Lykon Foods Pvt. Ltd.	533,390.00	-
In Equity Shares of Subsidiary Companies -		
Unquoted fully paid up		
1,99,900 (1,99,900) - Lykis Marketing Pvt. Ltd.	1,999,000.00	1,999,000.00
2,40,075 (3,96,000) - Lykis Packaging Pvt. Ltd.	-	3,960,000.00
In Preference Shares of ILFS	-	50,010,000.00
Total Non Current Investments	26,346,290.00	76,094,000.00
Aggregate Amount of Unquoted Investments	26,346,290.00	76,094,000.00
12 OTHER NON CURRENT ASSETS		
Term Deposit With Schedule Bank	115,733.00	115,733.00
	115,7333.00	115,733.00
13 CURRENT INVESTMENTS		
Trade Investments (At cost)		
In Mutual Funds - Quoted		
38,555 (4,56,861.594) Units ICICI Prudential Flexible Income Plan	4,076.44	48,306,626.57
Total Current Investments	4,076.44	48,306,626.57
Aggregate Amount of quoted Investments	4,076.44	48,306,626.57
Market Value of Quoted Investments	4,071.28	48,306,626.14
14 INVENTORIES		
Stock in Trade		
(As Certified by the Managment)		
Finished Goods - Tea (At net relizable value)	4,688,818.00	8,761,977.00
FMCG Products (At cost)	6,311,862.60	9,692,999.13
Greenleaf	23,614.59	66,969.88
Nursery Plants (At net relizable value)	6,364,281.30	4,415,277.30
	A	17,388,576.49
Stores & Spares (At cost)	B	22,937,223.31
	(A+B)	2,967,876.67
	20,356,453.16	26,807,401.04
15 TRADE RECEIVABLES		
Unsecured considered good		
Receivable Outstanding for a period exceeding six months from the date they are due for payment	145,006,628.15	83,636,160.74
Other Receivables	301,799,688.66	215,515,427.17
	446,806,316.81	299,151,587.91

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

		As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
16 CASH & CASH EQUIVALENTS			
Balances with Banks			
In Current Accounts		56,712,786.29	49,148,925.23
Cash in Hand		709,767.08	572,820.47
<i>(As certified by the Management)</i>			
Term Deposits with Schedule Banks		113,556,670.00	27,272,648.00
		170,979,223.37	76,994,393.70
17 SHORT TERM LOANS AND ADVANCES			
Loan to Subsidiary Company		-	1,880,505.00
Others		16,979,151.00	4,762,306.00
		16,979,151.00	6,642,811.00
18 OTHER CURRENT ASSETS			
Advance to Parties		394,194,434.10	317,177,009.36
Accrued Interest on Term Deposit		4,246,009.00	1,120,209.00
Deposits		1,387,287.53	1,375,877.53
Incentive receivables		57,887,313.33	89,954,244.59
Service Tax 14% Receivable		6,009,135.04	-
Other Advances		16,628,283.68	5,133,211.40
Other Receivables		2,621,100.00	-
Advance to Staff / Workers		8,406,143.31	2,908,304.12
Prepaid Expenses		224,205.40	-
TDS Receivable (AY 2013 - 14)		543,999.00	543,999.00
TDS Receivable (AY 2014 - 15)		105,083.00	105,083.00
TDS Receivable (AY 2015 - 16)		225,694.00	269,758.00
TDS Receivable (AY 2016 - 17)		350,479.00	306,415.00
TDS Receivable (AY 2017 - 18)		572,254.00	-
Advance Tax (AY 2014 - 15)		3,650,063.00	3,650,063.00
Advance Tax (AY 2015 - 16)		6,235,243.00	6,235,243.00
Advance Tax (AY 2016 - 17)		3,719,590.00	3,719,590.00
Self Assessment Tax (AY 2012-13)		88,086.00	88,086.00
		507,094,402.39	432,587,093.00
		2016 - 2017 (`)	2015 - 2016 (`)
19 REVENUE FROM OPERATIONS			
Finished Goods Sales			
Gross Sales	70,739,340.40	60,617,081.92	
Less: Excise Duty	264,616.00	232,672.00	
Net Sales		70,474,724.40	60,384,409.92
Green Leaf Sales	52,320.00	-	
Less : Excise Duty	818.00	-	
		51,502.00	
Trading Goods sales			
FMCG	84,705,227.61	41,692,304.66	
Tea	-	2,745,776.70	44,438,081.36
Export Sales (FMCG)		856,636,460.20	893,678,201.72
		1,011,867,914.21	998,500,693.00
Other Operating Income			
Export - MEIS	30,076,928.00	30,089,006.00	
Export - Drawback	9,276,269.99	12,770,975.02	

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>2016 - 2017</u> (`)	<u>2015 - 2016</u> (`)
Export - VKGUY	46,636.00	786,144.45
Export - Service Tax incentives	471.00	416,033.00
DFIA	9,435,213.00	3,727,353.00
Export - FMS	118,777.00	48,174,992.50
	<u>1,060,822,209.20</u>	<u>1,046,675,685.50</u>
	<u>2016 - 2017</u> (`)	<u>2015 - 2016</u> (`)
20 OTHER INCOME		
Non -Operating Income		
Liabilities no longer required written back	909,134.91	44,636.63
Interest on Term Deposit	5,323,931.00	2,368,463.00
Dividend Income	1,021,310.01	6,972,608.93
Commission Income	-	329,175.00
Interest on Loans given	529,963.25	369,791.00
Interest on Security	-	17,516.00
Short Term Gain on Mutual Fund	255,575.83	-
Long Term Gain on sale of Mutual Fund	-	770,333.38
Foreign Exchange Fluctuation Gain	21,131,535.62	-
Miscellaneous Income	304,464.00	57,970.00
	<u>29,475,914.62</u>	<u>10,930,493.94</u>
21 CHANGE IN INVENTORIES OF FINISHED STOCK, STOCK IN PROCESS & STOCK-IN-TRADE		
Inventories (at closing)	17,388,576.49	22,937,223.31
Less: Inventories (at opening)	22,937,223.31	12,378,265.07
(Increase) / Decrease in Inventories	<u>5,548,646.82</u>	<u>(10,558,958.24)</u>
22 EMPLOYEE BENEFIT EXPENSES		
Director's Remuneration	720,000.00	720,000.00
Salary, Bonus & Ex-gratia	27,582,177.66	25,776,584.33
Employers' Contribution to PF & ESI	2,272,219.65	1,988,946.72
Employees' Welfare Expenses	3,054,135.22	2,471,369.36
Loss on Food Stuff	1,313,325.65	801,862.52
	<u>34,941,858.18</u>	<u>31,758,762.93</u>
23 FINANCE COSTS		
Interest		
-On Car Loans	43,346.00	23,519.84
-On Bank Overdrafts	398,692.00	366,133.00
- On Unsecured Loan	4,622,413.69	-
-On PCFC	23,150,021.15	20,226,903.31
-On Others	69,130.00	51,049.00
	<u>28,283,602.84</u>	<u>20,667,605.15</u>
24 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and Amortisation	4,172,912.51	3,426,710.00
	<u>4,172,912.51</u>	<u>3,426,710.00</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

