

*Lincoln Industries Limited*

*ANNUAL REPORT-2021-2022*

## *Lincoln Industries Limited*

(CIN: L51109WB1983PLC035957)

Registered Office: P – 36, India Exchange Place Extn., Kolkata – 700001

E-mail: [sacmill@hotmail.com](mailto:sacmill@hotmail.com); Website: [www.lincoln-industries.net](http://www.lincoln-industries.net)

Telephone: (033) 2225-4573; Fax: (033) 2225-4850

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### NOTICE

**NOTICE** is hereby given that the 39<sup>th</sup> Annual General Meeting of **Lincoln Industries Limited** will be held on Friday, the 30<sup>th</sup> day of September, 2022 at 3.30 p.m. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Praveen Chand Dhandhanian (DIN: 00154048), who retires by rotation and being eligible, offers herself for re-appointment.

#### SPECIAL BUSINESS

3. To appoint Mr. Anupam Ghosh (DIN: 09288116) as a director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anupam Ghosh (DIN: 09288116) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from 1<sup>st</sup> October, 2021, to hold office for a term of 5(Five) consecutive years upto 30<sup>th</sup> September, 2026 not liable to retire by rotation."

4. To consider and, if thought fit, to pass the following as a **Special Resolution**:

#### Authority under Section 180(1)(c) of the Companies Act, 2013

**"RESOLVED THAT** pursuant to the provisions of Section 180 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modifications or re-enactments thereof, for the time being in force) and Rules made

thereunder, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of money from Banks, Companies, Bodies Corporate, Financial Institutions, other Lending Institutions, Firms or Persons on such terms and conditions as may be considered appropriate by them in the interest of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company, apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business, will exceed aggregate of its Paid up Share Capital and Free Reserves, so however that the total amount already borrowed or to be borrowed by the Board of Directors and outstanding at any one time shall not exceed Rs. 200 Crores (Rupees Two Hundred Crores) exclusive of interest;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds and things as may be appropriate and necessary in this connection and incidental thereto, as they may in their absolute discretion, deem fit to give effect to this resolution."

5. To consider and, if thought fit, to pass the following as a **Special Resolution**:

**Authority under Section 180(1)(a) of the Companies Act, 2013**

"**RESOLVED THAT** pursuant to the provisions of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modifications or re-enactments thereof, for the time being in force) and Rules made thereunder, the Board of Directors of the Company be and is hereby authorised to mortgage and / or charge and / or otherwise dispose of the immovable and moveable properties, both present and future or whole or substantially the whole of the undertaking or the undertakings of the Company for the purpose of securing i) any loan whether by way of Term Loan, overdraft or in any other manner obtained or as may be obtained from any Bank, Company, Body Corporate, Financial Institution, other Lending Institution, Firm or Person and / or ii) any issue of Debentures whether convertible or non-convertible to any of the aforesaid or to any member(s) of the Company or to any person(s) together with interest, cost, charges, expenses and any other money payable by the Company for an aggregate value not exceeding the borrowing limit available to the Board in terms of Section 180(1)(c) of the Act;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds and things as may be appropriate and necessary in this connection and incidental thereto, as they may in their absolute discretion, deem fit to give effect to this resolution."

6. To consider and, if thought fit, to pass the following as a **Special Resolution**:

**Authority under Section 186 of the Companies Act, 2013**

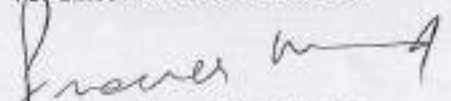
"**RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) to (a) give loans, from time to time, to any person or other body corporate or other entity; (b) give guarantee or provide any security in connection with a loan to any person or body corporate or other entity and/or (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate or other entity, as the Board may, in its absolute discretion deem beneficial and in the interest of the Company, upto 60% of the Company's paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, or upto an aggregate sum of Rs. 200 Crores (Rupees Two Hundred Crores only), whichever is higher;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds and things as may be appropriate and necessary in this connection and incidental thereto, as they may in their absolute discretion, deem fit to give effect to this resolution."

