

Post/Courier

ANNUAL REPORT 2015-2016



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



www.lykisgroup.com

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 is hereby given that the 32nd ANNUAL GENERAL MEETING OF THE MEMBERS OF LYKIS LIMITED will be held at "SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060 on Friday, 30th September, 2016 at 10.00 A.M to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2016 including audited Balance Sheet as on 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nadir Umedali Dhrolia (DIN: 03303675), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors for the financial year 2016-17. The Statutory Auditors M/s. Sanjay P. Agarwal & Associates, Chartered Accountants are eligible for continuing appointment and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 read together with the relevant rules, circulars, notifications and orders of the Ministry of Corporate affairs and read with the applicable definitions and provisions in the Secretarial Standards 2 of the Institute of Company Secretaries of India and pursuant to the recommendations of the Audit Committee and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time and pursuant to the resolution passed by the members at the 30th Annual General Meeting of the Company held on 30th September 2014, the appointment of M/s. Sanjay P Agarwal & Associates, Chartered Accountants (Firm Registration No. 325683E), who have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, as Statutory Auditors to hold office up to the conclusion of the 33rd Annual General Meeting of the Company at the remuneration as decided by the Board of Directors of the Company, be and is hereby ratified”

Special Business :

4. Re-appointment of Mr. Prince Tulsian (DIN: 02691348), as Managing Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Prince Tulsian (DIN: 02691348) as Managing Director of the Company for the period of five years with effect from August 24, 2016 on the terms

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and conditions as set out in the Explanatory Statement annexed to this Notice convening this meeting and as enumerated in the Agreement dated August 12, 2016, a copy whereof, initialed by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which agreement is also hereby specifically approved.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

NOTES :

- I. A member entitled to attend and vote at the aforesaid Annual General Meeting (AGM) shall be entitled to appoint another person as proxy to attend and vote at the meeting on his behalf. A proxy shall not have the right to speak at the aforesaid meeting and shall not be entitled to vote except on a poll. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company, not later than 48 hours before the commencement of the aforesaid meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of not exceeding fifty (50) members and holding in the aggregate, not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not be entitled to act as proxy for any other person or member.
- II. The Register of Members and Share Transfer Books will remain closed from 23/09/2016 to 30/09/2016 (both days inclusive).
- III. The **statement to be annexed to the notice** pursuant to Section 102 of the Companies Act, 2013, in respect of the Special businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
- IV. Members are requested to bring with them the attendance slip duly signed as per the specimen signature recorded with the company for admission to the meeting hall.
- V. Any query relating to accounts must be sent to the Company's registered office, at least 7 days before the date of the meeting.
- VI. A statement containing details of the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting as required under Regulation 36 of the SEBI (LODR) Regulations, 2015 is annexed.
- VII. 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, through remote e - voting on all resolutions set forth in this Notice. Instructions for the remote e - voting is attached hereto. The company shall also provide the facility to cast votes through ballots at the venue of the AGM for those members who have not cast their vote through the aforesaid “Remote E - voting”.
- VIII. 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.

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- IX. Members are requested to notify any change in their address, immediately, to **M/s. R & D Infotech Pvt. Ltd**, 7A, Beltala Road, 1st Floor Kolkata - 700 026, the Registrars & Share Transfer Agents of the Company for shares held in physical form. For those shareholders who hold their shares in dematerialized form, may lodge their requests for change of address, if any, with their respective Depository Participants.
- X. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable for easy identification at the Meeting.
- XI. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant for participating in the securities market. Members are requested to submit their details of PAN to their respective Depository Participant (DP), with whom they are maintaining their demat accounts or to the Registrar & Share Transfer Agent of the Company, in case Members hold shares in physical form, mentioning your correct folio number.
- XII. The Ministry of Corporate Affairs, Government of India has introduced a 'Green initiative in Corporate Governance' by allowing paperless compliances by the companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder.
- XIII. In case you have not registered your correct e-mail ID, please communicate the same to our Registrars and Share Transfer Agent - M/s. R & D Infotech Pvt. Ltd. at 7A, Beltala Road, 1st Floor, Kolkata - 700026 (e-mail ID: rd.infotech@vsnl.net or lykisho@lykisgroup.com) in respect of the shares held by you in physical mode or communicate to your Depository Participant(s) concerned in respect of shares held by you in demat / electronic mode. Although you are entitled to receive physical copy of the Notices, Postal Ballots, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail, which will help us participate in the Green Initiatives of the MCA and protect our environment.
- XIV. Members may note that the Notice of the 32nd AGM and the Annual Report for 2015-2016 will be available on the Company's website **www.lykisgroup.com**.
- XV. Corporate members are requested to send to the Company/Registrars and Share Transfer Agent, a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote at the Annual general meeting.
- XVI. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting.
- XVII. The Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection by the members at the AGM.
- XVIII. Members interested in nomination in respect of shares held by them may write to **M/s. R & D Infotech Pvt. Ltd**, 7A, Beltala Road, 1st Floor Kolkata - 700 026 for the prescribed form. Alternatively, the said form can be downloaded from the Company's website www.lykisgroup.com.
- XIX. For shares held in physical form, you may initiate action to get your shares dematerialized since trading of shares is done compulsorily in the dematerialized mode. Dematerialization not only provides easy liquidity, but also safeguards from any possible physical loss.

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT AND ADMISSION SLIP TO THE MEETING

Place: Kolkata
Dated : 12th August, 2016

For and on behalf of the Board
Shailesh Bhaskar
Company Secretary

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

STATEMENT TO BE ANNEXED TO NOTICE IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

The Board of Directors at its meeting held on August 12, 2016 re-appointed Mr. Prince Tulsian (holding DIN 02691348) as Managing Director of the Company with effect from August 24, 2016 for the period of five years subject to approval of shareholders in ensuing Annual General Meeting and on the basis of recommendation of Nomination and Remuneration Committee.

For the purpose, an agreement has been entered into by the Company with the Managing Director on August 12, 2016. The main terms and conditions of his re-appointment as Managing Director, as contained in the said agreement are furnished below:

- a. Term of appointment: - Five years with effect from August 24, 2016
- b. Salary: 60,000/- (Rupees Sixty Thousand only) per month payable monthly. The annual increment will be decided by the Board of Directors of the Company.
- c. Perquisites:
 1. Leave travel allowance for self and family once in a year as per rules of the Company.
 2. Medical expenses actually incurred by him and his family subject to maximum of one month salary
 3. Club fees
 4. Provision for use of car for official business- personal use of the car will be billed to him.
 5. Provision for telephone at residence-personal long distance calls will be billed to him.
 6. Medical & personal accident insurance.
- d. The Company will make suitable contribution towards Provident Fund, Superannuation Fund and Annuity Fund.
- e. Gratuity will be payable as per Rules of the Company.
- f. Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure. (All the perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rule, perquisites will be evaluated at actual cost.)

Except for Mr. Prince Tulsian, no other Directors or Key Management Personnel or their respective relatives are concerned or interested in the Resolution No. 4 of the Notice.

The Directors recommend the aforesaid resolution for the approval by the members as an Ordinary Resolution.

Place: Kolkata
Dated : 12th August, 2016

For and on behalf of the Board
Shailesh Bhaskar
Company Secretary

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

ANNEXURE TO THE NOTICE :

Brief Resume of Directors seeking Appointment / Re-appointment at the forthcoming Annual General Meeting (In pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015).

Reappointment of Mr. Nadir Umedali Dhrolia :

Mr. Nadir Dhrolia, aged 41 years, has more than 22 years of experience in the African markets in diversified products. His contribution towards export business will be of immense importance to the company to grow in the industry. He does not hold any shares in the Company.

Other directorships :

Spectra International Private Limited (Managing Director), Vintage Bottlers Private Limited (Director), Lykis Confectioners Private Limited (Director), Lykis Marketing Private Limited (Director), Lykis Packaging Private Limited (Director), Lykis Agritech Private Limited (Director), Lykis Biscuits Private Limited (Director), Lykis Soaps Private Limited (Director), Frugum Multifoods Private Limited (Director), Lykon Foods Private Limited (Director), Spectra Marine Foods Private Limited (Director), Lykis Herbals Private Limited (Director), Pragati Aerosols Private Limited (Director), Sanzi Group Imp & Exp (Proprietor), Spectra Packaging (Partner) and Crown Soap (Partner).

Route Map to the Venue of AGM



Date : 30th September, 2016 at 10.00 A.M

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

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" 104673
 - 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 27th September, 2016 (at 9:00 A.M.) and ends on 29th September, 2016 (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 29th September, 2016. The remote e-voting module shall be disabled by NSDL for voting at 5 P.M. on 29th September, 2016. 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 23rd September, 2016 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 23rd September, 2016.
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. 23rd September, 2016, 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. 23rd September, 2016, 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, **M/s. Agarwalla Dinesh & Co.** Company Secretaries, 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

32nd Annual Report 2015-2016

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 Jhunhunwala
Independent Director

Ms. Jyoti Budhia
Independent Director

Mr. Rajendra Manilal Shah
Independent Director

Executive Officers :

Mr. Pawan Kumar Gupta
Chief Executive Officer (CEO)

Mr. Ankit Maheshwari
Chief Financial Officer (CFO)

Mr. Shailesh K. Bhaskar
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

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

LETTER TO SHAREHOLDERS

Dear Shareholders,

I am pleased to take this opportunity to update you on the performance of Lykis Limited.

Your Company directly operates in the business of fast moving consumer goods (FMCG), and also is engaged in the business of tea plantation and processing in its tea garden, Iringmara Tea estate, situated at Silchar, Assam. Our current operation comprises of more than 39 countries. Lykis is dealing in qualitative products by ensuring a strict check on quality control where every product undergoes close scrutiny before dispatch.

The fiscal year 2016 was a very eventful year for Lykis Limited. It presented its own set of opportunities and challenges for the Company. The opportunities reflect future growth potential, while the challenges will help the Company to further strengthen its foundations.

FMCG

The revenues of Lykis Limited in FMCG segment dipped in the financial year 2015-16 due to recession in African markets which forms one of the largest consumer base for the Company. The situation of unavailability of Forex there still remain uncertain due to fall in crude prices.

Tea Industry

With India's largest tea growing State of Assam witnessing erratic weather condition in 2015, the production of tea in Assam plummeted considerably. In spite of such challenging scenario, Company managed to generate more revenue than the previous year in its tea segment. To develop a Tea Garden, long term strategy and planning is required and there is heavy deployment of funds in the early years. We have been investing in Plant & Machinery and extending our Tea plantation area, planting new tea bushes, with a view that we will get fruitful results year on year.

Strengths

Diversified Product Portfolio

The Company is primarily engaged in marketing and trading of FMCG. The Company undertakes international trade of various products in the FMCG sector- cosmetics, personal care, OTC pharma, home care, food products, etc. This diversified FMCG product portfolio insulates the Company from any adverse event or slowdown in demand of any particular commodity.

Innovative Development Team

With the presence of analytical and innovative development team, company is able to customize the products catering to the need and requirement of the buyers with regard to sizes, variants, fragrance, etc. achieving a different stand in the global market.

The company performs a deep costing analysis before a product becomes live, in order to find out the competitive possible process and performing it in order to tracking with the respective suppliers and sub suppliers in their day to day business though maintaining and adhering to the Quality standards.

Business Development

Our R&D efforts continue to be directed towards building a strong and differentiated product pipeline. These R&D efforts continue to be directed towards generating short, medium and long term cash flows. It is an integral part of Lykis's strategy to build competitive advantage and use technology for its advantage.

Appreciation

I express my gratitude and wish all employees and stakeholders from across the world all the very best, as we continue to work together, to deliver great products and services to our customers, and thereby also strengthen the Lykis brand. I take great pride in their effort, and I am as excited as they are, about our future.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance.

I place my appreciation and thank you all for your continued support and faith.