		2016 - 2017 (`)		2015 - 2016 (`)
25 OTHER EXPENSES				
Direct Expenses				
Manufacturing Expenses	17,521,403.67		14,926,589.19	
Cultivation Expenses	5,342,125.00		2,714,948.82	
Cess on green leaf	375,784.50		366,897.65	
Tea Chest & Components	1,835,603.69		2,125,382.41	
Clearing & Forwarding on Import	-		68,072.00	
Miscellaneous Expenses	254,182.44		-	
Freight Charges on Purchases	1,798,359.00	27,127,458.30	6,376,883.97	26,578,774.04
Selling & Distribution Expenses				
Tea Selling Expenses	767,962.80		1,346,169.42	
Clearing & Forwarding Expenses	36,304,692.02		31,311,622.74	
Shipping Expenses	974,650.00		-	
Commission Charges Paid	1,038,439.36		2,736,525.28	
Packing & Development Expenses	10,782,354.20		7,521,667.00	
Sales Promotion Expenses	3,890,614.25		1,979,846.78	
Factory Stuffing Permission Expenses	44,450.00	53,803,162.63	116,425.00	45,012,256.22
Establishment Expenses				
As Audit Fees	100,000.00		75,000.00	
As Tax Audit	25,000.00		25,000.00	
Advertisement Expenses	810,381.00		1,090,394.83	
Bank Charges	867,679.02		1,202,570.42	
Bungalow Expenses	232,729.00		278,896.00	
Computer Maintenance Expenses	482,194.00		323,257.00	
Discount Allowed	1,678,241.04		1,640,220.72	
Donation & Subscription	201,777.00		356,289.82	
Electricity Charges	37,780.00		55,860.00	
Filing Fees	3,600.00		31,000.00	
Loss on Foreign Exchange Fluctuation	58,048.00		20,226,179.14	
Short Term Loss on redemption of Mutual Fund	-		337,674.58	
Interest on Statutory Payments	31,538.00		-	
Prior Period Expenses	-		41,826.00	
FDA Approval Charges	149,250.00		173,500.00	
FMS & VKGUY realisation expenses	1,537,260.42		1,157,836.36	
Freight Charges	1,329,071.41		384,692.00	
General Expenses	1,314,625.10		1,741,952.67	
Speculative loss from Commodities Trade	146,568.61		9,388.18	
Registration Charges	-		1,000.00	
Insurance Charges	516,718.76		149,050.67	
CDSL / NSDL Expenses	95,000.00		113,356.00	
Motor Car Expenses	2,698,624.42		1,658,087.34	
Products Testing Expenses	1,212,202.00		973,691.46	
Postage & Telegram	1,670,537.59		1,131,423.69	
Printing & Stationery	1,414,272.35		816,400.61	
Professional & Consultancy Fees	5,770,805.48		5,858,841.03	
Stock Exchange Exp(BSE)	120,225.00		453,220.00	
Rent, Rates & Taxes	6,522,257.00		6,613,350.00	
Repair to Building	294,645.00		353,119.00	
Repair to Machinery	1,759,435.58		1,533,348.16	
Repair & Maintenance others	503,679.66		228,016.00	
Trade Marks Registration Charges	315,549.00		30,560.00	
Telephone & Internet Expenses	877,292.48		829,787.86	
Travelling & Conveyance Expenses	5,347,672.00		5,916,445.84	
Email id registration charges	33,158.00		94,800.00	
Sundry Debit Balance Written off	1,472,684.57		35,462.99	
Website Charges	15,000.00		2,000.00	
Service Tax & Swachh Bharat Cess Paid	1,671,649.92	41,317,151.41	249,826.20	56,193,324.57
		122,247,772.34		127,784,354.83

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

26 EARNINGS PER SHARE (EPS)

In terms of Accounting Standard 20 issued by The Institute of Chartered Accountants of India, the calculation of EPS is given below:

	2016 - 2017	2015 - 2016
Profit / (Loss) as per Profit & Loss Account (`)	6,025,081.15	17,924,505.02
Weighted average number of Equity Shares (Nos.)	19,375,155.00	18,789,051.00
Face value per equity Share (`)	10.00	10.00
Basic & Diluted Earnings per Share (`)	0.31	0.95

27 CONTINGENT LIABILITIES NOT PROVIDED FOR

(a) No provision for interest has been made on the advances taken or given pending reconciliation and confirmation of respective parties.

(b) The company has given unconditional undertaking to Pay Rs. 88000/- to DGFT by way of bank Guarantee for taking the EPCG Licence.

The said bank guarantee is issued by Indian Bank , Silchar Branch against Fixed deposit of the same amount.

28 DISCLOSURE AS NOTIFIED IN G.S.R. 308(E) 30.03.2017, IN RESPECT TO SPECIFIED BANK NOTE (SBN) HELD AND TRANSACTED DURING THE PERIOD FROM 08.11.2016 TO 30.12.2016 IN AS FOLLOWS :

Particulars	SBNs	Other Denomination Notes	(Rs' 000) Total
Closing cash in Hand on 08.11.2016	113.00	332.99	445.99
Add : Permitted Receipts	-	3,249.80	3249.80
Less : Permitted Payments	-	3,161.72	3161.72
Less : Amount Deposited in Bank	113.00		113.00
Closing cash in Hand on 30.12.2016	-	421.07	421.07

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

* Below rounding off norms adopted by the Company.

29 EARNINGS IN FOREIGN EXCHANGE

Export of Goods Calculated on FOB Basis	856,348,974.93	893,054,172.32
	856,348,974.93	893,054,172.32

30 EXPENDITURE IN FOREIGN CURRENCY (`)

Purchase	11,952,054.14	13,955,564.25
Travelling Expenses	69,117.00	218,240.84
Professional Fee	43,169.48	11,303.08
Sales Promotion Expenses	2,095,900.26	831,329.78
Advertisement Expenses	-	222,616.83
	14,160,240.88	15,239,054.78

31 RELATED PARTY DISCLOSURE

In terms of Accounting Standard 18 -the related party disclosure are given below :

(i) List of Related Parties where control exists and related parties with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
Lykis Marketing Pvt. Ltd.	Subsidiary Company
Lykis Packaging Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Dharamnagar Tea Estate Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Spectra International Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Spectra Packaging	Enterprises over which key Managerial person are able to exercise significant influence
Crown Soaps	Enterprises over which key Managerial person are able to exercise significant influence
Lykis Confectioners Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Lykis Soaps Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Lykis Homocare Pvt Ltd	Enterprises over which key Managerial person are able to exercise significant influence
Bion Aerosols Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Lykis Biscuit Pvt Ltd	Enterprises over which key Managerial person are able to exercise significant influence
Lykon Foods Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Pragati Aerosols Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Lykis Herbals Pvt. Ltd.	Enterprises over which key Managerial person are able to exercise significant influence
Vijay Kishanlal Kedia	Chairman
Prince Tulsian	Key Managerial Personel
Ankit Maheshwari	Key Managerial Personel
Pawan Gupta	Key Managerial Personel
Priyanka Tulsian	Relative of Key Managerial Person Mr.Prince Tulsian
Sonam Tulsian	Relative of Key Managerial Person Mr.Prince Tulsian
Sikha Gupta	Relative of Key Managerial Person Mr.Pawan Gupta
Pramod Gupta	Relative of Key Managerial Person Mr.Pawan Gupta

(ii) Transactions during the year with Related Parties

Nature of Transactions	Subsidiaries (Rs.)	Key Managerial Personnel (Rs.)	Others (Rs.)	Total (Rs.)
Revenue from Operations	8,05,15,302.00	-	-	8,05,15,302.00
	(4,23,70,884.00)	(NIL)	(NIL)	(4,23,70,884.00)
Purchases	-	-	13,24,171.25	13,24,171.25
	(NIL)	(NIL)	(4,18,96,766.00)	(4,18,96,766.00)
Cost of Material Consumed (Greenleaf)	-	-	1,13,16,970.00	1,13,16,970.00
	(NIL)	(NIL)	(81,69,690.00)	(81,69,690.00)
Net Loans & Advances Given	-	50,87,534.00	2,03,74,624.63	2,54,62,158.63
	(18,80,505.00)	(NIL)	(1,18,62,221.67)	(1,37,42,726.67)
Unsecured Loans & Trade Advance Received	-	-	2,72,00,000.00	2,72,00,000.00
	(NIL)	(1,53,50,000.00)	(NIL)	(1,53,50,000.00)
Repayment of Unsecured Loans & Trade Advance	-	-	2,61,30,098.00	2,61,30,098.00
	(NIL)	(NIL)	(NIL)	(NIL)
Purchase/ Subscription of Investments	-	-	28,83,390.00	28,83,390.00
	(15,59,250.00)	(NIL)	(1,00,00,000.00)	(1,15,59,250.00)
Rent & Other Charges Paid	-	-	64,53,720.00	64,53,720.00
	(NIL)	(NIL)	(63,98,590.00)	(63,98,590.00)
Managing Director's Remuneration	-	7,20,000.00	-	7,20,000.00
	(NIL)	(7,20,000.00)	(NIL)	(7,20,000.00)
Chief Executive Officer's Remuneration	-	36,21,929.00	-	36,21,929.00
	(NIL)	(29,05,071.00)	(NIL)	29,05,071.00
Chief Financial Officer's Remuneration	-	9,75,337.00	-	9,75,337.00
	(NIL)	(NIL)	(NIL)	(NIL)
Remuneration to Relatives of Key Managerial Person	-	-	7,80,000.00	7,80,000.00
	(NIL)	(NIL)	(7,80,000.00)	(7,80,000.00)
Professional Fee to Relatives of Key Managerial Person	-	-	19,00,800.00	19,00,800.00
	(NIL)	(NIL)	(19,00,800.00)	(19,00,800.00)
Trade Advance (Given)	-	-	8,61,95,147.00	8,61,95,147.00
	(NIL)	(NIL)	(6,34,72,019.00)	(6,34,72,019.00)
Development Charges Paid	-	-	28,11,190.00	28,11,190.00
	(NIL)	(NIL)	(10,33,470.00)	(10,33,470.00)