**Registered Office:**

P-36, India Exchange Place Extn.  
Kolkata - 700001  
CIN: L51109WB1983PLC035957  
Website: [www.lincoln-industries.net](http://www.lincoln-industries.net)  
E-mail: [sacmill@hotmail.com](mailto:sacmill@hotmail.com)  
Telephone: (033) 2225-4573  
Fax: (033) 2225-4850  
Dated: 31.08.2022

By Order of the Board  
For Lincoln Industries Limited



**Praveen Chand Dhandhania**  
Managing Director & CFO  
(DIN: 00154048)

## NOTES:

1. In view of the continuing COVID-19 pandemic and pursuant to circulars bearing no.14/ 2020 dated 8<sup>th</sup> April, 2020, 17 / 2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021 dated 13<sup>th</sup> January, 2021, 19/2021 dated 8<sup>th</sup> December, 2021, 21/2021 dated 14<sup>th</sup> December, 2021 and 02/2022 dated 05<sup>th</sup> May, 2022 ("MCA Circular") and circular dated May 12, 2020 and January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the 39<sup>th</sup> AGM of the Company is being held through VC / OAVM on Friday, September, 30, 2022 at 03.30 p.m. (IST). The venue of the meeting shall be deemed to be the Regd. Office of the Company i.e., P - 36, India Exchange Place Extn., Kolkata - 700001.
2. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, in respect of the Directors seeking appointment / re-appointment at this AGM, forms part of the Notice.
5. The attendance through VC/OAVM is restricted and hence will be made available to only 1000 Members on first come first served basis. However, attendance of Members holding 2% or more of the shares of the Company, Institutional Investors as on closure of the business hours on 23<sup>rd</sup> day of September, 2022, Promoters, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizer, etc. are allowed to attend the AGM without restriction of first come first served basis.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Secretary of the Company by Tuesday, 27<sup>th</sup> September, 2022.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [sacmill@hotmail.com](mailto:sacmill@hotmail.com) from 25<sup>th</sup> September, 2022 (9:00 a.m. IST) to 28<sup>th</sup> September, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views /ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. In the interest of time, each speaker is requested to express his / her views in 2 - 3 minutes.
8. However, shareholders may post their comments/queries (not more than 150 characters) in the chat box available on the Video Conferencing interface. Message posted by the shareholders will be dealt with accordingly.
9. Corporate Members are required to send to the company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.

10. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. The Company's shares are available in demat mode. The shares of the company can be dematerialized under ISIN: INE911E01012. In terms of SEBI Circular, physical shares cannot be transferred on or after 01.04.2019. Members are requested to dematerialize the shares for operational convenience.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
13. **The e-Voting procedure to be followed by the shareholders to cast their votes:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its Members in respect of the businesses to be transacted at the Thirty Ninth Annual General Meeting scheduled to be held on Friday, 30th September, 2022 at 03:30 P.M. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities. The e-voting particulars are set out below:

#### ELECTRONIC VOTING PARTICULARS

EVS (E-voting Sequence Number)	USER ID	PERMANENT ACCOUNT NUMBER (PAN)
<b>220901079</b>		

(i) The remote e-voting period begins on 27th September, 2022 from 09:00 a.m. (IST) and ends on 29th September, 2022 upto 5:00 p.m. (IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 23<sup>rd</sup> September, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdEasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdEasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- (iv) Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Log in method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on "Shareholders" module.
- Now enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company. OR
 Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:



	<b>For Shareholders holding shares in Demat Form other than Individual and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field of the email sent to them.</li> <li>Members who have not registered their email address may obtain the sequence number from the Company after registering their email address as per process defined in point no. h</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant <LINCOLN INDUSTRIES LIMITED>.
- k. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