With best Wishes,

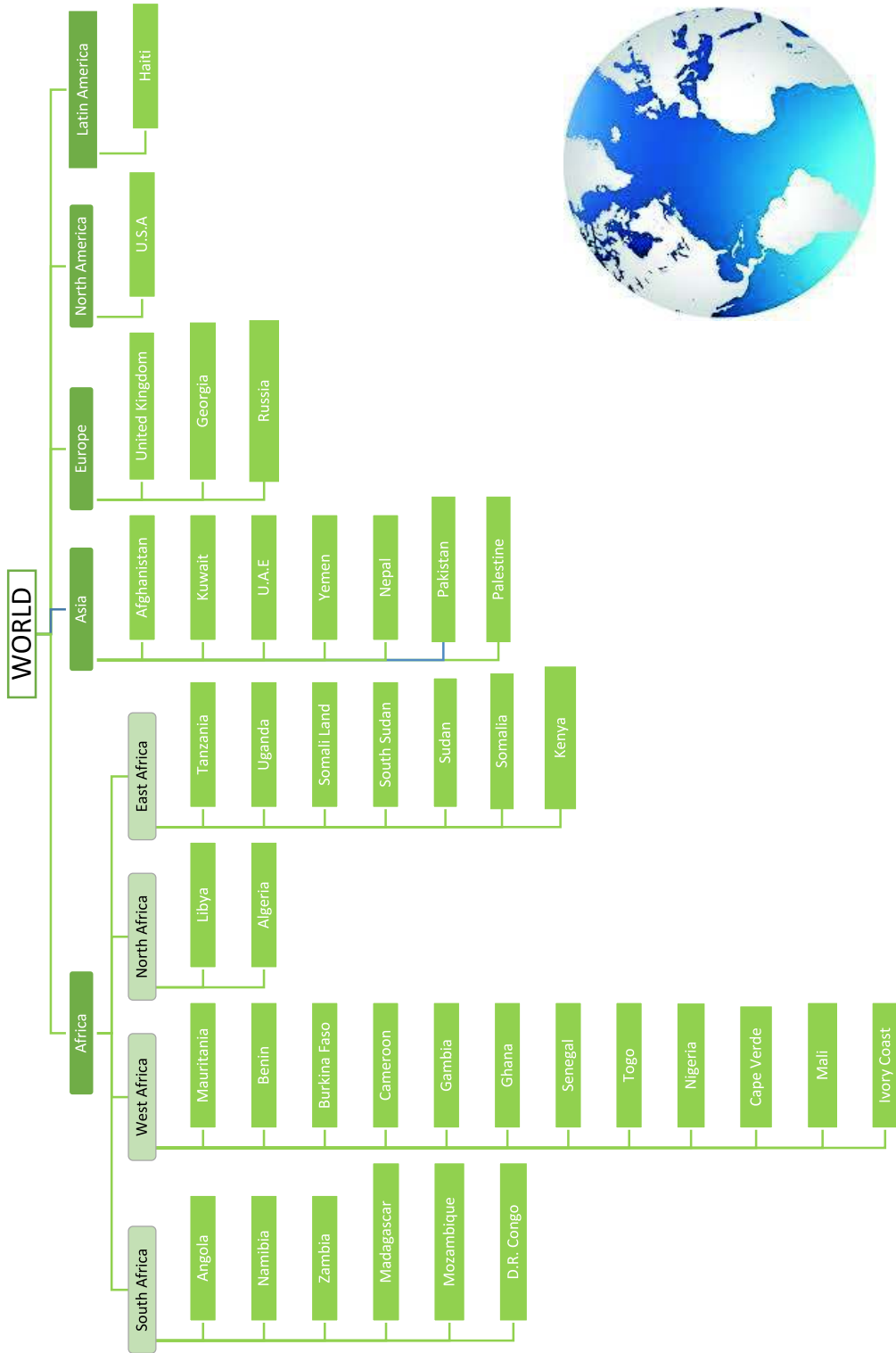
Place : Kolkata
Dated : 27th May, 2016

Sincerely,
Vijay Kishanlal Kedia
Chairman

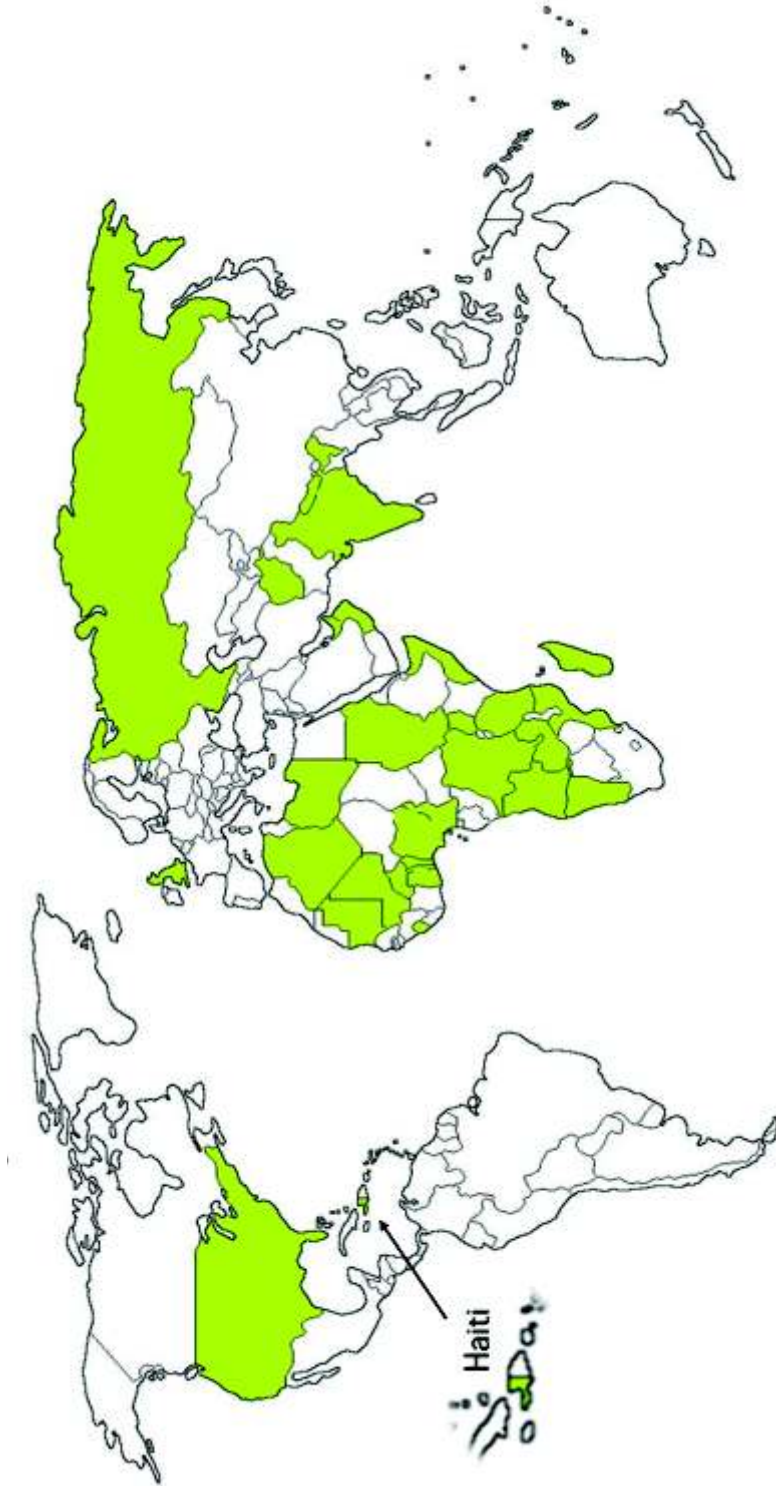
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Global Presence Countrywise



World Presence



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DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the 32nd Annual Report together with the Audited Statement of Accounts for the financial year ended on 31st March, 2016.

1. Financial Performance Summary :

(` in Lakhs)

Particulars	For the year ended on 31.03.2016 (Standalone)	For the year ended on 31.03.2015 (Standalone)	For the year ended on 31.03.2016 (Consolidated)	For the year ended on 31.03.2015 (Consolidated)
Income				
Revenue from operation	10466.76	16683.57	10693.70	16805.61
Capital Expenditure on tangible assets during the year	219.21	88.41	233.24	129.69
Amount transferred to Reserve	-	-	-	-
Profit / (Loss) before Depreciation, Interest and Tax	476.09	422.46	335.82	288.02
Less : Depreciation	34.27	73.89	40.63	74.28
Profit / (Loss) after Depreciation but before Interest & Tax	441.82	348.57	295.19	213.74
Less : Interest	206.68	171.78	208.02	173.48
Profit / (Loss) after Depreciation and Interest but before Tax	235.14	176.79	87.17	40.26
Less : Provision For Taxation	-	-	-	-
Current Tax	51.20	57.00	51.20	57.00
Deferred Tax	4.69	(25.90)	4.69	(26.10)
Profit / (Loss) after Tax for the period	179.25	145.69	31.28	9.36
Add/(Less): Share of Loss transferred to Minority Interest	-	-	2.64	1.37
Profit / (Loss) for the period after adjustment	149.25	145.69	33.92	10.73

2. Overview of Company's Affairs:

During the year under review, your Company witnessed reduction in revenue from Rs. 16,805.61 lakhs in 2014-15 to Rs. 10,693.70 lakhs in 2015-16. The reduction is mainly due to reduction in exports to African markets reason being unprecedented devaluation of their currencies.

The primary factors expected to drive a spurt in FMCG sales are stronger GDP growth and rise in employment. An increase in the rate of availability through distribution expansion is also expected to support sales growth. The overall FMCG market is expected to increase at a compound annual growth rate (CAGR) of 14.7 per cent during 2012-2020, with the rural FMCG market anticipated to increase at a CAGR of 17.7 per cent during 2012-2025.

A number of steps taken by the government and the direct transfer of subsidies are also expected to start bearing fruit. The cumulative effect of lower oil and commodity prices are expected to contribute to significant structural changes in the economy.

Income distribution acts as a crucial barometer for FMCG firms in emerging markets by allowing firms to assess when household incomes reach levels at which discretionary spending takes off. As more households move into middle-class income brackets, aspirational consumers switch purchases from basic food items to FMCG items. India's income distribution is poised to see a significant change over the next decade. The increase in absolute incomes and changes in distribution are expected to be key drivers of growth.

Consumer goods companies, particularly FMCG companies, are upbeat as well. Rural India is estimated to account for more than 700 million consumers or 70 per cent of the Indian population and 50 percent of the total FMCG market. This market has immense potential, enticing FMCG companies to take different steps to capture it. The smaller towns and cities of India are expected to play a more significant role in shaping future demand trends in the FMCG sector. The FMCG segment will contribute increasingly larger shares of sales for e-commerce companies.

3. Board of Directors and Key Managerial Personnel:

Chairman Mr. Vijay Kishanlal Kedia (DIN : 00230480) is an investor with more than 3 decades of experience in capital market.

Mr. Prince Tulsian (DIN : 02691348)
Managing Director
He is aged about 39 years. He is a B.Com (Hons.) graduate. He has more than 20 years vast experience in tea plantation and production of good quality tea.

Mr. Nadir Umedali Dhrolia (DIN : 03303675)
Non Executive Director
He is aged about 41 years. He is a B.Com graduate. He has more than 22 years of rich experience and expertise in the African markets.

Mr. Mayank Jhunjunwala (DIN : 02695948)
Independent Director
He is aged about 32 years. He is a B.Com (Hons.) graduate and a qualified CFA. He has over 12 years experience in financial and Industrial matters.

Ms. Jyoti Budhia (DIN : 00332044)
Independent Director
She is aged about 51 years, She is a B.Com (Hons.) graduate. She has over 30 years experience in financial and industrial matters.

Mr. Rajendra Manilal Shah (DIN : 07259569)
Independent Director
He is B.E. Mechanical & M.E. (Auto) he has over 40 years experience in plastic engineering. He was a Professor in VTJI, Mumbai for graduation studies for more than 12 year.

Key Managerial Personnel of the Company :

Pursuant to the provisions of Section 203 of the Act, the key managerial personnel of the Company are Mr. Pawan Kumar Gupta, Chief Executive Officer; Mr. Ankit Maheshwari, Chief Financial Officer and Mr. Shailesh Bhaskar, Company Secretary. There has been no change in the key managerial personnel during the year.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Nadir Umedali Dhrolia (DIN: 03303675) retires by rotation at the forthcoming Annual General Meeting and he being eligible, offers himself for re-appointment.

4. Dividend :

Though the Company has reported profit in the financial year 2015-16, your Company perceives tremendous growth prospects and to capitalize on the opportunities, the Management has not recommended any dividend for the current financial year.

5. Share Capital :

During the year under review, 9, 68,000 Equity warrants @ Rs. 40/- (including premium of Rs. 30/- per warrant) were issued to Mr. Pawan Kumar Gupta, the Non-Promoter CEO of the Company. Further, 9,68,000 equity shares were allotted pursuant to conversion of the said warrants by him. The said shares are under lock - in upto 17/01/2017.

6. Transfer to Reserves :

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

7. Material Change in Nature of Business :

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

8. Risk Management:

The Board takes responsibility for the overall process of risk management in the organisation and for ensuring the robust internal controls are implemented to respond to changes in the business environment. An integrated system of risk management and internal controls is deployed, taking into account various factors, such as the size and nature of the inherent risks and the regulatory environment of the business. The business risk is managed through cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management. The Audit Committee reviews business risk areas covering operational, financial, strategic and regulatory risks.

Lykis's strategy for risk management is to ensure that the Company and its employees continue to operate a 'go beyond' compliance approach. This creates an environment where there is an embedded culture of informed risk acceptance, supported by an effective framework to create and foster growth.

9. Internal Control Systems and their Adequacy :

The Company has an adequate system of internal controls in place. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, compliances with regulations and protecting assets from unauthorised use or losses. The Company has continued its efforts to align all its processes and controls with global best practices. 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 The internal control is supplemented by an extensive program of internal and external audits.

10. Subsidiary Companies, Joint Venture and Associate Companies :

a. **Lykis Packaging Pvt. Ltd. (Formerly known as Lykis Pharma Pvt. Ltd.):** It is a subsidiary of Lykis Limited. The Company is in the process of diversifying into Plastics/packaging business to facilitate backward integration with Lykis Limited business. During the year under review, the turnover of the Company is Rs. 35.14 lakhs.

b. **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 and has achieved a turnover of 5.89 Crore during the year under review.

c. **Lykis Confectioners Pvt. Ltd.:** It is an Associate Company of Lykis Limited. It is involved in the manufacturing of Confectionery products.

d. **Lykis Biscuits Pvt. Ltd, Lykis Agritech Pvt. Ltd, Lykis (UK) Limited & Lykis Soaps Pvt. Ltd.:** During the under review, the Company incorporated Lykis Soaps Pvt. Ltd to expand & diversify business of the Company along with other existing companies in future in India as well as overseas.

11. Deposits :

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

12. 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

13. Corporate Governance:

Securities Exchange Board of India (SEBI) has prescribed certain Corporate Governance Standards vide SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Directors re-affirm their commitment to these Standards and a detailed report on Corporate Governance together with the Auditor's Certificate on its Compliance is annexed hereto.

14. 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.

15. 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 March 31, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- b. for the financial year ended March 31, 2016, 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 March 31, 2016.
- 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 proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

16. Management Discussion & Analysis :

In terms of clause (e) sub regulation (2) of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis forms part of the Annual Report.

17. 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.

18. Conservation Of Energy, Technology and Foreign Exchange Outgo :

The particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the provisions of Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith and forms part of this report. **(Annexure I)**.

19. Auditors And Auditors' Reports :**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. The Auditors' Report and the Notes on Account being self-explanatory are not dealt with separately.

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 2015-16. 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)**

20. 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.

21. 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)**

22. Declaration By Independent Director(s) :

Pursuant to the provisions of Section 149 of the Act, Mr. Rajendra Manilal Shah and Ms. Jyoti Budhia were appointed as Independent Directors at the 31st Annual General Meeting held on 30th September, 2015 while Mr. Mayank Jhunjhunwala was appointed as Independent Director in 30th Annual General Meeting held on 30th September, 2014. They have submitted declarations that each of them meets the criteria of Independence as provided in Section 149(6) and there has been no change in the circumstances which may affect their status as Independent Director during the year.

23. Qualification or Reservation or Adverse Remark in Statutory Audit Report :

There is no such qualification or reservation or adverse remark reported by the Statutory Auditor of the company.

24. Training & Familiarization Programme Of Independent Directors :

A Director, upon appointment, is formally inducted to the Board. In order to familiarise the Independent Directors about the various business drivers, they are updated through presentations at Board Meetings about the Financials of the Company and new product launches.

They are also provided booklets about the business and operations of the Company.

25. Board Evaluation :

The Board has carried out an annual evaluation of its own performance, as well as the working of its Committees. The Board lay down the criteria for the performance evaluation. The contribution and impact of individual Directors were reviewed through a peer evaluation on parameters such as level of engagement and participation, flow of information, independence of judgment, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. A feedback cum assessment of individual directors, the board as a whole and its committees was conducted. The feedback obtained from the interventions was discussed in detail and, where required, independent and collective action points for improvement put in place.

26. Related Party Transaction Policy :

All transactions entered into with related parties as defined under the Companies Act 2013 and Rules 23 of SEBI (LODR) / Listing Agreement 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)**

27. Vigil Mechanism / Whistle Blower Policy :

In Compliance with provisions of Section 177(9) of the Companies Act, 2013 Rule 22 of SEBI (CODR) 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 and circulated to all the Directors / employees.

28. 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 2015-16.

29. Other Policies :

Your Company had adopted various other policies such as Policy for Document Retention, Policy on Material Subsidiaries, etc. as per the statutory requirements of Companies Act, 2013 and various other applicable laws, rules and regulations. All the policies are disclosed on the company's Website at www.lykisgroup.com.

30. Significant and Material Orders Passed by the Regulators:

Trading of shares of the Company was suspended from 31st March, 2016 by BSE Limited as surveillance measures vide its notice no. 20160328-15 Dated: 28th March, 2016. However, the said suspension was revoked by them w.e.f 18th April, 2016 by its notice no. 20160413-37 dated: 13th April, 2016 after submission of required documents by the company with the exchange.

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

Place : Kolkata
Dated : 12th August, 2016

VIJAY KISHANLAL KEDIA
Chairman
DIN : 00230480

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

Particulars of conservation of energy and technology absorption in terms of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended on 31st March, 2016.

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.
- © 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	257566.38	216627.48
Total Cost (`)	3322849.41	2242573.00
Rate / Unit (`)	12.90	10.35
(b) Own Generation		
(i) Through Diesel Generator		
Units	116079	124665
Unit per Ltr. of Diesel	3.00	3.000
Cost / Unit. (`)	16.71	19.77
(ii) Through Steam	---	---
Turbine/Generator Unit	---	---
(iii) Unit per Ltr. of Fuel		
Oil/Gas	---	---
Cost/Unit	---	---
2. Coal		
Qty. (MT)	414.58	416.14
Total Cost (`)	2597817.98	3108820.61
Avg. Rate (`)	6266.14	7470.61
3. Furnace Oil		
Qty. (K. Ltrs.)	281.95	219.35
Total Cost (`)	71531.00	53740.75
Avg. Rate (`)	253.70	245.00
4. Other/Internal generation	Nil	Nil

CONSUMPTION PER UNIT OF PRODUCTION

For Black Tea Per Kg.	Current Year	Previous Year
Electricity (in unit)	0.80	1.04
Furnace Oil (in Ltr.)	0.001	0.001
Coal (Mixture) (in Kg.)	0.89	1.27

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	25544	23672.00
Percentage of R & D expenditure on turnover	0.0024	0.0004

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	13955.56	150.82
Foreign Exchange earned	90225.42	14774.39

ANNEXURE - II

**Form No.MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

[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 2016 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 2016, 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;

9,68,000 equity share were issued on preferential basis to the Chief Executive Officer (CEO) of the company during the year under review and the company has complied with the provisions of the Act.

- (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 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.

- (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: 12/08/2016

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 if this report.