Nature of Transactions	Subsidiaries (Rs.)	Key Managerial Personel (Rs.)	Others (Rs.)	Total (Rs.)
Balance as on 31.03.2017				
Unsecured Loans(Taken)	-	-	4,29,64,902.00	4,29,64,902.00
	(NIL)	(4,18,95,000.00)	(NIL)	(4,18,95,000.00)
Loans & Advances(Given)	0.00	50,87,534.25	3,37,75,752.94	3,88,63,287.19
	(18,80,505.00)	(NIL)	(NIL)	(18,80,505.00)
Investments	19,99,000.00	-	2,42,47,290.00	2,62,46,290.00
	(59,59,000.00)	(NIL)	(2,00,25,000.00)	(2,59,84,000.00)
Trade Advance (Given)	-	-	13,40,11,704.00	13,40,11,704.00
	(NIL)	(NIL)	(4,51,39,707.60)	(4,51,39,707.60)

Note : Figures in bracket represents previous year's amount.

32. Previous year figure has been regrouped or rearranged wherever it is required to be done.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata

Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LYKIS LIMITED**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of LYKIS LIMITED (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as the "Group"), comprising of the Consolidated Balance Sheet as at 31 March, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31 March, 2017, and their consolidated profits and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of one subsidiaries, whose financial statements reflect total assets of Rs.5,99,91,122/-as at 31 March, 2017, total revenues of Rs.9,47,02,579/-and net cash inflows amounting to Rs.1765562/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1) 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31 March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of internal financial control over the financial reporting of the group and the operating effectiveness of such control refer to our separate report in "Annexure-A", and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements does not have pending litigations which would impact on the consolidated financial position of the Group –
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
- iv. The consolidated financial statements provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 30 to the financial statements

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn. No. 325683E

Place : Kolkata
Date : 30th May, 2017

(SANJAY AGARWAL)
Partner
Mem. No. 062218

“Annexure A” to the Independent Auditor's Report On the Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statement of the company as of and end for the year ended March 31, 2017, we have audited the internal financial control over financial reporting of Lykis Ltd (the Holding Company), subsidiary (hereafter collectively referred to as the Group) incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective board of the directors of the group companies which are companies incorporated in India are 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.

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 judgment, 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 group Companies which are companies incorporated in india have, 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 31, 2017, 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.

OTHER MATTER.

Our aforesaid report under section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to one subsidiary companies, which is incorporated in india is based on the corresponding report of the auditors of such companies incorporated in india.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn. No. 325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata
Date : 30th May, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

	Note	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	199,269,925.00	199,269,925.00
Reserves and Surplus	3	49,794,858.81	80,266,798.02
		<u>249,064,783.81</u>	<u>279,536,723.02</u>
Minority Interest		(48,659.64)	1,875,470.00
Non Current Liabilities			
Long Term Borrowings	4	4,974,155.67	4,027,340.10
Deferred Tax Liability(Net)	5	1,045,890.00	1,844,075.00
		<u>6,020,045.67</u>	<u>5,871,415.10</u>
Current Liabilities			
Short Term Borrowings	6	848,344,383.21	516,486,088.53
Trade Payables	7	47,278,836.40	24,370,797.73
Other Current Liabilities	8	62,188,761.86	196,972,196.82
Short Term Provisions	9	20,252,725.33	14,850,331.00
		<u>978,064,706.80</u>	<u>752,679,414.08</u>
TOTAL		<u>1,233,100,876.64</u>	<u>1,039,963,022.20</u>
II. ASSETS			
Non Current Assets			
Fixed Assets (Tangible Assets)	10	129,766,163.68	134,312,298.95
Capital Work in Progress	10	2,698,957.89	-
Non- Current Investments	11	24,347,290.00	70,135,000.00
Other Non Current Assets	12	115,733.00	115,733.00
		<u>156,928,144.57</u>	<u>204,563,031.95</u>
Current Assets			
Current Investment	13	4,076.44	48,306,626.57
Inventories	14	47,998,995.16	48,602,834.04
Trade Receivables	15	321,674,636.71	219,393,862.94
Cash & Cash Equivalents	16	172,098,435.37	76,380,977.70
Short Term Loans & Advances	17	16,979,151.00	4,762,306.00
Other Current Assets	18	517,417,437.39	437,953,383.00
		<u>1,076,172,732.07</u>	<u>835,399,990.25</u>
TOTAL		<u>1,233,100,876.64</u>	<u>1,039,963,022.20</u>

Summary of Significant Accounting Policies 1

The accompanying notes are an integral parts of consolidated financial statements.
As per our Report of even date

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata

Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note	<u>2016 - 2017</u> (`)	<u>2015 - 2016</u> (`)
INCOME			
Revenue from Operations	19	1,072,388,490.90	1,069,370,476.52
Other Income	20	29,479,639.62	10,942,850.94
Total Revenue		<u>1,101,868,130.52</u>	<u>1,080,313,327.46</u>
EXPENDITURE			
Purchases of Stock-in trade		897,387,277.18	873,425,908.02
Cost of Material Consumed (Green Leaf)		15,238,904.50	11,753,515.75
Change in Inventories of Finished Goods, Stock in Process and Stock-in Trade	21	(3,684,119.18)	(18,237,411.24)
Employee Benefit Expenses	22	56,995,034.18	43,843,874.93
Finance Cost	23	28,429,602.84	20,801,503.15
Depreciation & Amortization Expense	24	4,200,185.51	4,063,172.00
Other Expenses	25	133,435,483.70	135,945,264.83
Total Expenses		<u>1,132,002,368.73</u>	<u>1,071,595,827.44</u>
PROFIT / (LOSS) BEFORE TAXATION		(30,134,238.21)	8,717,500.02
LESS : Tax Expenses			
Current Tax		2,061,725.00	5,120,000.00
Deferred Tax		(798,185.00)	469,370.00
PROFIT / (LOSS) FOR THE YEAR		<u>(31,397,778.21)</u>	<u>3,128,130.02</u>
Add / (Less) Share of Loss transferred to Minority Interest		18,703.00	263,837.00
PROFIT / (LOSS) FOR THE YEAR AFTER ADJUSTMENT		<u>(31,379,075.21)</u>	<u>3,391,967.02</u>
Basic Earnings per equity share (in `)	26	(1.67)	0.17

Summary of Significant Accounting Policies
1

The accompanying notes are an integral parts of consolidated financial statements.