- r. **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) / [sacmill@hotmail.com](mailto:sacmill@hotmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- s. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafallal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.
- (vi) **Process for those shareholders whose email addresses are not registered with the Depositories/Company for obtaining login credentials for e-voting for the resolutions proposed in this notice:**
- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [sacmill@hotmail.com](mailto:sacmill@hotmail.com) or [mdp@cal.vsnl.net.in](mailto:mdp@cal.vsnl.net.in)
  - (ii) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
  - (iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- (vii) **Instructions for Members attending the Annual General Meeting (AGM) through VC/OAVM and e-voting during the Annual General Meeting (AGM) are as under:**
1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
  2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
  3. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
5. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. If member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID"
6. Members are encouraged to join the Meeting through Laptops / iPads for better experience.
7. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
9. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43

**(vii) General Information**

1. Institutional shareholders (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 authorized signatory(ies) who are authorized to vote through e-mail at [sacmill@hotmail.com](mailto:sacmill@hotmail.com) or [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in) or [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 29th September, 2021 without which the vote shall not be treated as valid.
2. In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agents or send mail to [sacmill@hotmail.com](mailto:sacmill@hotmail.com) or [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in). You may also send mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com).
3. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company held on the cut-off date of 23rd September, 2022.
4. The member already cast his/her vote through remote e-voting would not be allowed to cast vote again through e-voting at the AGM. However, he/she can attend the AGM.
5. Mr. A. K. Labh, Practicing Company Secretary (FCS: 4848) of M/s. A. K. Labh & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com).
6. The Scrutinizer shall within a period not exceeding 48 hrs from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

7. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.lincoln-industries.net](http://www.lincoln-industries.net) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company. On receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.
8. Members holding shares in physical form are requested to notify immediately change of address, transfer, demat, ECS credit request, if any, to the Registrars and Transfer Agents of the Company i.e. M/s Maheshwari Datamatics Pvt. Ltd. at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Tel No.: (033) 2243 5809 / 5029; 2248 2248; Fax No.: (033) 2248 4787; e-mail, [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in) or [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or [skchaubey@mdpl.in](mailto:skchaubey@mdpl.in).
9. Members may also note that the Notice of the 39<sup>th</sup> AGM and the Annual Report 2021-2022 will be available on the Company's website, [www.lincoln-industries.net](http://www.lincoln-industries.net).
10. Members holding shares in demat mode are requested to notify any change in address, Bank Details, ECS Credit request to their respective depository participants and make sure that such changes are recorded by them.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2022 to Friday, 30th September, 2022 (both days inclusive). Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Registrar & Share Transfer Agents before the closure of the Register of Members for registration of transfers.
12. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market transaction and off-market/private transaction including, transfer of shares held in physical form, deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders, transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares and transposition of shares - when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH REGULATION 30 OF SEBI (LODR) REGULATIONS, 2015**

**Item No. 3**

Mr. Anupam Ghosh (DIN: 09288116) was inducted in the Board as an additional director in independent capacity w.e.f. 01.10.2021. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Anupam Ghosh for the office of Director of the Company.

Mr. Anupam Ghosh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Anupam Ghosh that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. Mr. Anupam Ghosh possesses appropriate skills, experience and knowledge; inter alia, in the field of accounts.

In the opinion of the Board, Mr. Anupam Ghosh fulfills the conditions for his appointment as an Independent Director as specified in the Act. Mr. Anupam Ghosh is independent of the management.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise

**Item No. 4**

As per the provisions of Section 180(1)(c) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of its Paid Up Share Capital and Free Reserves apart from temporary loans obtained from the Company's Bankers in the ordinary course of business. Keeping in view the Company's growth strategy for its various business segments and future plans, the Company may have to resort to borrowings as and when considered appropriate, which in the aggregate may exceed the aggregate amount of the Paid Up Share Capital and Free Reserves. In view of this, it is considered prudent to seek the consent of the Members by way of a Special Resolution in accordance with Section 180(1)(c) of the Act to enable the Board of Directors of the Company to borrow up to a maximum of Rs. 200 Crores (Rupees Two Hundred Crores) exclusive of interest.