“ANNEXURE A”

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: 12/08/2016

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, 2016
[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	L7499WB1984PLC038064
Registration Date	15.10.1984
Name of the Company	LYKIS LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Omer Mansion, 29A Weston Street, 2nd Flr. R.No.B5 Kolkata – 700 012; Telephone: (033) 4004 5265
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

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	62.00%
Confectionary and biscuits	606.2	38.00%

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	Subsidiary	62.60%	2(87)
LYKIS CONFECTIONERS PVT LTD	405/406, Morya Classic, Navkar Perimses Co-Op. Soc. Ltd. Off New Link Road, Opp. infinity Mail Andheri (West) Mumbai - 400 053	U15122MH2011PTC217810	Associate	N.A.	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	17.571	3234383	-	3234383	16.693	(0.878)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	1333335	1333335	7.244	2479435	-	2479435	12.800	5.556
f) Any other.....	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	3234383	1333335	4567718	24.815	5713818	-	5713818	29.493	4.678
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)	3234383	1333335	4567718	24.815	5713818	-	5713818	29.493	4.678
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	74672	2067500	2142172	11.638	100114	2017900	2118014	10.931	(0.707)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholding holding nominal share capital upto Rs 1 lakh	297228	767906	1065134	5.786	1104120	622806	1726926	8.913	3.127
ii) Individual Shareholding holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify) Directors and relatives	712071	9920060	10632131	57.761	1308472	8507925	9816397	50.663	(7.098)
Sub-Total (B)(2):	1083971	12755466	13839437	75.185	2512706	11148631	13661337	70.507	(4.678)
Total Public Shareholding (B) = (B) (1) + (B) (2)	1083971	12755466	13839437	75.185	2512706	11148631	13661337	70.507	(4.678)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7552737	14088801	18407155	100.000	8226524	1148631	19375155	100.000	Nil

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	17.571%	Nil	3234383	16.693%	Nil	Nil
Kedia Securities Pvt. Ltd.	1333335	7.244%	Nil	2479435	12.800%	Nil	Nil

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	4567718	24.815%		
Datewise Increase / Decrease in Promoters Shareholding during the period specifying the reasons for increase / decrease allotment / transfer / bonus / sweat equity etc):	Promoter Company M/s. Kedia Securities Pvt. Ltd. acquired 1146100 Equity Shares through open offer scheme. So there is an increase by 4.678% in holding of the Promoter Group.			
At the end of the period			5713818	29.493%

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 period	2533335	13.76%	2533335	13.08%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2533335	13.08%
2. Salim Anwarali Kamani				
At the beginning of the period	2066670	11.23%	2066670	10.67%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2066670	10.67%
3. Sajid Umedali Dhrolia				
At the beginning of the period	2066670	11.23%	2066670	10.67%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		2066670	10.67%
4. Vighnar Holdings Pvt Ltd				
At the beginning of the period	2000000	10.87%	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	Nil	0.00%	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. Nazim S Charania				
At the beginning of the period	465250	2.53%	465250	2.40%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		465250	2.40%

	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. Salim Anwarali Kamani				
At the beginning of the period	374500	2.03%	374500	1.93%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		374500	1.93%
8. Sajid Umedali Dhrolia				
At the beginning of the period	292700	1.59%	292700	1.51%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		292700	1.51%
9. Pankaj Kumar Gupta				
At the beginning of the period	160500	0.87%	160500	0.83%
Date wise increase(+)/decrease(-)with reasons, during the period	NO CHANGE DURING THE PERIOD			
At the end of the period	Closing Balance :		160500	0.83%
10. Manicklal Daga				
At the beginning of the period	74500	0.40%	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%

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, Non-Executive Chairman				
At the beginning of the period	3234383	16.571%	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, Chief Executive Officer (CEO)				
At the beginning of the period	Nil	0.00%	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%

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial period				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial period	-	-	-	-
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial period	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

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) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	7,20,000.00	
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	0.00	
	(c) Profits in lieu of Salary under Section 17(3) of Income-tax Act, 1961	0.00	7,20,000.00
2.	Stock Options		0.00
3.	Sweat Equity		0.00
4.	Commission		
	- as % of profit	0.00	
	- others, specify	0.00	0.00
5.	Incentive based on Annualised Target		0.00
	Total (A)		7,20,000.00

B. Remuneration to other Director :
1. Indebtedness Directors

Sl. No.	Particulars of Remuneration	Name of The Directors			
					Total
1.	Fee for attending Board/Committee Meetings	-	-	-	-
2.	Commission	-	-	-	-
3.	Others, please specify	-	-	-	-
	Total (B) (1)	-	-	-	-

C. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Pawan Kumar Gupta, Chief Executive Officer	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	29,45,071.00	
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	0.00	
	(c) Profits in lieu of Salary under Section 17(3) of Income-tax Act, 1961	0.00	29,45,071.00
2.	Stock Options		0.00
3.	Sweat Equity		0.00
4.	Commission		
	- as % of profit	0.00	
	- others, specify	0.00	0.00
5.	Incentive based on Annualised Target		0.00
	Total (A)		29,45,071.00

Sl. No.	Particulars of Remuneration	Ankit Maheswari, Chief Financial Officer	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	8,34,468.00	
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	0.00	
	(c) Profits in lieu of Salary under Section 17(3) of Income-tax Act, 1961	0.00	8,34,468.00
2.	Stock Options		0.00
3.	Sweat Equity		0.00
4.	Commission		
	- as % of profit	0.00	
	- others, specify	0.00	0.00
5.	Incentive based on Annualised Target		0.00
	Total (A)		8,34,468.00

Sl. No.	Particulars of Remuneration	Shailesh Bhaskar, Company Secretary	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	5,70,611.00	
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	0.00	
	(c) Profits in lieu of Salary under Section 17(3) of Income-tax Act, 1961	0.00	5,70,611.00
2.	Stock Options		0.00
3.	Sweat Equity		0.00
4.	Commission		
	- as % of profit	0.00	
	- others, specify	0.00	0.00
5.	Incentive based on Annualised Target		0.00
	Total (A)		5,70,611.00

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

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			Nil		
B. DIRECTORS Penalty Punishment Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			Nil		

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	Before 01/04/2014
f)	Amount paid as advances, if any	Nil
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	Before 01/04/2014
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

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	Investment in shares
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	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 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.) Subsidiary
b)	Nature of contracts/arrangements/transaction	Investment in shares of Subsidiary
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 Subsidiary
e)	Justification for entering into such contracts or arrangements or transactions'	Investment in shares of Subsidiary
f)	Date of approval by the Board	29/05/2015
g)	Amount paid as advances, if any	18,10,000/-
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	Nil
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	12/08/2015
g)	Amount paid as advances, if any	45,00,000/-
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	12/08/2015
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 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 01/04/2014
g)	Amount paid as advances, if any	Rs.70,90,915.67
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.

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 2015-16, our segment wise sales stood as under:

Category	Food	Soap	Cosmetics	Deo/Sprays	Others
Revenue	38%	26%	20%	8%	8%

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.

Corporate Governance :

The new Companies Act, 2013 and SEBI (Listing Agreement and Disclosure Requirement) Regulation, 2015 have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law. The Company has constituted the new Board Committees and has in place all the statutory Committees as required by the law. Details of Committees are given in the Corporate Governance Report.

During the year, your Company has adopted new policies such as Document Retention Policy, Policy of Materiality for Disclosure of Events or Information etc. These policies are available on the website of the Company at <http://www.lykisgroup.com/investor-relation.html>.

The SEBI (Listing Agreement and Disclosure Requirement) Regulations, 2015 also provided for formulating the Code of Conduct for members of the Board and Senior Management, Codes of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report trading by its employees and other connected persons. Your Company has formulated the above codes and abided with the regulations.

Statutory Compliance :

A declaration is made at each Board Meeting regarding Compliance with provisions of various statutes after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance with the SEBI regulations and provisions of the Listing Agreement.

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

At Lykis Limited, we believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. Our corporate governance framework is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity. This is vital to gain and retain the trust of our stakeholders.

In compliance with Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, we submit the report for the year ended 31st March, 2016 on the matters mentioned in the said Regulations and list the practices followed by the Company:

1. 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.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreement with the Stock Exchange.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. Board of Directors :

- i. As on March 31, 2016, the Company has six Directors. Of the Six Directors, one is Executive Director, two are Non-Executive and Non-Independent Directors and three are Non- Executive and Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2016 have been made by the Directors. None of the Directors are related to each other.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
- iv. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on March 31, 2016 are given herein below.

Name of the Director	Category	No. of Board Meetings during the year 2015-16		Whether attended last AGM held on 30th September 2015	No. of other Directorships	Members of other outside Board/Committees	
		Held	Attended			Chairman	Member
Mr. Vijay Kedia Chairman DIN: 00230480	Non-Independent Non-Executive	7	4	No	5	0	1
Mr. Prince Tulsian Managing Director DIN: 02691348	Non-Independent, Executive	7	5	Yes	3	0	1
Mr. Nadir Dhrolia DIN: 03303675	Non-Independent Non-Executive	7	4	No	16	0	1
Mr. Mayank Jhunjhunwala DIN: 02695948	Independent, Non-Executive	7	6	Yes	2	3	0
Ms. Jyoti Budhia DIN: 00332044	Independent, Non-Executive	7	5	No	1	0	3
Mr. Rajendra Shah DIN: 07259569	Independent, Non-Executive	7	4	No	0	0	0

Video / tele-conferencing facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

- v. Seven Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held:

29th May, 2015, 14th July, 2015, 12th August, 2015, 13th October, 2015, 9th November, 2015, 10th February, 2016 and 29th March, 2016.

The necessary quorum was present for all the meetings.

- vi. During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- viii. During the year, one meeting of the Independent Directors was held on 9th November, 2015. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.
- ix. The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

3. Committees of the Board

A. Audit Committee

- i. The audit committee of the Company as well as its terms of reference are constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

- ii. The Audit Committee provides direction to the audit function in the Company and monitors/reviews the quality of financial management and internal audit. It also oversees the financial reporting process for proper disclosure in the financial statements and recommends appointment, re-appointment and removal of the auditors and about fixing their remuneration.
- iii. The Committee also reviews the quarterly, half-yearly as well as annual financial statements before the same are submitted to the Board, with particular reference to matters to be included in Directors' Responsibility Statement, changes, if any, in the accounting policies and practices, major accounting entries involving estimates based on exercise of judgment by the management, significant adjustments made in financial statements, compliance with listing and other legal requirements relating to financial statements, disclosure and approval of related party transactions, qualifications, if any, in the draft audit report, etc. It also oversees the working of the Internal Audit system, including the internal control mechanism of the Company.
- iv. The audit committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Designation	No. of meetings during the financial year 2015-16	
		Held	Attended
Mr. Mayank Jhunjunwala	Chairman	4	4
Mr. Prince Tulsian	Managing Director	4	4
Ms. Jyoti Budhia	Member	4	4

- i. Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:
29th May, 2015, 12th August, 2015, 9th November, 2015 and 10th February, 2016.

B. Nomination and Remuneration Committee :

- i. The Nomination and Remuneration Committee and its terms of reference are constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with section 178 of the Companies Act, 2013.
- ii. The Nomination and Remuneration Committee as on date consists of 4 (Four) Directors. All are Non-Executive Directors and out of them 2 (Two) are Independent Directors.
- iii. The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are given below :

Name	Designation	No. of meetings during the financial year 2015-16	
		Held	Attended
Mr. Nadir Dhrolia	Chairman	4	4
Mr. Mayank Jhunjunwala	Member	4	4
Mr. Vijay Kedia	Member	4	4

- iv. Four Nomination & Remuneration Committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

29th May, 2015, 12th August, 2015, 9th November, 2015 and 10th February, 2016.

- v. The Company does not have any Employee Stock Option Scheme.

- vi. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee from time to time subject to the terms and conditions of Appointment of Independent Directors adopted by the Board of Directors.

- vii. 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 Listing Regulations, 2015.

viii. Details of the remuneration for the year ended 31st March, 2016 :

Name	Salary	Benefits, Perquisites and Allowances	Comm-ission	Sitting fees
Mr. Vijay Kedia	NIL	NIL	NIL	NIL
Mr. Prince Tulsian	60,000 PM	NIL	NIL	NIL
Mr. Nadir Dhrolia	NIL	NIL	NIL	NIL
Mr. Mayank Jhunjunwala	NIL	NIL	NIL	NIL
Ms. Jyoti Budhia	NIL	NIL	NIL	NIL
Mr. Rajendra Shah	NIL	NIL	NIL	NIL

C. Stakeholders' Relationship Committee:

- i. The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.
- ii. The broad terms of reference of the stakeholders' relationship committee are as under:
- 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.
- iii. Two meetings of the stakeholders' relationship committee were held during the year on 29th May, 2015 and 9th November, 2015.
- iv. The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

Name	Designation	No. of meetings during the financial year 2015-16	
		Held	Attended
Mr. Mayank Jhunjunwala	Chairman	2	2
Mr. Prince Tulsian	Managing Director	2	2
Ms. Jyoti Budhia	Member	2	2

v. Name, designation and address of Compliance Officer :

Mr. Udayan Bal
Compliance Officer
Lykis Limited
Omer Mansion, 29A Weston Street, 2nd Floor, Room No. B5, Kolkata, 700012, West Bengal.
Tel No. 033 40045265, Email id : investorrelation@lykisgroup.com

vi. Details of Investor complaints received and redressed during the year 2015-16 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	4	4	0

4. General Meetings:

A. Annual General Meetings

The last three Annual General Meetings of the Company were held as under:

Year	Venue of the Meeting	Date	Time	Whether Special Resolution passed
2015	125/1, Sagar Manna Road, Parnasree, Behala, Kolkata-60	30-09-2015	10.00 A.M.	Yes*
2014	134, S.N.Banerjee Road, Kolkata-13	30-09-2014	10:30 A.M	Yes**
2013	134, S.N.Banerjee Road, Kolkata-13	28-09-2013	10:30 A.M.	No

- * 1. Appointment of Ms. Jyoti Budhia as an Independent Director of the Company.
2. Appointment of Mr. Rajendra Manilal Shah as an Independent Director of the Company.
3. Issue of 9,68,000 Equity Warrants, convertible into Equity Shares, on preferential basis to Chief Executive Officer (CEO).
- **1. Appointment of Mr. Bhagwati Prasad Lohia as an Independent Director of the Company.
2. Appointment of Mr. Mayank Jhunjunwala as an Independent Director of the Company.

B. Extra-Ordinary General Meetings : NIL

C. Resolution passed by Postal Ballot:

A resolution was passed by Postal Ballot (including e-voting) on 4th December 2015, approving Ratification of post issue share holding pattern for Issue of 9,68,000 Equity Warrants, convertible into Equity Shares, on preferential basis to Chief Executive Officer (CEO) by Postal Ballot Result declared on 4th December, 2015. M/s. Agarwalla Dinesh & Co., Practicing Company Secretary was appointed as Scrutinizer for conducting the Postal Ballot/E-voting exercise in a fair and transparent manner.

5. Compliance of Insider Trading Norms:

The Company has in place a Code of Conduct for prohibition of insider trading pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Further, company has put in place a 'Pre-Intimation / Pre-Clearance of Trade' mechanism which makes it mandatory for all the designated employees to pre-intimate / obtain prior approval, before dealing in Company's securities, depending upon respective minimum threshold limit set out in the said Code.

6. Disclosure :

- i. In respect of related party transactions, the Company does not have any transactions which may have potential conflict with the interest of the Company at large. The details of transactions with Related Parties have been given in the notes to Financial Statements.
- ii. No penalties / strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority in any matters related to the capital markets during the last three years except for Rs. 5,000/- plus taxes as levied by BSE for revocation of suspension of trading of the Company.

- iii. Your Company has complied with all the mandatory requirements of SEBI LODR Regulations, as applicable. Though the Company does not comply with some of the non-mandatory requirements on date, the Company is committed towards complying with SEBI Listing Regulations as a whole and will take suitable measures as and when possible.

7. Means of Communication :

The quarterly, half yearly and annual results of the Company published in the Business Standard (English) and Kalantar (Bengali). The financial results, shareholding patterns and annual reports are also available on the website of the Company i.e. www.lykisgroup.com. The Company has designated exclusive e-mail IDs viz. lykisho@lykisgroup.com and greenline_tea@yahoo.com for investor services.

8. General Shareholders information :

This section, inter-alia, provides information to the shareholders pertaining to the Company, its shareholding pattern, share price movements and other information.