As per our Report of even date

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata

Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2016 - 2017

	<u>2016 - 2017</u> (`)	<u>2015 - 2016</u> (`)
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/LOSS BEFORE TAXES AND EXTRAORDINARY ITEMS	(30,134,238.21)	87,17,500.02
ADJUSTMENT FOR:		
DEFERRED TAX OF EARLIER YEAR	(798,185.29)	-
ADJUSTMENT FOR STT OF EARLIER YEAR	-	(9,455.29)
TRANSFERRED TO INVESTMENT ALLOWANCE RESERVE	1,624,380.00	2,83,685.00
FINANCE COST	28,429,602.84	2,08,01,503.15
DEPRECIATION AND AMORTISATION EXPENSES	4200,185.51	40,63,172.00
SHARE OF LYKIS PACKAGING PVT LTD	(770,705.00)	-
AGRICULTURE INCOME TAX PAID FOR EARLIER YEARS	(1,487,949.00)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	<u>1,063,090.85</u>	<u>3,38,56,404.88</u>
ADJUSTMENT FOR:		
(INCREASE)/DECREASE IN STOCK	603,838.88	(1,71,01,581.42)
(INCREASE)/DECREASE IN TRADE RECEIVABLE	(102280,773.77)	22,44,28,071.59
(INCREASE)/DECREASE IN CURRENT ASSETS	(79464,054.39)	(13,37,07,663.81)
(INCREASE)/DECREASE IN LOANS & ADVANCES	(12,642,192.53)	-
INCREASE/(DECREASE) IN CURRENT LIABILITIES	(134,783,434.96)	17,20,20,031.71
INCREASE/(DECREASE) IN TRADE PAYABLES	<u>22,908,038.67</u>	<u>(10,60,78,382.12)</u>
	(305,658,578.10)	13,95,60,475.95
CASH GENERATED FROM OPERATIONS	(304,595,487.25)	17,34,16,880.83
FINANCE COST	(28,429,602.84)	(2,08,01,503.15)
NET CASH(USED IN) OPERATING ACTIVITIES 'A'	<u>(333,025,090.09)</u>	<u>152,615,377.68</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
(INCREASE)/DECREASE IN FIXED ASSETS	4,546,135.27	(2,35,78,367.07)
(INCREASE)/DECREASE IN CAPITAL WIP	(2,698,957.89)	1,37,38,444.22
(INCREASE)/DECREASE IN INVESTMENT	<u>94,090,260.13</u>	<u>(6,90,14,433.93)</u>
NET CASH(USED IN) INVESTING ACTIVITIES 'B'	<u>95,937,437.51</u>	<u>(7,88,54,356.78)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
INCREASE/(DECREASE) IN LONG TERM BORROWINGS	946,815.57	6,45,482.35
INCREASE/(DECREASE) IN SHORT TERM BORROWINGS	331,858,294.68	(9,68,50,507.41)
INCREASE/(DECREASE) IN SHARE CAPITAL	-	96,80,000.00
INCREASE/(DECREASE) IN SHARE PREMIUM	<u>-</u>	<u>2,90,40,000.00</u>
NET CASH (USED IN) FROM FINANCING ACTIVITIES 'C'	<u>332,805,110.25</u>	<u>(5,74,85,025.06)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	95,717,457.67	1,62,75,995.84
OPENING BALANCE CASH & CASH EQUIVALENTS	76,380,977.70	6,01,04,981.86
CLOSING BALANCE CASH & CASH EQUIVALENTS	<u>172,098,435.37</u>	<u>7,63,80,977.70</u>

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata

Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting:

General

The 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 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. 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 except for change in the accounting policy for depreciation. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company's activities in its business segments have operating cycles which do not exceed 12 months. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

(b) Revenue Item

Items of Incomes and Expenses are accounted for on the Accrual Basis, unless otherwise specifically stated hereunder in this Schedule.

(c) Fixed Assets

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any depreciation on the acquisition cost includes the purchase price (excluding refundable taxes) and expenses directly attributable to bring the asset to the location and condition for its intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Tangible fixed assets has been provided on the SLM method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(d) Depreciation

- i Depreciation has been provided on assets acquired and or purchased prior to 01.04.87 on WDV method as per the useful life prescribed in schedule II of company's Act, 2013.
- ii On assets acquired after 1.4.87 on SLM basis as per the useful life prescribed in schedule II of company's Act, 2013.

(e) Investments

Investments have been stated at cost.

(f) Stock In Trade

Inventories are valued at as under :

- i Stores and spares Parts-At Cost.
- ii Stock of unsold Tea-At Estimated net realizable value.
- iii Stock of Nursery Plants- At estimated net realizable value.

(g) Provisions for Current and Deferred Tax

Provision for Income tax has been made in accordance with the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax liability is recognised and carried forward.

(h) Contingent Liabilities

Contingent Liabilities, if any not provided for are disclosed by way of Notes on Accounts.

(i) Foreign Currency Transactions

Transactions in foreign currencies are translated to the reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognised as income or expenses in the Statement of Profit and Loss. Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are valued at year end rates, and unrealised translation differences are included in the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017
(j) Principles of Consolidation

- (i) The Financial Statements of the parent company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances, intra-group transactions and the unrealised profits to the extent possible. No impact of intra-group transactions of fixed assets has been taken which are not significant in nature.
- (ii) The Financial Statements of the parent company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
2 SHARE CAPITAL		
Authorised		
2,00,00,000 Shares of ` 10/- each	20,00,00,000.00	20,00,00,000.00
Issued, Subscribed and		
- Paid up		
- 1,93,75,155 (1,84,07,155) Equity Shares of ` 10/- each	193,751,550.00	193,751,550.00
- Add : Forfeited Shares	5,518,375.00	5,518,375.00
	<u>199,269,925.00</u>	<u>199,269,925.00</u>

Notes of the Above :

- i (a) 45,000 Equity shares of Rs10/- each issued as fully paid up for consideration other than Cash.
 (b) 12,75,340 Equity shares of ` 10/- each issued as fully paid up bonus shares through Capitalisation of Reserves and Surplus.
 (c) The above (a) and (b) were not issued within the period of five years immediately preceding the date as at 31st March, 2017.
 (d) 22,07,350 Equity shares of ` 10/- each are forfeited shares.

ii Terms / rights attached to equity shares.

The company has only one class of equity shares having par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share. 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.

iii Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholder	31st March, 2017		31st March, 2016	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of ` 10/- each fully paid up				
Vijay Kishanlal Kedia	3,234,383	16.690	3,234,383	16.690
Nazim Sadrudin Charania	2,998,585	15.480	2,998,585	15.480
Kedia Securities Pvt. Ltd	2,479,435	12.800	2,479,435	12.800
Salim Anwarali Kamani	2,441,170	12.600	2,441,170	12.600
Sajid Umedali Dhrolia	2,359,370	12.180	2,359,370	12.180
Vighnhar Holdings Pvt. Ltd.	2,000,000	10.320	2,000,000	10.320
Pawan Kumar Gupta	968,000	5.000	968,000	5.000

As per records of the company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

		As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
3 RESERVES AND SURPLUS			
Securities Premium Account			
Balance as per Last Account		117,106,350.00	88,066,350.00
Add : During the Year		-	29,040,000.00
	(A)	<u>117,106,350.00</u>	<u>117,106,350.00</u>
General Reserves			
Balance as per Last Account		176,450.00	176,450.00
Add : During the Year		-	-
	(A)	<u>176,450.00</u>	<u>176,450.00</u>
Development Rebate Reserve			
Balance as per Last Account		13,089.00	13,089.00
Add : During the Year		-	-
	(A)	<u>13,089.00</u>	<u>13,089.00</u>
Investment Allowance Utilised Reserve			
Balance as per Last Account		2,801,077.75	2,517,392.75
Add : During the Year		1,624,380.00	283,685.00
	(A)	<u>4,425,457.75</u>	<u>2,801,077.75</u>
Revaluation Reserve			
Balance as per Last Account		1,075,518.16	1,075,518.16
Less : Transferred to Profit & Loss Account		-	-
	(A)	<u>1,075,518.16</u>	<u>1,075,518.16</u>
Sub Total	(A)	<u>122,796,864.91</u>	<u>121,172,484.91</u>
Surplus / (Deficit) in the statement of Profit & Loss			
Balances as per last Financial Statements		(40,905,686.89)	(44,288,198.62)
Add : Profit / (Loss) during the year		(31,379,075.21)	3,391,967.02
Add : Share of Lykis Packaging		770,705.00	-
Less : Agriculture Income Tax Paid During the Year		(1487,949.00)	-
Less : Adjustment for STT/ others of Earlier		-	(9,455.29)
		-	-
Sub Total	(B)	<u>(73,002,006.10)</u>	<u>(40,905,686.89)</u>
	(A+B)	<u>49,794,858.81</u>	<u>80,266,798.02</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
4 LONG TERM BORROWINGS		
SECURED LOANS		
Bank Overdrafts :		
From Indian Bank (Secured against fixed deposits)	4,491,639.67	4,027,340.10
Car Loans :		
From Indian Bank (Silchar Branch) (Secured by hypothecation of vehicles)	482,516.00	-
	4,974,155.67	4,027,340.10
5 DEFERRED TAX LIABILITY		
Deferred Tax	1,045,890.00	1,844,075.00
	1,045,890.00	1,844,075.00
6 SHORT TERM BORROWINGS		
UNSECURED LOANS		
Packing Credit Foreign Currency Loan (Repayable on Demand)	73,6043,782.46	472,898,449.53
From Directors (Interest Free)	42,964,902.00	42,010,000.00
From Related Parties	100,000.00	-
From Others	69,235,698.75	1,577,639.00
	848,344,383.21	516,486,088.53
7 TRADE PAYABLES		
Sundry Creditors for Goods & Services	47,278,836.40	24,370,797.73
	47,278,836.40	24,370,797.73
Based on the information/documents available with the Company no creditors is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision/payments have been made by the Company to such creditors, if any, and no disclosures thereof are made in this financial statement.		
8 OTHER CURRENT LIABILITIES		
Trade Advances and Deposits	43,445,250.85	180,733,260.12
Sundry Creditors for Expenses	9,472,735.37	8,201,900.08
Other Finances	6,707,084.64	3,462,613.62
Liabilities of Car Loans	-	69,252.00
Plantation Finance Loan from Tea Board	2,563,691.00	4,505,171.00
	62,188,761.86	196,972,196.82
9 SHORT TERM PROVISIONS		
Provision for Fringe Benefit Tax (Earlier Years)	156,075.00	156,075.00
Provision for Income Tax (Earlier Years)	194,256.00	194,256.00
Provision for Income Tax (Asst. year 2014-15)	3,680,000.00	3,680,000.00
Provision for Income Tax (Asst. year 2015-16)	5,700,000.00	5,700,000.00
Provision for Income Tax (Asst. year 2016-17)	5,120,000.00	5,120,000.00
Provision for Income Tax (Asst. year 2017-18)	2,061,725.00	-
Provision for Expenses	3,340,669.33	-
	20,252,725.33	14,850,331.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