The Board recommends the resolution set out at Item No. 4 for the approval of the Members of the Company as Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

#### **Item No. 5**

As per the provisions of Section 180(1)(a) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of any of the undertakings of the Company. The Board of Directors of the Company while borrowing money for the business needs of the Company for meeting its working capital requirement as well as for financing various projects is required to create mortgage / charge on the moveable as well immovable properties of the Company in favour of the concerned lender. Since the relevant Clauses of the security documents empower the lender to take over the properties and assets provided as security and the lenders have the power to sell the said properties and assets to the exclusion of any third party or without the intervention of any Court of law, it may be construed that the creation of mortgage/ charge on the properties or undertakings of the Company in favour of the lender would attract the provisions of Section 180(1)(a) of the Act. Thus, the consent of the Members is being sought by a Special Resolution to enable the Board of Directors to create such mortgage/ charge.

The Board recommends the resolution set out at Item No. 5 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

#### **Item No. 6**

Pursuant to the provisions of Section 186 of the Companies Act, 2013, a Company can give any loan, guarantee, provide security or make investment in shares, debentures etc. up to an amount of 60% of its paid-up capital, free reserves and securities premium account or 100% of free reserves and securities premium account, whichever is higher. A Company may give loan, guarantee, provide security or make investment in shares, debentures etc. exceeding the above limits with the prior approval of shareholders by means of a Special Resolution.

Aggregate amount of the loans and investments so far made, the amount for which guarantees and securities so far provided by the Company may exceed the limits as detailed above in the near future. Accordingly, the Board of Directors in its meeting held on 31.08.2022 approved increasing the aforesaid threshold to Rs. 200 Crores (Rupees Two Hundred Crores) subject to approval of the Shareholders.

The Board recommends the resolution set out at Item No. 6 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6

**Details of Directors seeking appointment/reappointment at the Annual General Meeting pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) as amended.**

Name of the Director	Praveen Chand Dhandhanian	Mr. Anupam Ghosh
Category	Managing Director	Independent Director
DIN	00154048	09288116
Date of Birth	29.04.1974	18.02.1974
Nationality	Indian	Indian
Date of Appointment	21.07.2003	01.10.2021
Qualifications	B.com	B.com
Experience and Expertise / skill and capability required for the role and the manner in which the proposed persons meet such requirement	More than 24 years of experience in Business and Finance management	More than 10 years of experience in Accounts and Finance Management
Number of Meetings of the Board attended during the year	9	3
List of Directorships in other Listed Companies	Nil	Nil
List of Membership/Chairmanship of Committees of other Board	Nil	Nil
Number of shares held by him in the Company: Self	19550	Nil
As Beneficial Owner	Nil	Nil
Relationship with any Director(s) and KMPs of the Company	Spouse of Mrs. Rinku Dhandhanian, Director	No relationship with any Director(s) and KMPs of the Company
Resignation from the Directorship of the listed companies in the past three years	Nil	Nil

**Registered Office:**

P-36, India Exchange Place Extn.  
Kolkata - 700001  
CIN: L51109WB1983PLC035957  
Website: [www.lincoln-industries.net](http://www.lincoln-industries.net)  
E-mail: [sacmill@hotmail.com](mailto:sacmill@hotmail.com)  
Telephone: (033) 2225-4573  
Fax: (033) 2225-4850  
Dated: 31.08.2022

By Order of the Board  
For Lincoln Industries Limited



**Praveen Chand Dhandhanian**  
Managing Director & CFO  
(DIN: 00154048)

# Lincoln Industries Limited

(CIN: L51109WB1983PLC035957)

Registered Office: P – 36, India Exchange Place Extn., Kolkata - 700001

E-mail: sacmill@hotmail.com; Website: www.lincoln-industries.net

Telephone: (033) 2225-4573;

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors hereby present the 39<sup>th</sup> Annual Report and Audited financial statement of the Company for the year ended 31<sup>st</sup> March, 2022.