(a)	Company Registration Details :	The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by Ministry of Corporate Affairs(MCA) is L74999WB1984PLC038064
(b)	Annual General Meeting (Day, Date, Time and Venue)	Friday, 30th September 2016, 10.00 A.M. at "SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060
(c)	Financial Calendar	Financial Period 1st April, 2015 to 31st March, 2016
(d)	Book Closure Period	23/09/2016 to 30/09/2016 (both days inclusive) for the purpose of General meeting.
(e)	Dividend Payment Date	No dividend on equity is recommended by the Board
(f)	E-mail address for shareholders	lykisho@lykisgroup.com , rd.infotech@vsnl.net
(g)	Listing of Equity Shares at Stock Exchange (nationwide trading terminal)	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
(h)	Stock Code	530689
(i)	Trading Symbol at BSE Limited	LYKIS
(j)	Demat ISIN Numbers	Equity Shares INE624M01014
(k)	Outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments	Nil as on 27/05/2016
(l)	Investor Correspondence	RTA : R & D Infotech Pvt. Ltd 7A, Beltala Road, 1st floor, Kolkata-700 026
(m)	For change in address, change of bank mandate, Nomination, Physical Transfer, Dematerialisation of shares.	RTA : Same as above
(n)	Any Query on Annual Report	RTA: Same as above
(o)	Share Transfer Agent	RTA: Same as above
(p)	Plant Location	Iringmara Tea Estate, P.O. Dwarbund, Dist. Cachar Pin - 788 113, Assam

9. Listing Status :

The securities of our company are listed in BSE Limited, Mumbai. The ISIN of equity shares of our company is INE624M01014. Scrip code on BSE Limited is 530689. The equity shares of the company are admitted both in National Securities Depository Ltd (NSDL) and Central Depository Services (I) Ltd (CDSL).

10. Share Transfer System :

Applications for transfer of Shares held in physical form are received at the office of the registrar and share transfer agent (R&T Agent) of the Company, M/s. R & D Infotech Pvt. Ltd. of 7A, Beltala Road, 1st Floor, Kolkata - 700 026. They attend to share transfer formalities at least once a week and forward the same to the Company for the Stakeholder's Relationship Committee's approval.

Shares held in dematerialized form are electronically traded in the depository and the registrar and share transfer agent periodically receives from the depository the details of beneficiary holdings so as to update the records for sending all corporate communications and other matters.

Application for dematerialization of physical shares are processed and completed within a period of 15 days from the date of receipt, provided they are duly completed. Incomplete applications are immediately returned to the depository participants under advice to the shareholders.

11. Financial Calendar of the Company:

The Financial Year of the Company is from 1st April to 31st March.

12. Publication of Financial Results :

Period approved by the Board of Directors

1st Quarter ending 30th June, 2016

2nd Quarter ending 30th September, 2016

3rd Quarter ending 31st December, 2016

4th Quarter ending 31st March, 2017 (Audited)

The AGM will be held within 30th September, 2017

2nd Week of August, 2016

2nd week of November, 2016

2nd week of February, 2017

4th week of May, 2017

13. Listing on Stock Exchanges:

Company's equity shares are listed and are under suspension at the following Stock Exchanges except BSE Ltd.

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 Stock code of Company' Shares at BSE is 530689 and ISIN No. is INE624M01014.

14. Market Price Data:

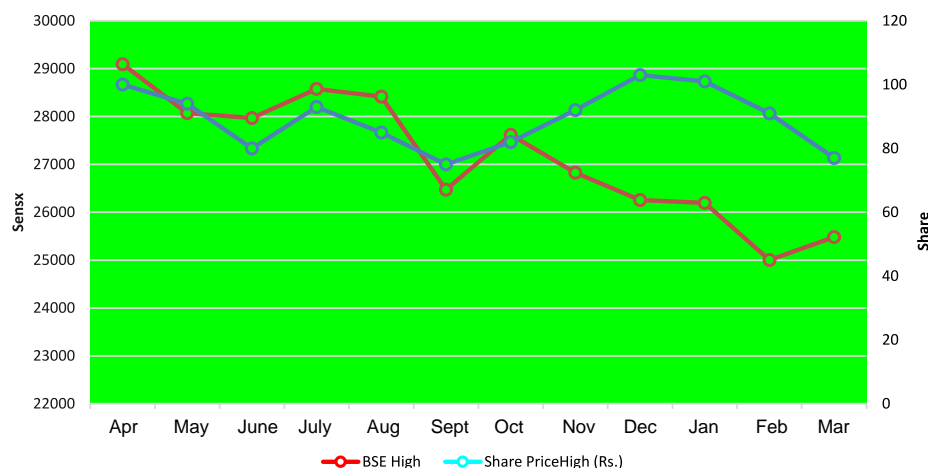
The market price of equity shares of the Company in BSE as on 31st March, 2016 was Rs.65/-

Month	Share Price		BSE 30 Shares Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April-15	100	55.8	29094.61	26897.54
May-15	94	75	28071.16	26423.99
June-15	80	57.15	27968.75	26307.07
July-15	93	66.7	28578.33	27416.39
August-15	85	68.13	28417.59	25298.42
September-15	75	67.5	26471.82	24833.54
October-15	82	65.05	27618.14	26168.71
November-15	92	70.05	26824.3	25451.42

Month	Share Price		BSE 30 Shares Sensex	
	High (Rs.)	Low (Rs.)	High	Low
December-15	103	78.4	26256.42	24867.73
January-16	101	77.25	26197.27	23839.76
February-16	91	67	25002.32	22494.61
March-16	77	65	25479.62	23133.18

Performance of share price of Lykis Limited on BSE in the financial year 2015-16

Lykis Limited share price V/s BSE Sensex



15. Other Information:

- Share holdings of Independent Directors: Nil.
- Director retiring by rotation / re-appointment: Mr. Nadir Dhrolia.
- The Company has not proposed / declared any dividend during the year.
- Financial Period – April to March, Current year 01-04-2015 to 31-03-2016.
- The shares are both in electronic and in physical mode as on 31.03.2016 as given below:

Sl. No	Particulars	No. of share holders	No. of shares	Percentage
1.	Physical Shares	966	1,11,48,631	57.54
2.	Electronic Shares- NSDL	970	18,75,876	9.68
	- CDSL	852	63,50,648	32.78
	Total	2788	1,93,75,155	100.00

16. Cost Audit:

The Company complying with Cost Audit requirements during the period under review.

17. Registrar and Share Transfer Agents:

R & D Infotech Pvt Ltd, 7A, Beltala Road, 1st floor, Kolkata – 700 026
 E-mail ID: rd.infotech@vsnl.net, Telephone No.(033) 2419 2642, (033) 2419 2641
 Stock Code - 530689 (BSE Limited)

18. Share Transfer System:

42.46 % of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with R & D Infotech at the above mentioned address.

19. Shareholding as on 31st March, 2016 :
a. Category wise Distribution of Shares of the Company as on 31st March, 2016 was as under:

Category Description	No. of Shares Holders	% to Total Shares Holders	No. of Shares	% of total Shares
RES. IND.	2677	95.85%	11464998	59.17%
DOM. COM.	67	2.51%	4597449	23.73%
N. R. I.	43	1.61%	78325	0.40%
FOR. COM.	0	0.00%	0	0.00%
MUTU.FND.	0	0.00%	0	0.00%
FIN.INS	0	0.00%	0	0.00%
BANKS	0	0.00%	0	0.00%
DIRECTORS/REL	1	0.04%	3234383	16.69%
F. I. I.	0	0.00%	0	0.00%
OTHERS	0	0.00%	0	0.00%
TOTAL	2788	100.00%	19375155	100.00%

b) Shareholding Ranges Analysis as on 31st March, 2016

R-A-N-G-E IN NO. OF SHARES	R-A-N-G-E IN VALUE OF SHARES	NO.OF SHARE HOLDERS	% OF TOTAL HOLDE Rs.	NO.OF SHARES	% TO TOTAL HOLDING
UPTO to 500	UPTO to 5000	1999	72.139%	445748	2.30%
501 to 1000	5010 to 10000	456	15.408%	337189	1.74%
1001 to 2000	10010 to 20000	169	6.320%	250484	1.29%
2001 to 3000	20010 to 30000	43	1.608%	108500	0.56%
3001 to 4000	30010 to 40000	19	0.711%	68397	0.35%
4001 to 5000	40010 to 50000	25	0.935%	116596	0.60%
5001 to 10000	50010 to 100000	36	1.346%	248790	1.28%
10001 to 50000	100010 to 500000	26	0.972%	521808	2.69%
50001 to 100000	500010 to 1000000	2	0.075%	166500	0.86%
100001 and Above	1000010 and Above	13	0.486%	17111143	88.31%
	G-R-A-N-D T-O-T-A-L	2788	100.00%	19375155	100.00%

20. Compliances under SEBI Listing Rules :

As per Regulation 17(8) read with part B of Schedule II of SEBI Listing Rules, Chief Executive Officer and Chief Financial Officer of the Company have furnished to the Board of Directors, the Annual Compliance Certificate on financial reporting and internal controls of your Company.

21. Reconciliation of Share Capital Audit :

Your Company has been submitting quarterly reconciliation of Share Capital Audit Report to the Stock Exchanges in India where the securities of the Company are listed.

22. Address for Correspondence :

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

Corporate Office :
Grandeur Building, 4th Floor
Opp: Gundecha Symphony, Veera Desai Road,
Andheri(W), Mumbai – 400 053

23. Shareholder / Investor Enquiries :

Questions concerning folio, share certificates, dividend, address changes, consolidation of certificates and related matters should be addressed to its Registrar and Share Transfer Agent at the below mentioned address :

Registered Office :
Omer Mansion, 29A Weston Street
2nd Floor, Room No. B5,
Kolkata – 700 012

Share Transfer Agent :
R & D Infotech Pvt. Ltd.
7A, Beltala Road, 1st Floor
Kolkata - 700 026

24. Code of Conduct:-

Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015/Clause 49 of the Listing Agreements with the Stock Exchanges, the Board of Directors has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year 2015-16.

The Code of Conduct includes all the duties of Independent Directors as laid down in Schedule IV of the Companies Act; 2013. An independent director shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect of the provisions contained in the Listing Agreement. A declaration to this effect signed by the Managing Director is given in this report. The aforesaid Code has also been posted on the Company's website www.lykisgroup.com

25. Non- Mandatory Requirements - Disclosure under SEBI Regulations, 2015**a) Modified Opinion in Audit Report:**

The Auditors have issued an unmodified opinion for the year ended 31st March 2016.

b) Separate posts of Chairman and CEO:

Separate persons perform the role of Chairman and Managing Director.

c) Reporting of Internal Auditor:

The internal auditor reports directly to the Audit Committee and quarterly internal audit reports are reviewed in the Audit Committee meetings.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN No. of the Company : L74999WB1984PLC038064
Nominal Capital : ` 20,00,00,000/-

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

I have reviewed the compliance and conditions of Corporate Governance by LYKIS LIMITED, for the period ended 31st March, 2016 as stipulated in Clause 27 of the SEBI (Listing obligations and disclosure requirements) Regulation 2015 of the said Company with Stock Exchanges with the relevant records and documents maintained by the Company as well as Registrars of the Company and furnished to us.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure and implementation thereof, adopted by the Company as well as Registrars of the Company and furnished to us.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

On the basis of my review and according to the information and explanation given to me, I certify that the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with in all material respects by the Company.

Place : Kolkata
Dated : 27th May, 2016

Sd/-
(DINESH AGARWAL)
Practising Company Secretary
Certificate of Practice No. : 5881

DECLARATION BY CEO & CFO PURSUANT TO REGULATION 17(8) OF SEBI LISTING REGULATIONS

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, 2016 and that to the best of knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) 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:-
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

For **LYKIS LIMITED**
Sd/-
(ANKIT MAHESHWARI)
Chief Financial Officer

Place : Mumbai
Dated : 27th May, 2016

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS UNDER REGULATION 17(5)(a)

In accordance with Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015/Clause 49 of the Listing Agreements with the Stock Exchanges, the Board Members, and Senior Management personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March 2016.

Place : Kolkata
Dated : 27th May, 2016

For **LYKIS LIMITED**
Sd/-
(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 2016, 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 2016, 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, 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 has disclosed the impact of pending litigations on its financial statement refer note No 31 to the financial statement.
 - 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.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn. No. 325683E

Place : Kolkata

(SANJAY AGARWAL)

Partner

Date : 27th May, 2016

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, 2016]

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, semifinished goods, stores, spareparts 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) a) 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. 7,52,717.55 as at March 31, 2016 for a period more than six month from the date which is being payable with the appropriate authorities.
- b) According to the information and explanation given to us, there are dues of Agriculture income tax, outstanding on account of any dispute.

Statue	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount(Rs.)
Agriculture Income Tax (Assam)	Agriculture Income Tax	Agriculture Income tax officer (Assam)	F.Y. 2007-08	679380.00

- (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 made preferential issue of equity shares during the year under review. Company has complied section 42 of companies act 2013. The Fund raised have been used for the purposes for which Fund were raised .
- (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 KUMAR AGARWAL)

Partner

Date : 27th May, 2016

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, 2016 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, 2016, 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

Date : 27th May, 2016

(SANJAY AGARWAL)

Partner

Mem. No. 062218

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	199,269,925.00	189,589,925.00
Reserves and Surplus	3	142,919,852.02	95,781,117.29
		<u>342,189,777.02</u>	<u>285,371,042.29</u>
Non Current Liabilities			
Long Term Borrowings	4	4,027,340.10	3,381,857.75
Deferred Tax Liability(Net)	5	1,844,075.00	1,374,705.00
		<u>5,871,415.10</u>	<u>4,756,562.75</u>
Current Liabilities			
Short Term Borrowings	6	514,793,449.53	612,930,848.94
Trade Payables	7	23,786,028.70	67,330,985.85
Other Current Liabilities	8	194,531,458.82	17,522,497.11
Short Term Provisions	9	14,850,331.00	9,730,331.00
		<u>747,961,268.05</u>	<u>707,514,662.90</u>
TOTAL		<u>1,096,022,460.17</u>	<u>997,642,267.94</u>
II. ASSETS			
Non Current Assets			
Fixed Assets (Tangible Assets)	10	129,322,813.95	110,574,559.88
Capital Work in Progress	10	-	13,738,444.22
Non- Current Investments	11	76,094,000.00	14,524,750.00
Other Non Current Assets	12	115,733.00	115,733.00
		<u>205,532,546.95</u>	<u>138,953,487.10</u>
Current Assets			
Current Investments	13	48,306,626.57	39,302,192.64
Inventories	14	26,807,401.04	17,384,272.62
Trade Receivables	15	299,151,587.91	437,808,386.53
Cash & Cash Equivalents	16	76,994,393.70	58,931,493.86
Short term Loans & Advances	17	6,642,811.00	-
Other Current Assets	18	432,587,093.00	305,262,435.19
		<u>890,489,913.22</u>	<u>858,688,780.84</u>
TOTAL		<u>1,096,022,460.17</u>	<u>997,642,267.94</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 : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

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, 2016

	Note	2015-16 (`)	2014-15 (`)
INCOME			
Revenue from Operations	19	1,046,675,685.50	1,668,357,488.44
Other Income	20	10,930,493.64	11,469,483.23
Total Revenue		1,057,606,179.44	1,679,826,971.67
EXPENDITURE			
Purchases of Stock-in trade		849,260,314.00	1,467,676,572.23
Cost of Material Consumed (Green Leaf)		11,753,515.75	5,160,364.25
Change in Inventories of Finished Goods, Stock in Process and Stock-in Trade	21	(10,558,958.24)	(2,718,039.86)
Employee Benefit Expenses	22	31,758,762.93	27,232,193.30
Finance Cost	23	20,667,605.15	17,178,024.03
Depreciation & Amortization Expense	24	3,426,710.00	7,388,878.00
Other Expenses	25	127,784,354.83	140,229,543.85
Total Expenses		1,034,092,304.42	1,662,147,536.30
PROFIT / (LOSS) BEFORE TAXATION		23,513,875.02	17,679,435.37
LESS : Tax Expenses			
<i>Current Tax</i>		5,120,000.00	5,700,000.00
<i>Deferred Tax</i>		469,370.00	(2,590,185.00)
PROFIT / (LOSS) FOR THE YEAR		17,924,505.02	14,569,620.37
Basic Earnings per equity share (in `)	26	0.95	0.79
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 : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