FIXED ASSETS

Note - 10
(Amount in `)

GROSS BLOCK							DEPRECIATION			NET BLOCK		
Description	As at 01.04.2016	Additions during the year	Deductions/ Adjustments	As at 31.03.2017	As at 01.04.2016	For the Period	Deductions/ Adjustments	Deductions/ Adjustments	Upto 31.03.2017	Transition adjustments (refer note no.3)	As at 31.03.2017	As at 31.03.2016
TANGIBLE ASSETS												
- AIR CONDITIONER	1,22,805.00	-	-	1,22,805.00	66,367.40	8,344.00	-	-	74,711.40	-	48,093.60	56,437.60
- BUILDING & LABOUR LINES II	22,50,846.53	-	-	22,50,846.53	7,30,582.94	63,051.00	-	-	7,93,633.94	-	14,57,212.59	15,20,263.59
- BUILDING & LABOUR LINES III	17,37,393.13	-	-	17,37,393.13	5,84,424.87	24,779.00	-	-	6,09,203.87	-	11,28,189.26	11,52,968.26
- COMPUTER & PRINTER	39,27,869.20	2,38,227.00	31,429.00	41,34,667.20	23,61,638.48	11,69,329.97	4743.00	2727.00	35,32,984.45	-	6,01,682.75	15,61,487.72
- CYCLE	13,367.00	-	-	13,367.00	13,367.00	-	-	-	13,367.00	-	-	-
- ELECTRICAL INSTALLATION	53,41,243.43	-	-	53,41,243.43	18,03,075.99	2,71,331.00	40843.00	-	21,15,249.99	-	32,25,993.44	34,97,324.44
- FACTORY BUILDING	75,06,902.15	-	-	75,06,902.15	49,92,794.45	3,33,282.00	-	-	53,26,076.45	-	21,80,825.70	25,14,107.70
- FAX MACHINE	48,072.20	-	-	48,072.20	39,615.08	1,317.00	2904.00	-	43,836.08	-	4,236.12	5,553.12
- FURNITURE & FIXTURES	83,926.55	16,149.00	14,982.00	85,093.55	55,696.13	2,800.00	-	5403.00	53,093.13	-	32,000.42	28,230.42
- OFFICE EQUIPMENTS	8,200.00	-	-	8,200.00	837.00	1,466.00	-	-	2,303.00	-	5,897.00	7,363.00
- IRRIGATION EQUIPMENTS	33,11,528.45	-	-	33,11,528.45	17,32,559.17	1,27,377.00	4825.00	-	18,64,761.17	-	14,46,767.28	15,74,144.28
- LAND & PLANTATION	9,92,74,937.56	12,44,222.00	-	10,05,19,159.56	-	-	-	-	-	-	10,05,19,159.56	9,92,74,937.56
- MOTOR CAR	19,52,045.47	-	-	19,52,045.47	13,18,885.56	1,39,810.00	-	-	14,58,695.56	-	4,93,349.91	6,33,159.91
- MOTOR CYCLE	22,536.00	-	-	22,536.00	22,536.00	-	-	-	22,536.00	-	-	-
- PACKING MACHINE	12,98,644.90	-	-	12,98,644.90	1,70,500.70	78716.00	-	-	2,48,676.70	-	10,49,968.20	11,28,144.20
- PLANT & MACHINERY	2,91,22,458.55	18,10,519.24	54,49,083.00	2,54,83,894.79	1,32,82,853.48	10,18,292.16	26033.00	595293.00	1,37,31,885.64	-	1,17,52,009.15	1,58,13,572.07
- REFRIGERATOR	26,529.00	-	-	26,529.00	15,025.92	-	1761.00	-	16,786.92	-	9,742.08	9,742.08
- ROADS & BRIDGES	56,97,814.62	-	-	56,97,814.62	18,68,170.56	86,888.00	3419365.00	-	53,74,423.56	-	3,23,391.06	4,10,279.06
- SECURITY FENCING	30,15,760.00	-	-	30,15,760.00	15,84,896.46	12,886.00	1227392.00	-	28,25,174.46	-	1,90,585.54	2,03,471.54
- STAFF QUARTERS & BUNGALOW	30,11,203.74	-	-	30,11,203.74	8,82,842.67	1,26,341.00	-	-	10,09,183.67	-	20,02,020.07	21,28,361.07
- TRUCK, TRACTOR & TRAILORS	27,06,671.35	6,73,300.00	-	33,79,971.35	14,81,677.25	1,95,879.00	-	-	16,77,556.25	-	17,02,415.10	12,24,994.10
- TYPE WRITER	7,897.00	-	-	7,897.00	7,897.00	-	-	-	7,897.00	-	-	-
- WATER RESERVOIR	14,95,426.00	-	-	14,95,426.00	6,62,193.07	20,272.00	501703.00	-	11,84,168.07	-	3,11,257.93	3,31,529.93
- WEATHERING TROUGH	5,12,889.90	-	-	5,12,889.90	4,52,247.45	-	28818.00	-	4,81,065.45	-	31,824.45	31,824.45
- MOBILE PHONE	7,40,908.00	3,04,735.00	-	10,45,643.00	2,09,977.10	3,31,331.05	-	-	5,41,308.15	-	5,04,334.85	5,30,930.90
- CCTV CAMERA	24,700.00	-	24,700.00	-	656.00	-	-	656.00	-	-	-	24,044.00
- TELEVISION	25,600.00	-	-	25,600.00	21,285.54	3034.46	-	-	24,320.00	-	1,280.00	4,314.46
- WATER PUMP	9,500.00	23,650.00	-	33,150.00	3,427.88	873.00	-	-	4,300.88	-	28,849.12	6,072.12
- CYLINDER	38,13,440.20	-	-	38,13,440.20	38,11,643.07	-	-	-	38,11,643.07	-	1,797.13	1,797.13
- BROOKFIELD WSCOMETER	1,82,500.00	-	-	1,82,500.00	33,680.22	43,851.85	-	-	77,532.07	-	1,04,967.93	1,48,819.78
- BAR CODE PRINTER	13,000.00	-	-	13,000.00	6,057.17	4,667.02	-	-	10,274.19	-	2,275.81	6,942.83
- WEIGHING SCALE	33,330.00	2,46,500.00	-	2,79,830.00	22,972.78	2,453.00	-	-	25,425.78	-	2,54,404.22	10,357.22
- CANDLE MACHINE	86,141.25	-	-	86,141.25	18,259.36	24,517.13	-	-	42,776.49	-	43,364.76	67,881.89
- LABORATORY EQUIPMENTS	1,72,634.00	12,863.00	-	1,85,497.00	7,282.48	54,968.87	-	-	62,251.35	-	1,23,245.65	1,65,351.52
INTANGIBLE ASSETS												
- TRADE MARKS	2,54,260.00	-	-	2,54,260.00	16,369.00	52,868.00	-	-	69,237.00	-	1,85,023.00	2,37,891.00
TOTAL	17,78,52,981.18	45,70,165.24	55,20,194.00	17,69,02,952.42	3,82,82,295.23	42,00,185.51	52,58,387.00	6,04,079.00	4,71,36,788.74	-	12,97,66,163.68	13,43,12,298.95
PREVIOUS YEAR	15,42,74,614.11	2,35,78,367.07	-	17,78,52,981.18	3,42,19,123.23	40,63,172.00	-	-	3,82,82,295.23	52,58,387.00	13,43,12,298.95	11,47,97,103.88
CAPITAL WORK IN PROGRESS											26,98,957.89	-