### Financial summary or highlights/Performance of the Company

Financial Result	Rs.in 00s	
	Year Ended 31.03.2022	Year Ended 31.03.2021
Revenue from operations	47758.78	38311.84
Other Income	36259.85	62902.18
Total Revenue	84018.63	101214.02
Total Expense	63574.24	101069.97
Profit /(Loss) Before Tax	20444.39	144.05
Tax Expenses	2088.36	(14031.91)
Profit /(Loss) After Tax	18356.03	14175.96
Other Comprehensive income	26740.34	17585.53
Total Comprehensive income	45096.38	31761.49
EPS (Rs.) Basic	0.35	0.27
Diluted	0.35	0.27
Equity Capital	524500.00	524500.00
General Reserve	60936.05	60936.05
Retained Earnings	-	-

### Brief description of the Company's working during the year/State of Company's affair:

The Company is mainly engaged in the business of ginning, pressing and oil mill. Your Company reported a profit of Rs. 18,35,603/-vis-à-vis a profit of Rs. Rs. 14,17,596/-in the previous year. Total revenue decreased from Rs. 1,01,21,402/- to Rs. 84,01,863/-.

### Impact of covid-19

COVID-19 pandemic has impacted the business affairs of the Company. However, the Company has tried its best to negate the effect of several lock downs, discontinuation of the operations and business functioning of the company by adopting best of business policies and has taken all efforts to normalize the smoothness of business activities.

### Dividend

The Board of Directors regrets their inability to recommend any dividend for the financial year under report. The Company has accumulated reserves of Rs.5,21,56,617/- as on date.



#### Change in the nature of business, if any

There is no change in the nature of the business of the Company.

#### Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2022 and the date of this Report of the Directors.

#### Details of Subsidiary/Joint Ventures/Associate Companies

The Company has no Subsidiary/Joint Ventures/Associate Companies. However, the Company is Associate Company of M/s Dhancot Fibres Private Limited.

#### Share Capital

The paid-up Equity Share Capital as on March 31, 2022 was Rs. 5,24,50,000. During the year under review, the Company has not issued any shares or any convertible instruments.

#### Internal Financial Control

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. Code on Internal Control which require that the Directors review the effectiveness of internal controls and compliance controls, financial and operational risks, risk assessment and management systems and related party transactions, have been complied with.

#### Risk Management

The Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

#### Board of Directors

In accordance with the provisions of Companies Act, 2013, Mr. Praveen Chand Dhandhania (DIN: 00154048), Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

Mr. Sushil Kumar Sureka, Independent Director has resigned w.e.f. 01.10.2021. The Board took on record its deep sense of appreciation for the services rendered by him during the tenure of his directorship.

Mr. Anupam Ghosh has been appointed as additional director in independent capacity w.e.f. 01.10.2021 and his appointment is proposed to be confirmed in the forthcoming Annual general meeting.

Appointment of Mr. Anupam Ghosh as independent director for a tenure of 5 years w.e.f. 01.10.2021 is also proposed for your approval.

#### **Key Managerial Personnel**

The Company had the following persons as KMP as on date:

- a) Mr. Praveen Chand Dhandhanian – Managing Director
- b) Mr. Shyam Sunder Bhageria – Chief Financial Officer (Resigned on 06.08.2021)
- c) Mr. Praveen Chand Dhandhanian- Chief Financial Officer (Appointed on 06.08.2021)
- d) Mr. Nitin Gupta - Company Secretary

#### **Meetings of Board and Committees:**

##### **Board Meetings**

During the financial year 2021-2022, the Board met 9 times on 10.04.2021, 17.06.2021, 30.06.2021, 06.08.2021, 11.08.2021, 01.09.2021, 01.10.2021, 12.11.2021 and 14.02.2022.