CASH FLOW STATEMENT FOR THE YEAR 2015 - 2016

	2015 - 2016 (`)	2014 - 2015 (`)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (loss) Before Taxes and Extraordinary Items	23,513,875.02	17,679,435.37
Adjustment For:		
Transferred to Investment Allowance Reserve	283,685.00	635,181.00
Finance Cost	20,667,605.15	17,178,024.03
Depreciation and Amortisation Expenses	3,426,710.00	7,388,878.00
Adjustment for Earlier Year	(109,455.29)	-
Transferred from Revaluation Reserve	-	-
Operating Profit Before Working Capital Changes	<u>47,782,419.88</u>	<u>42,881,518.40</u>
Adjustment For:		
(Increase) / decrease in Stock	(9,423,128.42)	(5,304,475.60)
(Increase) / decrease in Trade Receivable	138,656,798.62	(241,956,435.72)
(Increase) / decrease in Current Assets	(127,324,657.81)	(37,158,752.67)
(Increase) / decrease in Loans & Advances	(6,642,811.00)	-
Increase / (decrease) in Current Liabilities	177,008,961.71	2,234,871.74
Increase / (decrease) in Trade Payables	(43,544,957.15)	31,279,121.22
	128,730,205.95	(250,905,671.03)
Cash Generated From Operations	176,512,625.83	(208,024,152.63)
Finance Cost	(20,667,605.15)	(17,178,024.03)
Net Cash (used in) Operating Activities	'A' <u>155,845,020.68</u>	<u>(225,202,176.66)</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/decrease in Fixed Assets	(22,174,964.07)	(4,878,610.15)
(Increase)/decrease in Capital Wip	13,738,444.22	(3,962,326.89)
(Increase)/decrease in Investments	(70,573,683.93)	50,008,075.79
(Increase)/decrease in Other Non Current Assets	-	(115,733.00)
Net Cash (used in) Investing Activities	'B' <u>(79,010,203.78)</u>	<u>41,051,405.75</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(decrease) in Long Term Borrowings	645,482.35	(1,390,387.68)
Increase/(decrease) in Short Term Borrowings	(98,137,399.41)	163,547,100.60
Increase/(decrease) in Money received against Share Warrant	-	-
Increase/(decrease) in Share Capital	9,680,000.00	0.00
Increase/(decrease) in Share Premium	29,040,000.00	0.00
Net Cash from Financing Activities	'C' <u>(58,771,917.06)</u>	<u>162,156,712.92</u>
Net Increase in cash and cash equivalents	(A+B+C) 18,062,899.84	(21,994,057.99)
Opening Balance cash and cash equivalents	58,931,493.86	80,925,551.85
Closing Balance cash and cash equivalents	<u>76,994,393.70</u>	<u>58,931,493.86</u>

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata
Dated : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

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, 2016

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 relizable 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.

(j) Accounting Policy

- i) As per AS 9 Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods
- ii) Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

- iii) Export sales are recognised based on the date of invoice since the Company does not maintain any stock of goods and all the goods imported are immediately exported
- iv) Revenue from services is recognised on rendering of the services and is recorded net of discount and service tax.
- v) Interest and other income are recognized on accrual basis.
- vi) Dividend income is recognized if right to receive dividend is established by the reporting date.

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
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	184,071,550.00
- Add : Forfeited Shares	5,518,375.00	5,518,375.00
	<u>199,269,925.00</u>	<u>189,589,925.00</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, 2016.
- (d) 22,07,350 Equity shares of ` 10/- each are forfeited shares.
- (e) During the year the Company has allotted 9,68,000 nos. of Equity 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, 2016		31st March, 2015	
	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	17.571
Nazim Sadrudin Charania	2,998,585	15.480	2,998,585	16.290
Kedia Securities Pvt. Ltd	2,479,435	12.800	1,333,335	7.244
Salim Anwarali Kamani	2,441,170	12.600	2,441,170	13.262
Sajid Umedali Dhrolia	2,359,370	12.180	2,359,370	12.818
Vighnhar Holdings Pvt. Ltd.	2,000,000	10.320	2,000,000	10.865
Pawan Kumar Gupta	968,000	5.000	0	0.000
Uttam Bharat Bagri	0	0.000	1,333,335	7.244

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, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
3 RESERVES AND SURPLUS		
Securities Premium Account		
Balance as per Last Account	88,066,350.00	88,066,350.00
Add : During the Year	29,040,000.00	-
(A)	<u>117,106,350.00</u>	<u>88,066,350.00</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	2,517,392.75	1,882,211.75
Add : During the Year	283,685.00	635,181.00
(A)	<u>2,801,077.75</u>	<u>2,517,392.75</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>121,172,484.91</u>	<u>91,848,799.91</u>
Surplus / (Deficit) in the statement of Profit & Loss		
Balances as per last Financial Statements	3,932,317.38	(5,378,915.99)
Add : Profit / (Loss) during the year	17,924,505.02	14,569,620.37
Less : Adjustments for Earlier year	109,455.29	-
Less : Transition Adjustments of Fixed Assets as per Companies Act, 2013	-	(5,258,387.00)
Sub Total (B)	<u>21,747,367.11</u>	<u>3,932,317.38</u>
(A+B)	<u><u>142,919,852.02</u></u>	<u><u>95,781,117.29</u></u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
4 LONG TERM BORROWINGS		
SECURED LOANS		
Bank Overdrafts :		
From Indian Bank (Secured against fixed deposits)	4,027,340.10	3,331,098.75
Car Loans :		
From HDFC Bank	-	-
From Indian Bank (Secured by hypothecation of vehicles)	-	50,759.00
	<u>4,027,340.10</u>	<u>3,381,857.75</u>
5 DEFERRED TAX LIABILITY		
Deferred Tax	1,844,075.00	1,374,705.00
	<u>1,844,075.00</u>	<u>1,374,705.00</u>
6 SHORT TERM BORROWINGS		
UNSECURED LOANS		
Packing Credit Foreign Currency Loan (Repayable on Demand)	472,898,449.53	586,385,848.94
From Directors (Interest Free)	41,895,000.00	26,545,000.00
	<u>514,739,449.53</u>	<u>612,930,848.94</u>
7 TRADE PAYABLES		
Sundry Creditors for Goods & Services		
Due to Micro & Small Enterprises	-	-
Due to Others	23,786,028.70	67,330,985.85
	<u>23,786,028.70</u>	<u>67,330,985.85</u>
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	179,933,260.12	5,159,338.16
Sundry Creditors for Expenses	7,092,669.08	2,639,338.14
Other Finances	2,931,106.62	4,417,123.65
Liabilities of Car Loans	69,252.00	240,693.16
Plantation Finance Loan from Tea Board	4,505,171.00	5,066,004.00
	<u>194,531,458.82</u>	<u>17,522,497.11</u>
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	-
	<u>14,850,331.00</u>	<u>9,730,331.00</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016
**Note - 10
(Amount in `)**
FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01.04.2015	Additions during the year	Deductions/ Adjustments	As at 31.03.2016	As at 01.04.2015	For the year	Deductions/ Adjustments	Up to 31.03.2016	Transition adjustments (refer note no. 32)	As at 31.03.2016	As at 31.03.2015
TANGIBLE ASSETS											
- AIR CONDITIONER	1,22,805.00	0.00	0.00	1,22,805.00	57,301.40	9,066.00	0.00	66,367.40		56,437.60	65,503.60
- BUILDING & LABOUR LINES II	22,50,846.53	0.00	0.00	22,50,846.53	6,97,096.94	33,486.00	0.00	7,30,582.94		15,20,263.59	15,53,749.59
- BUILDING & LABOUR LINES III	17,37,393.13	0.00	0.00	17,37,393.13	5,57,453.87	26,971.00	0.00	5,84,424.87		11,52,968.26	11,79,939.26
- COMPUTER & PRINTER	20,55,304.20	16,44,531.00	0.00	36,99,835.20	14,25,225.18	7,89,364.30	0.00	22,14,589.48	4,743.00	14,80,502.72	6,25,336.02
- CYCLE	13,367.00	0.00	0.00	13,367.00	0.00	0.00	0.00	13,367.00	0.00	0.00	0.00
- ELECTRICAL INSTALLATION	53,41,243.43	4,04,645.00	0.00	53,41,243.43	15,10,901.99	2,92,174.00	0.00	18,03,075.99	40,843.00	34,97,324.44	37,89,498.44
- FACTORY BUILDING	71,02,257.15	0.00	0.00	75,06,902.15	47,86,383.45	2,06,411.00	0.00	49,92,794.45		25,14,107.70	23,15,873.70
- FAX MACHINE	48,072.20	0.00	0.00	38,144.08	1,471.00	1,471.00	0.00	39,615.08	2,904.00	5,553.12	7,024.12
- FURNITURE & FIXTURES	56,984.55	11,960.00	0.00	68,944.55	49,078.13	1,215.00	0.00	50,293.13		18,651.42	7,906.42
- OFFICE EQUIPMENTS	0.00	8,200.00	0.00	8,200.00	0.00	837.00	0.00	837.00	0.00	7,363.00	0.00
- IRRIGATION EQUIPMENTS	33,11,528.45	0.00	0.00	33,11,528.45	15,95,305.17	1,37,254.00	0.00	17,32,559.17	4,825.00	15,74,144.28	17,11,398.28
- LAND & PLANTATION	7,98,73,813.49	1,94,01,124.07	0.00	9,92,74,937.56	0.00	0.00	0.00	9,92,74,937.56		9,92,74,937.56	7,98,73,813.49
- MOTOR CAR	19,52,045.47	0.00	0.00	19,52,045.47	11,63,837.56	1,55,048.00	0.00	13,18,885.56		6,33,159.91	788,207.91
- MOTOR CYCLE	22,536.00	0.00	0.00	22,536.00	0.00	0.00	0.00	22,536.00		0.00	0.00
- PACKING MACHINE	12,98,644.90	0.00	0.00	12,98,644.90	872,117.7	83,289.00	0.00	1,70,500.70		11,28,144.20	12,11,433.20
- PLANT & MACHINERY	2,36,53,375.55	20,000.00	0.00	2,36,73,375.55	1,17,98,051.48	8,89,509.00	0.00	1,26,87,560.48	26,033.00	1,09,59,782.07	1,18,29,291.07
- REFRIGERATOR	15,529.00	11,000.00	0.00	26,529.00	13,342.92	1,683.00	0.00	15,025.92	1,761.00	9,742.08	425.08
- ROADS & BRIDGES	56,97,814.62	0.00	0.00	56,97,814.62	16,15,315.56	2,52,855.00	0.00	18,68,170.56	34,19,365.00	4,10,279.06	6,63,134.06
- SECURITY FENCING	30,15,760.00	0.00	0.00	30,15,760.00	15,71,063.46	13,833.00	0.00	15,84,896.46	12,27,392.00	2,03,471.54	2,17,304.54
- STAFF QUARTERS & BUNGALOW	30,11,203.74	0.00	0.00	30,11,203.74	7,45,559.67	1,37,283.00	0.00	8,82,842.67		21,28,361.07	22,65,644.07
- TRUCK, TRACTOR & TRAILORS	27,06,671.35	0.00	0.00	27,06,671.35	12,68,994.25	2,12,683.00	0.00	14,81,677.25		12,24,994.10	14,37,677.10
- TYPE WRITER	7,897.00	0.00	0.00	7,897.00	0.00	0.00	0.00	7,897.00		0.00	0.00
- WATER RESERVOIR	14,95,426.00	0.00	0.00	14,95,426.00	6,40,701.07	21,492.00	0.00	6,62,193.07	5,01,703.00	3,31,529.93	3,53,021.93
- WEATHERING TROUGH	4,84,389.90	28,500.00	0.00	5,12,889.90	4,51,752.45	495.00	0.00	4,52,247.45	28,818.00	3,18,24.45	3,819.45
- MOBILE PHONE	4,44,130.00	2,55,978.00	0.00	7,00,108.00	94,125.63	96,138.47	0.00	1,90,264.10		5,09,843.90	3,50,004.37
- TELEVISION	25,600.00	0.00	0.00	25,600.00	9,305.54	1,198.00	0.00	21,285.54		4,314.46	16,294.46
- WATER PUMP	9,500.00	0.00	0.00	9,500.00	2,639.88	788.00	0.00	3,427.88		6,072.12	6,860.12
- CYLINDER	38,13,440.20	0.00	0.00	38,13,440.20	38,11,643.07	0.00	0.00	38,11,643.07		1,797.13	1,797.13
- BROOKFIELD VISCOMETER	1,82,500.00	0.00	0.00	1,82,500.00	17,359.00	16,321.22	0.00	33,680.22		1,48,819.78	1,65,141.00
- BAR CODE PRINTER	13,000.00	0.00	0.00	13,000.00	3,403.00	2,654.17	0.00	6,057.17		6,942.83	6,997.00
- WEIGHING SCALE	33,330.00	0.00	0.00	33,330.00	21,869.78	1,103.00	0.00	22,972.78		10,357.22	11,460.22
- CANDLE MACHINE	86,141.25	0.00	0.00	86,141.25	8,632.00	9,627.36	0.00	18,259.36		67,881.89	77,509.25
- LABORATORY EQUIPMENTS	37,868.00	1,34,766.00	0.00	1,72,634.00	1,973.00	5,309.48	0.00	7,282.48		1,65,351.52	35,895.00
INTANGIBLE ASSETS											
- TRADE MARKS	0.00	2,54,260.00	0.00	2,54,260.00	0.00	16,369.00	0.00	16,369.00		2,37,891.00	2,37,891.00
TOTAL	14,99,20,418.11	2,21,74,964.07	0.00	17,20,95,382.18	3,40,87,471.23	34,26,710.00	0.00	3,75,14,181.23	52,58,387.00	12,93,22,813.95	11,05,74,559.88
PREVIOUS YEAR									0.00		-
CAPITAL WORK IN PROGRESS										0.00	1,37,38,444.22

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
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 (10,02,500) - Lykis Confectioners Pvt. Ltd.	20,025,000.00	10,025,000.00
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
3,96,000 (2,40,075) - Lykis Packaging Pvt. Ltd.	3,960,000.00	2,400,750.00
In Preference Shares of ILFS	50,010,000.00	-
Total Non Current Investments	76,094,000.00	14,524,750.00
Aggregate Amount of Unquoted Investments	76,094,000.00	14,524,750.00
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 (At cost)		
In Mutual Funds - Quoted		
Nil (1,80,672 313) Units of HDFC Cash Management Fund -	-	4,731,392.00
Nil (27,61,131.901) Units of HSBC Flexi Debt Fund-Monthly Dividend	-	29,438,749.93
Nil (5,06,913.152) Units of HSBC Ultra Short Term Bond	-	5,079,118.29
Nil (5,279.405) Units of HSBC Ultra Short Term Bond Fund	-	52,932.42
4,56,861.594 (Nil) Units ICICI Prudential Flexible Income Plan	48,306,626.57	-
Total Current Investments	48,306,626.57	39,302,192.64
Aggregate Amount of quoted Investments	48,306,626.57	101,661,018.43
Market Value of Quoted Investments	48,306,626.14	39,665,823.74
14 INVENTORIES		
Stock in Trade		
(As Certified by the Managment)		
Finished Goods - Tea (At net relizable value)	8,761,977.00	4,351,021.03
FMCG Products (At cost)	9,692,999.13	3,611,966.74
Greenleaf	66,969.88	-
Nursery Plants (At net relizable value)	4,415,277.30	4,415,277.30
	A	12,378,265.07
Stores & Spares (At cost)	B	5,006,007.55
	(A+B)	17,384,272.62
	26,807,401.04	17,384,272.62
15 TRADE RECEIVABLES		
Unsecured considered good		
Receivable Outstanding for a period exceeding six months from the date they are due for payment	83,636,160.74	63,721,142.71
Other Receivables	215,515,427.17	374,087,243.82
	299,151,587.91	437,808,386.53