Note : Transitional adjustment pursuant to Schedule II to the Companies Act 2013 adjustment made during the Financial Year 2014-2015 transferred to Deductions/Adjustments of Depreciation column in the current financial year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
11 NON CURRENT INVESTMENTS		
Trade investments (At cost)		
In Equity Shares - Unquoted, fully paid up		
10,000 (10,000) Nakamichi Securities Ltd.	100,000.00	100,000.00
20,02,500 (20,02,500) - Lykis Confectioners Pvt. Ltd.	20,025,000.00	10,025,000.00
2,40,075 (3,96,000) - Lykis Packaging Pvt Ltd	1,338,900.00	-
5,000 (Nil) - Bion Aerosols Pvt Ltd	50,000.00	-
5,000 (Nil) - Lykis Homecare Pvt. Ltd.	50,000.00	-
2,25,000 (Nil) - Lykis Soap Pvt Ltd	2,250,000.00	-
53,339 (Nil) - Lykis Foods Pvt Ltd	533,390.00	-
In Preference Shares of ILFS	-	50,010,000.00
Total Non Current Investments	24,347,290.00	70,135,000.00
Aggregate Amount of unquoted Investments	24,347,290.00	70,135,000.00
12 OTHER NON CURRENT ASSETS		
Term Deposit With Schedule Bank	115,733.00	115,733.00
	115,733.00	115,733.00
13 CURRENT INVESTMENTS		
Trade Investments (as Cost)		
In Mutual Funds - Quoted		
38,555 (456861.594) Units ICICI Prudential Flexible Income Plan	4,076.44	48,306,626.57
Total Current Investments	4,076.44	48,306,626.57
Aggregate Amount of quoted Investments	4,076.44	48,306,626.14
Market Value of Quoted Investments	4,071.28	48,306,626.14
14 INVENTORIES		
Stock In Trade		
(As Certified by the Management)		
Finished Goods-Tea (At Net Realizable Value)	4,688,818.00	8,761,977.00
FMCG Products (At Cost)	33,954,404.60	31,488,432.13
Greenleaf	23,614.59	66,969.88
Nursery Plants (At Net Realizable Value)	6,364,281.30	4,415,277.30
	A	44,732,656.31
Stores & Spares (At Cost)	B	3,870,177.73
	(A+B)	48,602,834.04
15 TRADE RECEIVABLES		
Unsecured Considered Good		
Receivable Outstanding for a period exceeding six months from the date they are due for payment	145,006,628.15	27,639,397.77
Other Receivables	176,668,008.56	191,754,465.17
	321,674,636.71	219,393,862.94
16 CASH & CASH EQUIVALENTS		
Balances with Banks		
In Current Accounts	57,811,454.29	48,395,250.23
Cash in Hand	730,311.08	713,079.47
(As certified by the Management)		
Term Deposits with Schedule Banks	113,556,670.00	27,272,648.00
	172,098,435.37	76,380,977.70

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

		As At 31st March, 2017 (`)	As At 31st March, 2016 (`)
17 SHORT TERM LOANS AND ADVANCES			
Others		16,979,151.00	4,762,306.00
		16,979,151.00	4,762,306.00
18 OTHER CURRENT ASSETS			
Advance to Parties		394,403,434.10	317,502,749.36
Accrued Interest on Term Deposit		4,246,009.00	1,120,209.00
Deposits		1,907,763.53	2,058,877.53
Incentive receivables		57,887,313.33	89,954,244.59
Service Tax Receivables		6,009,135.04	-
Other Advances		25,536,892.68	9,275,774.40
Other Receivables		2,621,100.00	-
Advance to Staff / Workers		9,081,893.31	3,095,755.12
TDS Receivable (AY 2013 - 14)		543,999.00	543,999.00
TDS Receivable (AY 2014 - 15)		105,083.00	105,083.00
TDS Receivable (AY 2015 - 16)		225,694.00	269,758.00
TDS Receivable (AY 2016 - 17)		350,479.00	306,415.00
TDS Receivable (AY 2017 - 18)		572,254.00	-
Advance Tax (AY 2014 - 15)		3,650,063.00	3,650,063.00
Advance Tax (AY 2015 - 16)		6,235,243.00	6,235,243.00
Advance Tax (AY 2016 - 17)		3,719,590.00	3,719,590.00
Prepaid Expenses		224,205.40	-
Preliminary Exp not written off		9,200.00	27,536.00
Self Assessment Tax (AY 2012 - 13)		88,086.00	88,086.00
		517417437.39	437,953,383.00
		2016 - 2017 (`)	2015 - 2016 (`)
19 REVENUE FROM OPERATIONS			
Finished Goods			
Gross Sales	68,122,070.40		56,305,681.92
Less : Excise Duty	264,616.00		232,672.00
Net Sales		6,7857,454.40	56,073,009.92
Green Leaf Sale	52,320.00		-
Less : Cess on Green Leaf Sale	818.00		-
		51502.00	-
Trading Goods sales			
FMCG	98,888,779.31		68,680,163.68
Tea	-	98,888,779.31	2,745,776.70
			71,425,940.38
Export Sales (FMCG)		856,636,460.20	893,678,201.71
		1,023,434,195.91	1,021,177,152.02
Other Operating Income			
Export - DFIA	9435213.00		3,727,353.00
Export - MELS	30076928.00		30,089,006.00
Export - Drawback	9,276,269.99		12,770,975.02
Export - VKGUY	46,636.00		786,144.45
Export - Service Tax Incentives	471.00		416,033.00
Others	-		18,332.00
Export - FMS	118,777.00	48,954,294.99	385,481.03
		1,072,388,490.90	1,069,370,476.52

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

		<u>2016 - 2017</u>		<u>2015 - 2016</u>
		(`)		(`)
20 OTHER INCOME				
Non -Operating Income				
Liabilities no longer required written back		909,134.91		44,636.63
Interest on Term Deposit		5,327,656.00		2,380,820.00
Dividend Income		1,021,310.01		6,972,608.93
Commission Income		-		329,175.00
Foreign Exchange Fluctuation Gain		21,131,535.62		369,791.00
Interest on Loan Given		529,963.25		-
Speculative Profit from Commodities Trade		-		17,516.00
Short Term Gain on Mutual Fund		255,575.83		-
Long Term Gain on Sale of Shares		-		770,333.38
Miscellaneous Income		304,464.00		57,970.00
		<u>29,479,639.62</u>		<u>10,942,850.94</u>
21 CHANGE IN INVENTORIES OF FINISHED STOCK, STOCK IN PROCESS & STOCK-IN-TRADE				
Inventories(at closing)		45,031,117.49		44,732,656.31
Less : Inventories (at opening)		41,346,998.31		26,495,245.07
(Increase) / Decrease in Inventories		<u>(36,84,119.18)</u>		<u>(18,237,411.24)</u>
22 EMPLOYEE BENEFIT EXPENSES				
Director's Remuneration		720,000.00		720,000.00
Salary , Bonus & Exgratia		49,327,879.66		37,652,349.33
Employers' Contribution to PF & ESI		2,272,219.65		1,988,946.72
Employees' Welfare Expenses		3,361,609.22		2,680,716.36
Loss on Food Stuff		1,313,325.65		801,862.52
		<u>56,995,034.18</u>		<u>43,843,874.93</u>
23 FINANCE COSTS				
Interest				
-On Car Loans		43,346.00		23,519.84
-On Bank Overdrafts		398,692.00		366,133.00
-On PCFC		23,150,021.15		20,226,903.31
-On Unsecured Loan		4,622,413.69		-
-On Others		215,130.00		184,947.00
		<u>28,429,602.84</u>		<u>20,801,503.15</u>
24 DEPRECIATION AND AMORTISATION EXPENSE				
Depreciation and Amortisation		4,200,185.51		4,063,172.00
		<u>4,200,185.51</u>		<u>4,063,172.00</u>
25 OTHER EXPENSES				
Direct Expenses				
Manufacturing Expenses	17,521,403.67		14,926,589.19	
Cultivation Expenses	5,342,125.00		2,714,948.82	
Cess on green leaf	375,784.50		366,897.65	
Tea Chest & Components	1,835,603.69		2,125,382.41	
Clearing & Forwarding on Import	254,182.44		68,072.00	
Freight Charges On Purchase	1,798,359.00	27,127,458.30	6,376,883.97	26,578,774.04
Selling & Distribution Expenses				
Tea Selling Expenses	767,962.80		1,346,169.42	
Clearing & Forwarding Expenses	36,304,692.02		31,311,622.74	
Commission charges paid	1,825,078.36		3,112,341.28	
Packing & Development Expenses	10,867,177.20		7,763,546.00	
Shipment Expenses	974,650.00		-	
Sales Promotion Expenses	4,033,999.25		2,060,416.78	
Factory Stuffing Permission Expenses	44,450.00	54,818,009.63	116,425.00	45,710,521.22

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>2016 - 2017</u>	<u>2015 - 2016</u>
	(`)	(`)
25 OTHER EXPENSES CONTD.....		
Establishment Expenses		
As Audit Fees	140,000.00	100,000.00
As Tax Audit	25,000.00	45,000.00
Advertisement Expenses	810,381.00	1,098,054.83
Bank Charges	871,656.02	1,209,146.42
Bungalow Expenses	232,729.00	278,896.00
Computer Maintenance Expenses	482,194.00	323,557.00
Discount Allowed	2,310,839.04	1,948,691.72
Donation & Subscription	201,777.00	356,289.82
Electricity Charges	48,270.00	391,000.00
Filing Fees	3,600.00	74,600.00
Loss on Foreign Exchange Fluctuation	58,048.00	20,226,179.14
Short term loss on redumption of Mutual Fund	-	337,674.58
Prior Period Expenses	-	41,826.00
FDA Approval Charges	149,250.00	173,500.00
FMS & VKGUY realisation expenses	1,537,260.42	1,157,836.36
Freight Charges	8,315,061.41	3,785,181.00
General Expenses	1,407,878.10	2,534,183.67
Speculative loss from Commodities Trade	1,46,568.61	9,388.18
Registration Charges	15,000.00	606,200.00
Insurance Charges	532,889.76	248,610.67
Interest on Statutory Payments	33,801.00	-
CDSL/NSDL Expenses	95,000.00	113,356.00
Vehicle Expenses	2,698,624.42	1,658,087.34
Products Testing Expenses	1,212,202.00	973,691.46
Postage & Telegram	1,751,594.59	1,173,739.69
Printing & Stationery	1,588,762.35	857,621.61
Professional & Consultancy Fees	6,057,287.48	6,277,480.03
Loading & Unloading Charges	386,020.00	-
Office Expenses	217,522.00	-
Preliminary Expenses Written off	13,836.00	-
Stock Exchange Exp(BSE)	120,225.00	453,220.00
Rent, Rates & Taxes	7,022,524.00	7,512,436.00
Repairs to Building	294,645.00	353,119.00
Repairs to Machinery	1,759,435.58	1,640,035.16
Repair & Maintenance - others	503,679.66	228,016.00
Trade Marks Registration Charges	315,549.00	30,560.00
Telephone & Internet Expenses	890,072.48	845,191.86
Traveling & Conveyance Expenses	5,848,388.00	6,123,387.84
Email id registration Charges	33,158.00	94,800.00
Sundry Debit Balance Written off	1,487,788.93	35,462.99
Website Charges	15,000.00	2,000.00
Service Tax & Swachh Bharat Cess Paid	1,856,497.92	337,949.20
	<u>51,490,015.77</u>	<u>63,655,969.57</u>
	<u>133,435,483.70</u>	<u>135,945,264.83</u>

26 EARNINGS PER SHARE (EPS)

In terms of Accounting Standard 20 issued by The Institute of Chartered Accountants of India, the calculation of EPS is given below:

	<u>2016 - 2017</u>	<u>2015 - 2016</u>
Profit / (Loss) as per Profit & Loss Account (`)	(31,397,778.21)	3,128,130.02
Weighted average number of Equity Shares (Nos.)	18,789,051.00	18,789,051.00
Face value per equity Share (`)	10.00	10.00
Basic & Diluted Earnings per Share (`)	(1.67)	0.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2017
27 CONTINGENT LIABILITIES NOT PROVIDED FOR :

- (a) No provision for interest has been made on the advances or loan taken or given pending reconciliation and confirmation of respective parties.
- (b) The company has given unconditional undertaking to Pay ` 88,000/- to DGFT by way of bank guarantee for taking the EPCG Licence. The said bank guarantee is issued by Indian Bank , Silchar Branch against Fixed deposit of the same amount.

	<u>2016 - 2017</u> (`)	<u>2015 - 2016</u> (`)
28 EARNINGS IN FOREIGN EXCHANGE		
Export of Goods Calculated on FOB Basis	856,348,974.93	893,054,178.32
	<u>856,348,974.93</u>	<u>893,054,178.32</u>

29 EXPENDITURE IN FOREIGN EXCHANGE

Purchases	11,952,054.14	13,955,564.25
Traveling Expenses	69,117.00	218,240.84
Professional Fee	43,169.48	11303.08
Sales Promotion Expenses	2,095,900.26	831.329.78
Advertisement Expenses	-	222,616.83
	<u>14,160,240.88</u>	<u>15,239,054.78</u>

30 Disclosure as notified in G.S.R. 308(E) dt. 30.03.2017, in respect to Specified Bank Note (SBN) held and transacted during the period from 08.11.2016 to 30.12.2016 is as follows:

Particulars	SBNs	Other Denomination	Total
Closing cash in Hand on 08.11.2016	113.00	342.74	455.74
Add: Permitted Receipts	-	3,309.80	3,309.80
Less: Permitted Payments	-	3,219.79	3,219.79
Less: Amount Deposited in Bank	113.00	-	113.00
Closing cash in Hand on 30.12.2016	-	432.75	432.75

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

* Below rounding off norms adopted by the Company

31 The subsidiary company consolidated in the consolidated financial statements as under :

Name of the Subsidiary	Country of Incorporation	Proportion of ownership
Lykis Marketing Pvt.Ltd.	India	99.95%

32 RELATED PARTY DISCLOSURE

In terms of Accounting Standard 18 -the related party disclosures are given below :

(i) List of Related Parties where control exists and related parties with whom transactions have taken place and relationships :

Name of the Related Party	Relationship
Lykis Marketing Pvt. Ltd.	Subsidiary Company
Lykis Packaging Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Dharamnagar Tea Estate Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Spectra International Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Spectra Packaging	Enterprises over which key Managerial personnel are able to exercise significant influence
Crown Soaps	Enterprises over which key Managerial personnel are able to exercise significant influence
Sterling Confectioners Pvt.Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Lykis Soap Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Lykis Homecare Pvt Ltd	Enterprises over which key Managerial personnel are able to exercise significant influence
Bion Aerosols Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Lykis Biscuit Pvt Ltd	Enterprises over which key Managerial personnel are able to exercise significant influence
Lykon Food Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Pragati Aerosols Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Lykis Herbals Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Vijay Kishanlal Kedia	Chairman
Prince Tulsian	Key Managerial Personnel
Pawan Gupta	Key Managerial Personnel
Ankit Maheshwari	Key Managerial Personnel
Bharat Jain	Key Managerial Personnel
Hitesh Jain	Key Managerial Personnel
Mohan Jain	Key Managerial Personnel
Nadir Dhotia	Key Managerial Personnel
Siddharth Shah	Key Managerial Personnel
Priyanka Tulsian	Relative of Key Managerial Person Mr.Prince Tulsian
Sonam Tulsian	Relative of Key Managerial Person Mr.Prince Tulsian
Sikha Gupta	Relative of Key Managerial Person Mr.Pawan Gupta
Pramod Gupta	Relative of Key Managerial Person Mr.Pawan Gupta