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
16 CASH & CASH EQUIVALENTS		
Balances with Banks		
In Current Accounts	49,148,925.23	31,821,599.97
<i>Cheque in Hand</i>		
Cash in Hand <i>(As certified by the Management)</i>	572,820.47	1,197,727.89
Term Deposits with Schedule Banks	27,272,648.00	25,912,166.00
	<u>76,994,393.70</u>	<u>58,931,493.86</u>
17 SHORT TERM LOANS AND ADVANCES		
Loan to Subsidiary Company	1,880,505.00	-
Others	4,762,306.00	-
	<u>6,642,811.00</u>	<u>-</u>
18 OTHER CURRENT ASSETS		
Advance to Parties	317,177,009.36	192,437,567.33
Accrued Interest on Term Deposit	1,120,209.00	757,165.00
Deposits	1,375,877.53	1,274,087.53
Incentive receivables	89,954,244.59	93,926,338.95
Forward Contract gain receivable	-	362,000.00
Other Advances	5,133,211.40	3,207,998.17
Advance to Staff / Workers	2,908,304.12	2,295,590.92
Security Transaction Tax	-	109,455.29
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)	269,758.00	269,758.00
TDS Receivable (AY 2016 - 17)	306,415.00	-
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	-
Self Assessment Tax (AY 2012-13)	88,086.00	88,086.00
	<u>432,587,093.00</u>	<u>305,262,435.19</u>
	<u>2015 - 2016</u> (`)	<u>2014 - 2015</u> (`)
19 REVENUE FROM OPERATIONS		
Finished Goods Sales		
Gross Sales	60,617,081.92	40,196,090.08
Less: Excise Duty	<u>232,672.00</u>	<u>263,247.00</u>
Net Sales	60,384,409.92	39,932,843.08
Tea Plants Sales		
Trading Goods sales		
FMCG	41,692,304.66	39,358,376.64
Tea	<u>2,745,776.70</u>	<u>20,196,755.78</u>
Export Sales (FMCG)	893,678,201.72	1,477,438,893.18
	998,500,693.00	1,576,926,868.68
Other Operating Income		
Export - MEIS	30,089,006.00	-
Export - Drawback	12,770,975.02	26,044,343.99
Export - VKGUY	786,144.45	26,655,088.00
Export - Service Tax incentives	416,033.00	1,606,240.00
DFIA	3,727,353.00	-
Export - FMS	<u>385,481.03</u>	<u>91,430,619.76</u>
	<u>1,046,675,685.50</u>	<u>1,668,357,488.44</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>2015 - 2016</u>	<u>2014 - 2015</u>
	(`)	(`)
20 OTHER INCOME		
Non -Operating Income		
Liabilities no longer required written back	44,636.63	9,30,025.12
Interest on Term Deposit	2,368,463.00	22,67,375.00
Dividend Income	6,972,608.93	33,58,351.11
Commission Income	329,175.00	6,28,125.00
Interest on Loans given	369,791.00	-
Interest on Security	17,516.00	-
Short Term Gain on Mutual Fund	-	42,82,823.10
Long Term Gain on sale of Mutual Fund	770,333.38	-
Miscellaneous Income	57,970.00	2,783.90
	<u>10,930,493.94</u>	<u>1,14,69,483.23</u>
21 CHANGE IN INVENTORIES OF FINISHED STOCK, STOCK IN PROCESS & STOCK-IN-TRADE		
Inventories (at closing)	22,937,223.31	1,23,78,265.07
Less: Inventories (at opening)	12,378,265.07	96,60,225.21
(Increase) / Decrease in Inventories	<u>(10,558,958.24)</u>	<u>(27,18,039.86)</u>
22 EMPLOYEE BENEFIT EXPENSES		
Director's Remuneration	720,000.00	6,00,000.00
Salary, Bonus & Ex-gratia	25,776,584.33	2,27,17,000.10
Employers' Contribution to PF	1,988,946.72	17,69,854.36
Employees' Welfare Expenses	2,471,369.36	15,83,247.36
Loss on Food Stuff	801,862.52	5,62,091.48
	<u>31,758,762.93</u>	<u>2,72,32,193.30</u>
23 FINANCE COSTS		
Interest		
-On Car Loans	23,519.84	58,454.61
-On Bank Overdrafts	366,133.00	4,53,579.00
-On PCFC	20,226,903.31	1,65,12,929.42
-On Others	51,049.00	1,53,061.00
	<u>20,667,605.15</u>	<u>1,71,78,024.03</u>
24 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and Amortisation	3,426,710.00	73,88,878.00
Less : Transferred from Revaluation Reserve	-	-
	<u>3,426,710.00</u>	<u>73,88,878.00</u>
	<u>2015 - 2016</u>	<u>2014 - 2015</u>
	(`)	(`)
25 OTHER EXPENSES		
Direct Expenses		
Manufacturing Expenses	14,926,589.19	1,32,05,140.13
Cultivation Expenses	2,714,948.82	20,15,825.32
Cess on green leaf	366,897.65	3,73,455.60
Tea Chest & Components	2,125,382.41	27,11,050.81
Clearing & Forwarding on Import	68,072.00	8,59,706.00
Freight Charges on Purchases	6,376,883.97	12,932,560.80
	<u>26,578,774.04</u>	<u>32,097,738.66</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	2015 - 2016 (`)	2014 - 2015 (`)
25 OTHER EXPENSES CONTD....		
Selling & Distribution Expenses		
Tea Selling Expenses	1,346,169.42	25,07,404.57
Clearing & Forwarding Expenses	31,311,622.74	5,21,32,265.14
Commission Charges Paid	2,736,525.28	-
Packing & Development Expenses	7,521,667.00	49,28,550.24
Sales Promotion Expenses	1,979,846.78	24,53,713.89
Factory Stuffing Permission Expenses	<u>116,425.00</u>	<u>-</u>
	45,012,256.22	62,021,933.84
Establishment Expenses		
As Audit Fees	75,000.00	75,000.00
As Tax Audit	25,000.00	25,000.00
Advertisement Expenses	1,090,394.83	59,828.00
Bank Charges	1,202,570.42	638,593.72
Bungalow Expenses	278,896.00	306,197.00
Computer Maintenance Expenses	323,257.00	261,862.00
Discount Allowed	1,640,220.72	940,219.96
Donation & Subscription	356,289.82	154,119.00
Electricity Charges	55,860.00	44,380.00
Filing Fees	31,000.00	16,200.00
Loss on Foreign Exchange Fluctuation	20,226,179.14	2,171,484.39
Short Term Loss on redemption of Mutual Fund	337,674.58	-
DFIA receivable written off	-	17,543,126.42
Prior Period Expenses	41,826.00	133,523.00
FDA Approval Charges	173,500.00	406,750.00
FMS & VKGUY realisation expenses	1,157,836.36	996,415.25
Freight Charges	384,692.00	450,554.00
General Expenses	1,741,952.67	1,806,793.81
Speculative loss from Commodities Trade	9,388.18	23,323.77
Registration Charges	1,000.00	85,000.00
Insurance Charges	149,050.67	12,256.39
CDSL / NSDL Expenses	113,356.00	69,200.00
Motor Car Expenses	1,658,087.34	1,316,214.81
Products Testing Expenses	973,691.46	839,215.89
Postage & Telegram	1,131,423.69	2,254,309.00
Printing & Stationery	816,400.61	426,463.00
Professional & Consultancy Fees	5,858,841.03	4,580,360.95
Stock Exchange Exp(BSE)	453,220.00	100,000.00
Rent, Rates & Taxes	6,613,350.00	2,962,298.00
Repair to Building	353,119.00	284,658.00
Repair to Machinery	1,533,348.16	1,377,559.85
Repair & Maintenance others	228,016.00	155,605.28
Trade Marks Registration Charges	30,560.00	256,939.00
Telephone & Internet Expenses	829,787.86	765,788.30
Travelling & Conveyance Expenses	5,916,445.84	4,236,507.56
Email id registration charges	94,800.00	-
Sundry Debit Balance Written off	35,462.99	-
Website Charges	2,000.00	2,750.00
Service Tax & Swachh Bharat Cess Paid	<u>249,826.20</u>	<u>331,375.00</u>
	56,193,324.57	46,109,871.35
	<u>127,784,354.83</u>	<u>140,229,543.85</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016
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:

	2015 - 2016	2014 - 2015
Profit / (Loss) as per Profit & Loss Account (`)	17,924,505.02	14,569,620.37
Weighted average number of Equity Shares (Nos.)	18,789,051.00	18,407,155.00
Face value per equity Share (`)	10.00	10.00
Basic & Diluted Earnings per Share (`)	0.95	0.79

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 EARNINGS IN FOREIGN EXCHANGE (`)

Export of goods calculated on FOB basis	<u>893,054,178.32</u>	<u>1,477,438,893.18</u>
	<u>893,054,178.32</u>	<u>1,477,438,893.18</u>

29 EXPENDITURE IN FOREIGN CURRENCY (`)

Purchase	13,955,564.25	14,306,378.80
Travelling Expenses	218,240.84	118,784.55
Professional Fee	11,303.08	29,148.75
Sales Promotion Expenses	831,329.78	628,124.34
Advertisement Expenses	<u>222616.83</u>	-
	<u>15,239,054.78</u>	<u>15,082,436.44</u>

30 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.	Subsidiary Company
Kedia Securities Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Dharamanagar 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
Lykis Confectioners 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
Pragati Aerosols Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence
Vijay Kishanlal Kedia	Key Managerial Personnel
Prince Tulsian	Key Managerial Personnel
Pawan Gupta	Key Managerial Personnel
Pratik Kedia	Relative of Key Managerial Person Mr. Vijay Kishanlal Kedia
Neelu Kedia	Relative of Key Managerial Person Mr. Vijay Kishanlal Kedia
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	4,23,70,884.00	-	-	4,23,70,884.00
	(2,38,28,832.50)	(NIL)	(2,19,02,965.79)	(4,57,31,798.29)
Purchases	-	-	4,18,96,766.00	4,18,96,766.00
	(4,48,362.00)	(NIL)	(13,83,08,699.00)	(13,87,57,061.00)
Cost of Material Consumed (Greenleaf)	-	-	81,69,690.00	81,69,690.00
	(NIL)	(NIL)	(17,81,990.00)	(17,81,990.00)
Net Loans & Advances Given	18,80,505.00	-	1,18,62,221.67	1,37,42,726.67
	(NIL)	(5,88,950.16)	(62,33,212.64)	(68,22,162.80)
Refund /Adjustment of Loans & Advance Given	-	-	-	-
	(NIL)	(NIL)	(NIL)	(NIL)
Unsecured Loans & Trade Advance Received	-	1,53,50,000.00	-	1,53,50,000.00
	(NIL)	(2,61,45,000.00)	(23,70,000.00)	(2,85,15,000.00)
Repayment of Unsecured Loans & Trade Advance	-	-	-	NIL
	(NIL)	(NIL)	(23,70,000.00)	(23,70,000.00)
Purchase/ Subscription of Investments	15,59,250.00	-	1,00,00,000.00	1,15,59,250.00
	(23,25,750.00)	(NIL)	(1,00,25,000.00)	(1,23,50,750.00)
Rent & Other Charges Paid	-	-	63,98,590.00	63,98,590.00
	(NIL)	(NIL)	(28,30,454.00)	(28,30,454.00)
Managing Director's Remuneration	-	7,20,000.00	-	7,20,000.00
	(NIL)	(6,00,000.00)	(NIL)	(6,00,000.00)
Chief Executive Officer's Remuneration	-	21,53,400.00	-	21,53,400.00
	(NIL)	(21,53,400.00)	(NIL)	(21,53,400.00)
Remuneration to Relatives of Key Managerial Person	-	-	7,80,000.00	7,80,000.00
	(NIL)	(NIL)	(12,81,750.00)	(12,81,750.00)
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)	-	-	6,34,72,019.00	6,34,72,019.00
Development Charges Paid	-	-	10,33,470.00	10,33,470.00
	(NIL)	(NIL)	(19,249.00)	(19,249.00)
Balance as on 31.03.2016				
Unsecured Loans(taken)	-	4,18,95,000.00	-	4,18,95,000.00
	(NIL)	(2,65,45,000.00)	(NIL)	(2,65,45,000.00)
Loans & Advances	18,80,505.00	-	1,18,62,221.67	1,37,42,726.67
	(45,03,178.00)	(4,02,314.87)	(62,33,212.64)	(1,11,38,705.51)
Investments	59,59,000.00	-	2,00,25,000.00	2,59,84,000.00
	(43,99,750.00)	(NIL)	(1,00,25,000.00)	(1,44,24,750.00)
Trade Advance (Given)	-	-	4,51,39,707.60	4,51,39,707.60
Sundry Creditors for Goods & Services	-	-	-	-
	(NIL)	(NIL)	(NIL)	(NIL)

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

31. There is a agriculture Income Tax Demand of Rs. 6,79,380/- for the Asst. Year 2007-08 which has been disputed by the Compy.
32. Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of the assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 1 April, 2014, and has adjusted an amount of Rs.52,58,387/- against the opening surplus balance in the Statement of Profit and Loss under Reserves and Surplus.
33. 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 : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

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 subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), comprising of the Consolidated Balance Sheet as at 31 March, 2016, 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 31st March, 2016, 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 two subsidiaries, whose financial statements reflect total assets of Rs.4,50,78,369/-as at 31 March, 2016, total revenues of Rs.6,24,19,858/-and net cash outflows flows amounting to Rs. 17,86,905/- 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, 2016 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, 2016 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 disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 32 to the consolidated financial statements.
 - 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.

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

Place : Kolkata
Date : 27th May, 2016

(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, 2016, 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, 2016, 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 2 subsidiary companies, which are companies 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 : 27th May, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	199,269,925.00	189,589,925.00
Reserves and Surplus	3	80,266,798.02	47,560,601.29
		<u>279,536,723.02</u>	<u>237,150,526.29</u>
Minority Interest		1,875,470.00	2,139,307.00
Non Current Liabilities			
Long Term Borrowings	4	4,027,340.10	3,381,857.75
Deferred Tax Liability(Net)	5	1,844,075.00	1,374,705.00
		<u>5,871,415.10</u>	<u>4,756,562.75</u>
Current Liabilities			
Short Term Borrowings	6	516,486,088.53	613,336,595.94
Trade Payables	7	24,370,797.73	130,449,179.85
Other Current Liabilities	8	196,972,196.82	24,952,165.11
Short Term Provisions	9	14,850,331.00	9,730,331.00
		<u>752,679,414.08</u>	<u>778,468,271.00</u>
TOTAL		<u>1,039,963,022.20</u>	<u>1,022,514,667.94</u>
II. ASSETS			
Non Current Assets			
Fixed Assets (Tangible Assets)	10	134,312,298.95	114,797,103.88
Capital Work in Progress	10	-	13,738,444.22
Non- Current Investments	11	70,135,000.00	10,125,000.00
Other Non Current Assets	12	115,733.00	115,733.00
		<u>204,563,031.95</u>	<u>138,776,281.10</u>
Current Assets			
Current Investment	13	48,306,626.57	39,302,192.64
Inventories	14	48,602,834.04	31,501,252.62
Trade Receivables	15	219,393,862.94	443,821,934.53
Cash & Cash Equivalents	16	76,380,977.70	60,104,981.86
Short Term Loans & Advances	17	4,762,306.00	-
Other Current Assets	18	437,953,383.00	309,008,025.19
		<u>835,399,990.25</u>	<u>883,738,386.84</u>
TOTAL		<u>1,039,963,022.20</u>	<u>1,022,514,667.94</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 : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

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, 2016

	Note	2015 - 2016 (`)	2014 - 2015 (`)
INCOME			
Revenue from Operations	19	1,069,370,476.52	1,680,561,409.82
Other Income	20	10,942,850.94	11,485,954.23
Total Revenue		<u>1,080,313,327.46</u>	<u>1,692,047,364.05</u>
EXPENDITURE			
Purchases of Stock-in trade		873,425,908.02	1,477,261,883.11
Cost of Material Consumed (Green Leaf)		11,753,515.75	5,160,364.25
Change in Inventories of Finished Goods, Stock in Process and Stock-in Trade	21	(18,237,411.24)	750,640.14
Employee Benefit Expenses	22	43,843,874.93	33,905,918.30
Finance Cost	23	20,801,503.15	17,347,954.03
Depreciation & Amortization Expense	24	4,063,172.00	7,428,478.00
Other Expenses	25	135,945,264.83	146,165,649.85
Total Expenses		<u>1,071,595,827.44</u>	<u>1,688,020,887.68</u>
PROFIT / (LOSS) BEFORE TAXATION		8,717,500.02	4,026,476.37
Add : Tax Expenses			
<i>Current Tax</i>		5,120,000.00	5,700,000.00
<i>Deferred Tax</i>		469,370.00	(2,609,476.00)
PROFIT / (LOSS) FOR THE YEAR		<u>3,128,130.02</u>	<u>935,952.37</u>
Add / (Less) Share of Loss transferred to Minority Interest		263,837.00	136,870.00
PROFIT / (LOSS) FOR THE YEAR AFTER ADJUSTMENT		<u>3,391,967.02</u>	<u>1,072,822.37</u>
Basic Earnings per equity share (in `)	26	0.17	0.05