(ii) Transactions during the year with Related Parties

Nature of Transactions	Key Managerial Personnel (Rs.)	Others (Rs.)	Total (Rs.)
Revenue from Operations	-	-	-
	(NIL)	(43,97,629.00)	(43,97,629.00)
Purchases	-	13,24,171.25	13,24,171.25
	(NIL)	(4,18,96,766.00)	(4,18,96,766.00)
Cost of Material Consumed (Greenleaf)	-	1,13,16,970.00	1,13,16,970.00
	(NIL)	(81,69,690.00)	(81,69,690.00)
Net Loans & Advances given	50,87,534	2,03,74,624.63	2,54,62,158.63
	(NIL)	(1,18,62,221.67)	(1,18,62,221.67)
Unsecured Loans & Trade Advance received during the year	-	2,72,00,000.00	2,72,00,000.00
	(1,53,50,000.00)	-	(1,53,50,000.00)
Repayment of Unsecured Loans & Trade Advance	-	2,61,30,098.00	2,61,30,098.00
	(NIL)	(NIL)	(NIL)
Purchase/ Subscription of Investments	-	28,83,390.00	28,83,390.00
	(NIL)	(1,00,00,000.00)	(1,00,00,000.00)
Rent & Other Charges Paid	-	64,53,720.00	64,53,720.00
	(NIL)	(63,98,590.00)	(63,98,590.00)
Managing Director's Remuneration	7,20,000.00	-	7,20,000.00
	(7,20,000.00)	(NIL)	(7,20,000.00)
Chief Executive Officer's Remuneration	36,21,929.00	-	36,21,929.00
	(21,53,400.00)	(NIL)	(21,53,400.00)
Chief Financial Officers Remuneration	9,75,337.00	-	9,75,337.00
	(NIL)	(NIL)	(NIL)
Remuneration to relatives of Key Managerial Person	-	7,80,000.00	7,80,000.00
	(NIL)	(7,80,000.00)	(7,80,000.00)
Professional fee to relatives of Key Managerial Person	-	19,00,800.00	19,00,800.00
	(NIL)	(19,00,800.00)	(19,00,800.00)
Trade Advance (Given)	-	8,61,95,147.00	8,61,95,147.00
	-	(6,34,72,019.00)	(6,34,72,019.00)
Development Charges Paid	-	28,11,190.00	28,11,190.00
	(NIL)	(10,33,470.00)	(10,33,470.00)
Balance as on 31.03.2017			
Unsecured Loans (taken)	-	4,29,64,902.00	4,29,64,902.00
	(4,18,95,000.00)	(NIL)	(4,18,95,000.00)
Loans & Advances	-	-	-
	(NIL)	(1,18,62,221.67)	(1,18,62,221.67)
Investments	-	-	-
	(NIL)	(2,00,25,000.00)	(2,00,25,000.00)

Note : Figures in bracket represents previous year's amount.

33 Previous year figure has been regrouped or rearranged where ever it is required to be done.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata

Dated : 30th May, 2017

Ankit Maheshwari
Chief Financial Officer

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

Dear Shareholder,

Re: Green Initiative in Corporate Governance

We wish to inform you that the Ministry of Corporate Affairs, New Delhi ("MCA") (vide its Circulars dated April 21, 2011 and April 29, 2011) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. This move by the MCA is welcome since it will benefit the society at large through reduction in paper consumption and contribute towards greener environment. Also you will be able to receive the Communication promptly and without loss in transit.

Keeping in view the underlying theme and the circulars issued by MCA, we propose to send henceforth all communications /documents including the Notice calling the General Meeting/ Notice of Postal Ballot, Audited Financial Statements, Directors' Report, Auditors' Report etc. via electronic mode **on the Email ID registered by shareholders with their Depository Participant (DP).**

Shareholders holding shares in demat mode and who have not yet registered their Email ID are requested to kindly register/update their e-mail ID with their concerned Depository Participant, on which they desire to receive all future communications/ documents as specified above. **In case of change in your Email Address in future**, please update same with your DP.

Please note that the email address indicated in your respective DP accounts periodically downloaded from the depositories viz. NSDL/ CDSL will be deemed to be your registered email address.

Shareholders holding shares in physical mode are requested to register their email address with the Company by sending a written request signed by the First Shareholder mentioning your folio no. to the Registrar & Share Transfer Agents – R & D Infotech Pvt. Ltd.

Please note that, upon receipt of a requisition from you, the Company shall send all these documents on the address registered with the Company free of cost.

Please note that the Annual Report of your Company along with all future notice/ communication/ documents will be displayed on the Company's website www.lykisgroup.com

It is clarified that shareholders holding shares in physical form and have not registered their email address with the Registrar/ Company and those Demat Shareholders who have not registered email ID with their DP, will continue to receive physical copies of these documents.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and co-operate with the Company to make it a success.

**Thanking You,
Yours faithfully,
For Lykis Limited**

Place: Kolkata
Dated: 12th August, 2017

**Vijay Kedia
Chairman**

Post/Courier

If Undelivered Please Return to



Omer Mansion, 29A, Weston Street,
2nd Floor, Room No. B5, Kolkata - 700 012



CIN : L74999WB1984PLC038064

PROXY FORM**AGM 2017**
FORM NO. MGT - 11Omer Mansion, 29A, Weston Street, 2nd Floor, Room No. B5, Kolkata - 700 012
Telefax : 033 4004 5265, E-mail : lykisho@lykisgroup.com, Website : www.lykisgroup.com

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration Rules, 2014)]

Name of the member (s) :

Registered address :

E-mail ID :

Folio No./Client ID/DP ID :

I/We being the member(s) of Shares of the above named Company, hereby appoint

(1) Name:

Address:

E-mail Id:

Signature: _____ or failing him;

(2) Name:

Address:

E-mail Id:

Signature: _____ or failing him;

(3) Name:

Address:

E-mail Id:

Signature: _____ or failing him;

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Friday, the 22nd September, 2017 at 10:30 A.M. at "SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	DESCRIPTION	Optional (✓)	
		For	Against
1.	To adopt the Audited Balance Sheet as at 31 st March, 2017 and the Statement of Profit and Loss for the year ended as on that date together with the Report of Directors' and the Auditors'.		
2.	Appointment of Director in place of Shri Vijay Kedia (DIN: 00230480), who retires by rotation, and being eligible, offers himself for re-appointment.		
3.	To ratify the Auditor and fix their remuneration.		
4.	Authority For Borrowing Power Upto Rs. 200 Crores		
5.	Approve Creation Of Charge/Security Over The Assets/Undertaking Of The Company In Respect Of Borrowing:		
6.	Adoption Of New Set Of Articles Of Association		

Signed this _____ day of _____ 2017

Signature of shareholder _____

Signature of Proxy holder(s) _____

Re. 1/-
Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.



CIN : L74999WB1984PLC038064

ATTENDANCE SLIP**AGM 2017**Omer Mansion, 29A, Weston Street, 2nd Floor, Room No. B5, Kolkata - 700 012
Telefax : 033 4004 5265, E-mail : lykisho@lykisgroup.com, Website : www.lykisgroup.com**33RD ANNUAL GENERAL MEETING**

Folio No./Client ID/DP ID :

No.of Shares :

Name of the member (s) :

Name of the Proxy :

I hereby record my presence at the 33rd Annual General Meeting of the Members of LYKIS LIMITED held on Friday, the 22nd September, 2017 at 10:30 A. M. at "SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060.

Name of Proxy (in BLOCK LETTERS)

Shareholder's / Proxy's Signature

Notes :

- Members/ Proxy holders are requested to bring this slip with them when they come to the Meeting and hand it over at the entrance of the Meeting Hall duly signed.
- Please bring your copy of the Annual Report at the Meeting.

ELECTRONIC VOTING

- The electronic voting particulars are set out as below :

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 , and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members as an alternative to exercise their right to vote by electronic means for the items of business to be transacted at Annual General Meeting to be held on **FRIDAY, THE 22ND SEPTEMBER, 2017 AT 10.30 A. M.**, through the services of National Securities Depository Limited (NSDL) as the Authorised Agency to provide e-voting facilities. The e-voting facility is available at the link <https://www.evoting.nsdl.com> .

EVEN (E-Voting Event Number)	USER ID	PASSWORD
106796		

Please read the instructions carefully written in "VOTING THROUGH ELECTRONIC MEANS" before exercising your Vote, enclosed with the NOTICE.

- E-Voting facility is available during the following voting period :

The e-voting period commences on **TUESDAY, September 19, 2017 (from 9:00 am)** and ends on **THURSDAY, September 21, 2017 (upto 5:00 pm)**. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.