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 : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2015 - 2016

	2015 - 2016 (`)	2014 - 2015 (`)
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/LOSS BEFORE TAXES AND EXTRAORDINARY ITEMS	87,17,500.02	40,26,476.37
ADJUSTMENT FOR:		
CAPITAL RESERVE ON CONSOLIDATION	-	22,47,852.00
DEFERRED TAX OF EARLIER YEAR	-	(6,854.00)
ADJUSTMENT FOR STT OF EARLIER YEAR	(9,455.29)	-
TRANSFERRED TO INVESTMENT ALLOWANCE RESERVE	2,83,685.00	6,35,181.00
FINANCE COST	2,08,01,503.15	1,73,47,954.03
DEPRECIATION AND AMORTISATION EXPENSES	40,63,172.00	74,28,478.00
TRANSFERRED FROM REVALUATION RESERVE	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	<u>3,38,56,404.88</u>	<u>3,16,79,087.40</u>
ADJUSTMENT FOR:		
(INCREASE)/DECREASE IN STOCK	(1,71,01,581.42)	(18,35,795.60)
(INCREASE)/DECREASE IN TRADE RECEIVABLE	22,44,28,071.59	(23,22,30,706.72)
(INCREASE)/DECREASE IN CURRENT ASSETS	(13,37,07,663.81)	(4,17,35,534.67)
INCREASE/(DECREASE) IN CURRENT LIABILITIES	17,20,20,031.71	73,48,665.74
INCREASE/(DECREASE) IN TRADE PAYABLES	<u>(10,60,78,382.12)</u>	<u>3,17,87,810.22</u>
	13,95,60,475.95	(23,66,65,561.03)
CASH GENERATED FROM OPERATIONS	17,34,16,880.83	(20,49,86,473.63)
FINANCE COST	(2,08,01,503.15)	(1,73,47,954.03)
NET CASH(USED IN) OPERATING ACTIVITIES	<u>'A' (7,88,54,356.78)</u>	<u>3,92,49,564.75</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
(INCREASE)/DECREASE IN FIXED ASSETS	(2,35,78,367.07)	(90,06,201.15)
(INCREASE)/DECREASE IN CAPITAL WIP	1,37,38,444.22	(39,62,326.89)
(INCREASE)/DECREASE IN INVESTMENT	(6,90,14,433.93)	5,23,33,825.79
(INCREASE)/DECREASE IN OTHER NON CURRENT ASSETS	-	(1,15,733.00)
NET CASH(USED IN) INVESTING ACTIVITIES	<u>'B' (7,88,54,356.78)</u>	<u>3,92,49,564.75</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
INCREASE/(DECREASE) IN LONG TERM BORROWINGS	6,45,482.35	(13,90,387.68)
INCREASE/(DECREASE) IN SHORT TERM BORROWINGS	(9,68,50,507.41)	16,32,22,847.60
INCREASE/(DECREASE) IN MONEY RECEIVED AGAINST SHARE WARRANT	-	-
INCREASE/(DECREASE) IN SHARE CAPITAL	96,80,000.00	0.00
INCREASE/(DECREASE) IN SHARE PREMIUM	2,90,40,000.00	0.00
NET CASH (USED IN) FROM FINANCING ACTIVITIES	<u>'C' (5,74,85,025.06)</u>	<u>16,18,32,459.92</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C) 1,62,75,995.84	(2,12,52,402.99)
OPENING BALANCE CASH & CASH EQUIVALENTS	6,01,04,981.86	8,13,57,384.85
CLOSING BALANCE CASH & CASH EQUIVALENTS	<u>7,63,80,977.70</u>	<u>6,01,04,981.86</u>

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

 (SANJAY AGARWAL)
Partner

Mem. No. 062218

Place : Kolkata
Dated : 27th May, 2016
SHAILESH BHASKAR
Company Secretary
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, 2016

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.
- iii During the current financial year depreciation has been provided as per the Schedule II of Companies 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.
- iv Stock of Finished FMCG Goods at Cost or net realizable value which is lower.

(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.

(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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

(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.

(k) Accounting Policy

- i) As per AS 9 Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods
- ii) Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.
- iii) Export sales are recognised based on the date of invoice since the Company does not maintain any stock of goods and all the goods imported are immediately exported
- iv) Revenue from services is recognised on rendering of the services and is recorded net of discount and service tax.
- v) Interest and other income are recognized on accrual basis.
- vi) Dividend income is recognized if right to receive dividend is established by the reporting date.

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
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	184,071,550.00
- Add : Forfeited Shares	5,518,375.00	5,518,375.00
	<u>199,269,925.00</u>	<u>189,589,925.00</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, 2015.
(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, 2016		31st March, 2015	
	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	17.571
Nazim Sadrudin Charania	2,998,585	15.480	2,998,585	16.290
Kedia Securities Pvt. Ltd	2,479,435	12.800	1,333,335	7.244
Salim Anwarali Kamani	2,441,170	12.600	2,441,170	13.262
Sajid Umedali Dhrolia	2,359,370	12.180	2,359,370	12.818
Vighnhar Holdings Pvt. Ltd.	2,000,000	10.320	2,000,000	10.865
Pawan Kumar Gupta	968,000	5.000	0	0.000
Uttam Bharat Bagri	0	0.000	1,333,335	7.244

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, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
3 RESERVES AND SURPLUS		
Securities Premium Account		
Balance as per Last Account	88,066,350.00	88,066,350.00
Add : During the Year	29,040,000.00	-
(A)	<u>117,106,350.00</u>	<u>88,066,350.00</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	2,517,392.75	1,882,211.75
Add : During the Year	283,685.00	635,181.00
(A)	<u>2,801,077.75</u>	<u>2,517,392.75</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>
Capital Reserve on Consoliation		
Balance as per Last Account	-	28,325.00
Add : During the year	-	(136,870.00)
Add (Less) : Investment of Minorities in Subsidiaries	-	2,247,852.00
	-	2,139,307.00
Less : Transferred to Minority Interest	-	2,139,307.00
(A)	<u>-</u>	<u>-</u>
Sub Total	(A) 121,172,484.91	91,848,799.91
Surplus / (Deficit) in the statement of Profit & Loss		
Balances as per last Financial Statements	(44,288,198.62)	(40,095,779.99)
Add : Profit / (Loss) during the year	3,391,967.02	1,072,822.37
Less : Adjustments for Deffered Tax of Earlier year	-	(6,854.00)
Less : Adjustment for STT/ others of Earlier	(9,455.29)	-
Less : Transition Adjustments of Fixed Assets as per Companies Act, 2013	-	(5,258,387.00)
(B)	<u>(40,905,686.89)</u>	<u>(44,288,198.62)</u>
(A+B)	<u><u>80,266,798.02</u></u>	<u><u>47,560,601.29</u></u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
4 LONG TERM BORROWINGS		
SECURED LOANS		
Bank Overdrafts :		
From Indian Bank (Secured against fixed deposits)	4,027,340.10	33,31,098.75
Car Loans :		
From HDFC Bank	-	-
From Indian Bank (Secured by hypothecation of vehicles)	-	50,759.00
	<u>4,027,340.10</u>	<u>3,381,857.75</u>
5 DEFERRED TAX LIABILITY		
Deferred Tax	<u>1,844,075.00</u>	<u>1,374,705.00</u>
	<u>1,844,075.00</u>	<u>1,374,705.00</u>
6 SHORT TERM BORROWINGS		
UNSECURED LOANS		
Packing Credit Foreign Currency Loan (Repayable on Demand)	472,895,449.53	586,385,848.94
From Directors (Interest Free)	42,010,000.00	26,950,747.00
From Others	1,577,639.00	-
	<u>516,486,088.53</u>	<u>613,336,595.94</u>
7 TRADE PAYABLES		
Sundry Creditors for Goods & Services		
Due to Micro & Small Enterprises	-	-
Due to Others	<u>24,370,797.73</u>	<u>130,449,179.85</u>
	<u>24,370,797.73</u>	<u>130,449,179.85</u>
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	180,733,260.12	6,259,338.16
Sundry Creditors for Expenses	8,201,900.08	8,636,452.14
Other Finances	3,462,613.62	4,749,677.65
Liabilities of Car Loans	69,252.00	240,693.16
Plantation Finance Loan from Tea Board	4,505,171.00	5,066,004.00
	<u>196,972,196.82</u>	<u>24,952,165.11</u>
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	-
	<u>14,850,331.00</u>	<u>9,730,331.00</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016
Note - 10
FIXED ASSETS
(Amount in `)

Description	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As at 01.04.2015	Additions during the year	Deductions/ Adjustments	As at 31.03.2016	As at 01.04.2015	For the year	Deductions/ Adjustments	Upto 31.03.2016	Transition adjustments (refer note no.32)	As at 31.03.2016	As at 31.03.2015
TANGIBLE ASSETS											
- AIR CONDITIONER	1,22,805.00		0.00	1,22,805.00	57,301.40	9,066.00	0.00	66,367.40		56,437.60	65,503.60
- BUILDING & LABOUR LINES II	22,50,846.53		0.00	22,50,846.53	6,97,096.94	33,486.00	0.00	7,30,582.94		15,20,263.59	15,53,749.59
- BUILDING & LABOUR LINES III	17,37,393.13		0.00	17,37,393.13	5,57,453.87	26,971.00	0.00	5,84,424.87		11,52,968.26	11,79,939.26
- COMPUTER & PRINTER	22,51,909.20	16,75,960.00	0.00	39,27,869.20	15,45,318.18	8,16,320.30	0.00	23,61,638.48	4,743.00	15,61,487.72	13,88,656.02
- CYCLE	13,367.00		0.00	13,367.00	13,367.00	0.00	0.00	13,367.00		0.00	0.00
- ELECTRICAL INSTALLATION	53,41,243.43		0.00	53,41,243.43	15,10,901.99	2,92,174.00	0.00	18,03,075.99	40,843.00	34,97,324.44	37,89,498.44
- FACTORY BUILDING	71,02,257.15	4,04,645.00	0.00	75,06,902.15	47,86,383.45	2,06,411.00	0.00	49,92,794.45		25,14,107.70	23,15,873.70
- FAX MACHINE	48,072.20		0.00	48,072.20	38,144.08	1,471.00	0.00	39,615.08	2,904.00	5,553.12	7,024.12
- FURNITURE & FIXTURES	56,984.55	26,942.00	0.00	83,926.55	49,078.13	6,618.00	0.00	55,696.13		28,230.42	7,906.42
- OFFICE EQUIPMENT	0.00	8,200.00	0.00	8,200.00	0.00	837.00	0.00	837.00		7,363.00	0.00
- IRRIGATION EQUIPMENTS	33,11,528.45		0.00	33,11,528.45	15,95,305.17	1,37,254.00	0.00	17,32,559.17	4,825.00	15,74,144.28	17,11,398.28
- LAND & PLANTATION	7,98,73,813.49	1,94,01,124.07	0.00	9,92,74,937.56	0.00	0.00	0.00	0.00		9,92,74,937.56	7,98,73,813.49
- MOTOR CAR	19,52,045.47		0.00	19,52,045.47	11,63,837.56	1,55,048.00	0.00	13,18,885.56		6,33,159.91	788,207.91
- MOTOR CYCLE	22,536.00		0.00	22,536.00	22,536.00	0.00	0.00	22,536.00		0.00	0.00
- PACKING MACHINE	12,98,644.90	0.00	0.00	12,98,644.90	8,721.17	83,289.00	0.00	1,70,500.70		11,28,144.20	12,11,433.20
- PLANT & MACHINERY	2,77,80,966.55	13,41,492.00	0.00	2,91,22,458.55	1,17,98,051.48	14,84,802.00	0.00	1,32,82,853.48	26,033.00	1,58,13,572.07	1,52,70,074.07
- REFRIGERATOR	15,529.00	11,000.00	0.00	26,529.00	13,342.92	1,683.00	0.00	15,025.92	1,761.00	9,742.08	425.08
- ROADS & BRIDGES	56,97,814.62		0.00	56,97,814.62	16,15,315.56	2,52,855.00	0.00	18,68,170.56	34,19,365.00	4,10,279.06	6,63,134.06
- SECURITY FENCING	30,15,760.00	0.00	0.00	30,15,760.00	15,71,063.46	1,38,333.00	0.00	15,84,896.46	12,27,392.00	2,03,471.54	2,17,304.54
- STAFF QUARTERS & BUNGALOW	30,11,203.74		0.00	30,11,203.74	7,45,559.67	1,37,283.00	0.00	8,82,842.67		21,28,361.07	22,65,644.07
- TRUCK, TRACTOR & TRAILORS	27,06,671.35	0.00	0.00	27,06,671.35	12,68,994.25	2,12,683.00	0.00	14,81,677.25		12,24,994.10	14,37,677.10
- TYPE WRITER	7,897.00		0.00	7,897.00	7,897.00	0.00	0.00	7,897.00		0.00	0.00
- WATER RESERVOIR	14,95,426.00		0.00	14,95,426.00	6,40,701.07	21,492.00	0.00	6,62,193.07	5,01,703.00	3,31,529.93	3,53,021.93
- WEATHERING TROUGH	4,84,389.90	28,500.00	0.00	5,12,889.90	4,51,752.45	495.00	0.00	4,52,247.45	28,818.00	31,824.45	3,819.45
- MOBILE PHONE	4,74,130.00	2,66,778.00	0.00	7,40,908.00	1,05,684.63	1,04,292.47	0.00	2,09,977.10	0.00	5,30,930.90	3,68,445.37
- CCTV CAMERA	0.00	24,700.00	0.00	24,700.00	0.00	656.00	0.00	656.00		24,044.00	0.00
- TELEVISION	25,600.00		0.00	25,600.00	9,305.54	11,980.00	0.00	21,285.54		4,314.46	16,294.46
- WATER PUMP	9,500.00		0.00	9,500.00	2,639.88	788.00	0.00	3,427.88		6,072.12	6,860.12
- CYLINDER	38,13,440.20	0.00	0.00	38,13,440.20	38,11,643.07	0.00	0.00	38,11,643.07		1,797.13	1,797.13
- BROOKFIELD VISCOMETER	1,82,500.00		0.00	1,82,500.00	17,359.00	16,321.22	0.00	33,680.22		1,48,819.78	1,65,141.00
- BAR CODE PRINTER	13,000.00		0.00	13,000.00	3,403.00	2,654.17	0.00	6,057.17		6,942.83	9,597.00
- WEIGHING SCALE	33,330.00		0.00	33,330.00	21,869.78	1,103.00	0.00	22,972.78		10,357.22	11,460.22
- CANDLE MACHINE	86,141.25	0.00	0.00	86,141.25	8,632.00	9,627.36	0.00	18,259.36		67,881.89	77,509.25
- LABORATORY EQUIPMENTS	37,868.00	1,34,766.00	0.00	1,72,634.00	1,973.00	5,309.48	0.00	7,282.48		1,65,351.52	35,895.00
- INTANGIBLE ASSETS											
- TRADE MARKS	0.00	2,54,260.00	0.00	2,54,260.00	0.00	16,369.00	0.00	16,369.00		2,37,891.00	0.00
TOTAL	15,42,74,614.11	2,35,78,367.07	0.00	17,78,52,981.18	3,42,19,123.23	40,63,172.00	0.00	3,82,82,295.23	52,58,387.00	13,43,12,298.95	11,47,97,103.88
PREVIOUS YEAR	13,97,23,537.76	55,78,875.20	34,000.00	14,52,68,412.96	2,40,78,029.58	27,19,415.65	6,800	2,67,90,645.23	0.00	11,84,77,767.73	-
CAPITAL WORK IN PROGRESS										0.00	1,37,38,444.22

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
11 NON CURRENT INVESTMENTS		
Trade investments (At cost)		
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 (10,02,500) - Lykis Confectioners Pvt. Ltd. of ` 10/- each	20,025,000.00	10,025,000.00
In Preference Shares of ILFS	50,010,000.00	-
Total Non Current Investments	<u>70,135,000.00</u>	<u>10,125,000.00</u>
Aggregate Amount of unquoted Investments	70,135,000.00	10,125,000.00
12 OTHER NON CURRENT ASSETS		
Term Deposit With Schedule Bank	<u>115,733.00</u>	<u>115,733.00</u>
	<u>115,733.00</u>	<u>115,733.00</u>
13 CURRENT INVESTMENTS		
Trade Investments (as Cost)		
In Mutual Funds - Quoted		
Nil (1,80,672.313) Units of HDFC Cash Management Fund	-	4,731,392.00
Nil (27,61,131.901) Units of HSBC Flexi Debt Fund - Monthly Dividend	-	29,438,749.93
Nil (5,06,913,152) Units of HSBC Ultra Short Term Bond Fund	-	5,079,118.29
Nil (5,279.405) Units of HSBC Ultra Short Term Bond Fund	-	52,932.42
4,56,861.594 (Nil) Units ICICI Prudential Flexible Income Plan	48,306,626.57	-
Total Current Investments	<u>48,306,626.57</u>	<u>39,302,192.64</u>
Aggregate Amount of quoted Investments	48,306,626.57	39,302,192.64
Market Value of Quoted Investments	48,306,626.14	39,665,823.74
14 INVENTORIES		
Stock In Trade		
(As Certified by the Management)		
Finished Goods-Tea (At Net Realizable Value)	8,761,977.00	4,351,021.03
FMCG Products (At Cost or At Net Realizable Value)	31,488,432.13	17,728,946.74
Greenleaf	66,969.88	-
Nursery Plants (At Net Realizable Value)	<u>4,415,277.30</u>	<u>4,415,277.30</u>
	44,732,656.31	26,495,245.07
Stores & Spares (At Cost)	3,870,177.73	5,006,007.55
	<u>48,602,834.04</u>	<u>31,501,252.62</u>
15 TRADE RECEIVABLES		
Unsecured Considered Good		
Receivable Outstanding for a period exceeding six months from the date they are due for payment	27,639,397.77	66,707,114.71
Other Receivables	<u>191,754,465.17</u>	<u>377,114,819.82</u>
	<u>219,393,862.94</u>	<u>443,821,934.53</u>
16 CASH & CASH EQUIVALENTS		
Balances with Banks		
In Current Accounts	48,395,250.23	32,589,170.97
Cash in Hand	713,079.47	1,337,173.89
(As certified by the Management)		
Term Deposits with Schedule Banks	27,272,648.00	26,178,637.00
	<u>76,380,977.70</u>	<u>60,104,981.86</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	As At 31st March, 2016 (`)	As At 31st March, 2015 (`)
17 SHORT TERM LOANS AND ADVANCES		
Loan to Subsidiary Company	-	-
Others	4,762,306.00	-
	<u>4,762,306.00</u>	<u>-</u>
18 OTHER CURRENT ASSETS		
Advance to Parties	317,502,749.36	192,462,570.33
Accrued Interest on Term Deposit	1,120,209.00	757,165.00
Deposits	2,058,877.53	1,819,563.53
Incentive receivables	89,954,244.59	93,926,338.95
Forward Contract Gain Receivable	-	362,000.00
Other Advances	9,275,774.40	5,927,864.17
Advance to Staff / Workers	3,095,755.12	2,704,963.92
Security Transaction Tax	-	109,455.29
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)	269,758.00	269,758.00
TDS Receivable (AY 2016 - 17)	306,415.00	-
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 2015 - 16)	3,719,590.00	-
Preliminary Exp not written off	27,536.00	45,872.00
Self Assessment Tax (AY 2012 - 13)	88,086.00	88,086.00
	<u>437,953,383.00</u>	<u>309,008,025.19</u>
	2015 - 2016 (`)	2014 - 2015 (`)
19 REVENUE FROM OPERATIONS		
Finished Goods		
Gross Sales	56,305,681.92	39,401,334.08
Less : Excise Duty	232,672.00	263,247.00
Net Sales	<u>56,073,009.92</u>	<u>39,138,087.08</u>
Trading Goods sales		
FMCG	68,680,163.68	52,349,093.02
Tea	2,745,776.70	20,196,755.78
Export Sales (FMCG)	<u>893,678,201.71</u>	<u>1,477,438,893.18</u>
	1,021,177,152.02	1,589,122,829.06
Other Operating Income		
Export - DFIA	3,727,353.00	-
Export - MELS	30,089,006.00	-
Export - Drawback	12,770,975.02	26,044,343.99
Export - VKGUY	786,144.45	26,655,088.00
Export - Service Tax Incentives	416,033.00	1,606,240.00
Others	18,332.00	7,961.00
Export - FMS	385,481.03	91,438,580.76
	<u>48,193,324.50</u>	<u>37,124,947.77</u>
	<u>1,069,370,476.52</u>	<u>16,805,61,409.82</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	2015 - 2016 (`)	2014 - 2015 (`)
20 OTHER INCOME		
Non -Operating Income		
Liabilities no longer required written back	44,636.63	930,025.12
Interest on Term Deposit	2,380,820.00	2,283,846.00
Dividend Income	6,972,608.93	3,358,351.11
Commission Income	329,175.00	628,125.00
Foreign Exchange Fluctuation Gain	369,791.00	-
Speculative Profit from Commodities Trade	17,516.00	-
Short Term Gain on Mutual Fund	-	4,282,823.10
Long Term Gain on Sale of Shares	770,333.38	-
Miscellaneous Income	57,970.00	2,783.90
	<u>10,942,850.94</u>	<u>11,485,954.23</u>
21 CHANGE IN INVENTORIES OF FINISHED STOCK, STOCK IN PROCESS & STOCK-IN-TRADE		
Inventories(at closing)	44,732,656.31	26,495,245.07
Less : Inventories (at opening)	26,495,245.07	27,245,885.21
(Increase) / Decrease in Inventories	<u>(18,237,411.24)</u>	<u>750,640.14</u>
22 EMPLOYEE BENEFIT EXPENSES		
Director's Remuneration	720,000.00	600,000.00
Salary , Bonus & Exgratia	37,652,349.33	29,310,903.10
Employers' Contribution to PF & ESI	1,988,946.72	1,769,854.36
Employees' Welfare Expenses	2,680,716.36	1,663,069.36
Loss on Food Stuff	801,862.52	562,091.48
	<u>43,843,874.94</u>	<u>33,905,918.30</u>
23 FINANCE COSTS		
Interest		
-On Car Loans	23,519.84	58,454.61
-On Bank Overdrafts	366,133.00	453,579.00
-On PCFC	20,226,903.31	16,512,929.42
-On Others	184,947.00	322,991.00
	<u>20,801,503.15</u>	<u>17,347,954.03</u>
24 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and Amortisation	4,063,172.00	7,428,478.00
Less : Transferred from Revaluation Reserve	-	-
	<u>4,063,172.00</u>	<u>7,428,478.00</u>
25 OTHER EXPENSES		
Direct Expenses		
Manufacturing Expenses	14,926,589.19	13,205,140.13
Cultivation Expenses	2,714,948.82	2,015,825.32
Cess on green leaf	366,897.65	373,455.60
Tea Chest & Components	2,125,382.41	2,711,050.81
Clearing & Forwarding on Import	68,072.00	859,706.00
Freight Charges On Purchase	6,376,883.97	12,933,760.80
	<u>26,578,774.04</u>	<u>32,098,938.66</u>
Selling & Distribution Expenses		
Tea Selling Expenses	1,346,169.42	2,446,745.57
Clearing & Forwarding Expenses	31,311,622.74	52,132,265.14
Commission charges paid	3,112,341.28	-
Packing & Development Expenses	7,763,546.00	4,928,550.24
Sales Promotion Expenses	2,060,416.78	3,247,516.89
Factory Stuffing Permission Expenses	116,425.00	-
	<u>45,710,521.22</u>	<u>62,755,077.84</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016

	2015 - 2016 (`)	2014 - 2015 (`)
25 OTHER EXPENSES CONTD.....		
Establishment Expenses		
As Audit Fees	100,000.00	102,500.00
As Tax Audit	45,000.00	35,000.00
Advertisement Expenses	1,098,054.83	77,800.00
Bank Charges	1,209,146.42	652,252.72
Bungalow Expenses	278,896.00	306,197.00
Computer Maintenance Expenses	323,557.00	261,862.00
Discount Allowed	1,948,691.72	1,069,796.96
Donation & Subscription	356,289.82	154,119.00
Electricity Charges	391,000.00	51,155.00
Filing Fees	74,600.00	247,300.00
Loss on Foreign Exchange Fluctuation	20,226,179.14	2,171,484.39
Short term loss on redumption of Mutual Fund	337,674.58	-
DFIA receivable written off	-	17,543,126.42
Prior Period Expenses	41,826.00	133,523.00
FDA Approval Charges	173,500.00	406,750.00
FMS & VKGUY realisation expenses	1,157,836.36	996,415.25
Freight Charges	3,785,181.00	2,360,052.00
General Expenses	2,534,183.67	3,245,319.81
Speculative loss from Commodities Trade	9,388.18	23,323.77
Registration Charges	606,200.00	85,000.00
Insurance Premium	248,610.67	43,681.39
CDSL/NSDL Expenses	113,356.00	69,200.00
Vehicle Expenses	1,658,087.34	1,316,214.81
Products Testing Expenses	973,691.46	839,215.89
Postage & Telegram	1,173,739.69	2,277,846.00
Printing & Stationery	857,621.61	609,295.00
Professional & Consultancy Fees	6,277,480.03	4,863,328.95
Stock Exchange Exp(BSE)	453,220.00	100,000.00
Rent, Rates & Taxes	7,512,436.00	3,704,953.00
Repairs to Building	353,119.00	284,658.00
Repairs to Machinery	1,640,035.16	1,377,559.85
Repair & Maintenance - others	228,016.00	155,605.28
Trade Marks Registration Charges	30,560.00	256,939.00
Telephone & Internet Expenses	845,191.86	772,626.30
Traveling & Conveyance Expenses	6,123,387.84	4,333,843.56
Email id registration Charges	94,800.00	-
Sundry Debit Balance Written off	35,462.99	-
Website Charges	2,000.00	2,750.00
Service Tax & Swachh Bharat Cess Paid	337,949.20	380,939.00
	<u>63,655,969.57</u>	<u>51,311,633.35</u>
	<u>135,945,264.83</u>	<u>146,165,649.85</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:

Profit / (Loss) as per Profit & Loss Account (`)	3,128,130.02	935,952.37
Weighted average number of Equity Shares (Nos.)	18,789,051.00	18,407,155.00
Face value per equity Share (`)	10.00	10.00
Basic & Diluted Earnings per Share (`)	0.17	0.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2016
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.

	2015 - 2016 (`)	2014 - 2015 (`)
28 EARNINGS IN FOREIGN EXCHANGE		
Export of Goods Calculated on FOB Basis	893,054,178.32	1,477,438,893.18
	<u>893,054,178.32</u>	<u>1,477,438,893.18</u>

29 EXPENDITURE IN FOREIGN EXCHANGE

Purchases	13,955,564.25	14,306,378.80
Traveling Expenses	218,240.84	118,784.55
Professional Fee	11303.08	29,148.75
Sales Promotion Expenses	831,329.78	628,124.34
Advertisement Expenses	222,616.83	-
	<u>15,239,054.78</u>	<u>15,082,436.44</u>

30 The subsidiary companies consolidated in the consolidated financial statements are:

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership
Lykis Packaging Pvt.Ltd.	India	62.60%
Lykis Marketing Pvt.Ltd.	India	99.95%

31 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.	Subsidiary Company
Kedia Securities Pvt. Ltd.	Enterprises over which key Managerial personal are able to exercise significant influence
Dharamnagar Tea Estate Pvt. Ltd.	Enterprises over which key Managerial personal are able to exercise significant influence
Spectra International Pvt. Ltd.	Enterprises over which key Managerial personal are able to exercise significant influence
Spectra Packaging	Enterprises over which key Managerial personal are able to exercise significant influence
Crown Soaps	Enterprises over which key Managerial personal are able to exercise significant influence
Lykis Confectioners Pvt.Ltd.	Enterprises over which key Managerial personal are able to exercise significant influence
Lykis Herbals Pvt. Ltd.	Enterprises over which key Managerial personal are able to exercise significant influence
Pragati Aerosols Pvt. Ltd.	Enterprises over which key Managerial personal are able to exercise significant influence
Vijay Kishanlal Kedia	Key Managerial Personnel
Prince Tulsian	Key Managerial Personnel
Pawan Gupta	Key Managerial Personnel
Bharat Jain	Key Managerial Personnel
Hitesh Jain	Key Managerial Personnel
Mohan Jain	Key Managerial Personnel
Nadir Dhrolia	Key Managerial Personnel
Pratik Kedia	Relative of Key Managerial Person Mr. Vijay Kishanlal Kedia
Neelu Kedia	Relative of Key Managerial Person Mr. Vijay Kishanlal Kedia
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 Personel (Rs.)	Others (Rs.)	Total (Rs.)
Revenue from Operations	-	43,97,629.00	43,97,629.00
	(NIL)	(2,19,02,965.79)	(2,19,02,965.79)
Purchases	-	4,18,96,766.00	4,18,96,766.00
	(NIL)	(13,83,08,699.00)	(13,83,08,699.00)
Cost of Material Consumed (Greenleaf)	-	81,69,690.00	81,69,690.00
	(NIL)	(17,81,990.00)	(17,81,990.00)
Net Loans & Advances given	-	1,18,62,221.67	1,18,62,221.67
	(5,88,950.16)	(62,33,212.64)	(6822162.80)
Refund /Adjustment of Loans & Advance given	-	-	-
	(NIL)	(NIL)	(NIL)
Unsecured Loans & Trade Advance received during the year	1,53,50,000.00	-	1,53,50,000.00
	(26,145,000.00)	(23,70,000.00)	(2,85,15,000.00)
Repayment of Unsecured Loans & Trade Advance	-	-	NIL
	(NIL)	(23,70,000.00)	(23,70,000.00)
Purchase/ Subscription of Investments	-	1,00,00,000.00	1,00,00,000.00
	(NIL)	(1,00,25,000.00)	(1,00,25,000.00)
Rent & Other Charges Paid	-	63,98,590.00	63,98,590.00
	(NIL)	(28,30,454.00)	(28,30,454.00)
Managing Director's Remuneration	7,20,000.00	-	7,20,000.00
	(6,00,000.00)	(NIL)	(6,00,000.00)
Chief Executive Officer's Remuneration	21,53,400.00	-	21,53,400.00
	(21,53,400.00)	(NIL)	(21,53,400.00)
Remuneration to Relatives of Key Managerial Person	-	7,80,000.00	780000.00
	(NIL)	(12,81,750.00)	(1281750.00)
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)	-	6,34,72,019.00	6,34,72,019.00
Development Charges Paid	-	10,33,470.00	1,10,33,470.00
	(NIL)	(19,249.00)	(19,249.00)
Balance as on 31.03.2016			
Unsecured Loans(taken)	4,18,95,000.00	-	4,18,95,000.00
	(2,61,45,000.00)	(NIL)	(2,65,45,000.00)
Loans & Advances	-	1,18,62,221.67	1,18,62,221.67
	(4,02,314.87)	(62,33,212.64)	(66,35,527.51)
Investments	-	2,00,25,000.00	2,00,25,000.00
	(NIL)	(1,00,25,000.00)	(1,00,25,000.00)
Trade Advance (Given)	-	4,51,39,707.60	4,51,39,707.60
Sundry Creditors for Goods & Services	-	-	-
	(NIL)	(NIL)	(NIL)

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

- 32 There is a agriculture Income Tax Demand of Rs. 6,79,380/- for the Asst. Year 2007-08 which has been disputed by the Compny.
- 33 Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of the assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 1 April, 2014, and has adjusted an amount of Rs.52,58,387/- against the opening surplus balance in the Statement of Profit and Loss under Reserves and Surplus.
- 34 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 : 27th May, 2016

SHAILESH BHASKAR
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman

PRINCE TULSIAN
Managing Director