##### **Audit Committee Meetings**

During the financial year 2021-2022 the Committee met 4 times on 30.06.2021, 11.08.2021, 12.11.2021 and 14.02.2022.

##### **Nomination and Remuneration Committee**

During the financial year 2021-2022, the Committee met twice on 10.04.2021 and 01.10.2021.

##### **Stakeholders Relationship Committee**

During the financial year 2021-2022, the Committee met once on 14.02.2022.

##### **Declaration by Independent Directors**

All Independent Directors of your Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The Board also hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions / criteria specified under the Act and SEBI (LODR) Regulations, 2015, as amended, and also are independent of the management. The Independent Directors have also registered themselves in the databank with the Institute of Corporate Affairs of India as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014. The declaration was placed and noted by the Board in its meeting held on 30.05.2022. The independent directors meeting in term of Schedule IV to the companies Act, 2013 was held on 31.12.2021.

##### **Annual Evaluation of Boards Performance**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees, and individual directors pursuant to the provisions of the Companies Act, 2013.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. Whereas, the performance of the committees was evaluated by the

Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

At the Board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent directors being evaluated.

#### **Remuneration Policy**

Nomination and Remuneration Committee has formulated the Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of Section 178(3) of the Companies Act, 2013. The said policy which has been approved by the Board outlines the appointment criteria and qualifications, the term/ tenure of the Directors on the Board of Company and the matters related to remuneration of the Directors.

The Company's Remuneration Policy is available on the Company's website: [www.lincoln-industries.net](http://www.lincoln-industries.net) and is attached as **Annexure -1** and forms a part of this Report of the Directors.

#### **Audit Committee**

The composition of the Audit Committee is as follows:

1. Mr. Anupam Ghosh – Chairman (Independent Director)
2. Mr. Sushovan Saharoy -(Independent Director)
3. Mr. Praveen Chand Dhandhanania

#### **Nomination & Remuneration Committee**

The composition of the Nomination & Remuneration Committee is as follows:

1. Mr. Anupam Ghosh-Chairman (Independent Director)
2. Mr. Sushovan Saharoy-(Independent Director)
3. Mrs. Rinku Dhandhanania

#### **Stakeholders Relationship Committee**

The composition of the Stakeholders relationship committee is as follows:

1. Mr. Anupam Ghosh -Chairman (Independent Director)
2. Mr. Sushovan Saharoy-(Independent Director)
3. Mr. Praveen Chand Dhandhanania

#### **Vigil Mechanism**

The Company has in place a vigil mechanism details of which are available on the Company's website [www.lincoln-industries.net](http://www.lincoln-industries.net)

#### **Particulars of contracts or arrangements with related parties:**

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of Business and on arm's length basis. Declaration for Related Party Transactions in terms of Form AOC-2 is enclosed and marked as **Annexure – II**.

#### **Loans, guarantees and investments**

The Company has not given any guarantee for loans taken by others from banks or financial institutions. The particulars of loans and advances given and investments made in securities under Section 186 of the Companies Act, 2013 has been provided in the financial statements of the Company.

#### **Disclosure under Section 197 (12) and Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended**

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, regarding employees is given in **Annexure-3** forming part of the Directors' Report.

#### **Annual Return**

Pursuant to Section 92(3) of the Companies Act, 2013 read with Proviso under Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return is available on the Company's website at [www.lincoln-industries.net](http://www.lincoln-industries.net) and may be accessed through the web-link: [http://Lincoln\\_MGT\\_7\\_2021\\_2022\\_1.pdf](http://Lincoln_MGT_7_2021_2022_1.pdf) ([lincoln-industries.net](http://lincoln-industries.net))

#### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as **Annexure – 4** and forms a part of this Report of the Directors.

#### **Directors' Responsibility Statement**

Pursuant to Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 the Directors of your Company confirm that -:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **Cost Audit & Cost Record**

The provisions of Companies Act, 2013 pursuant to Cost Audit and maintenance of Cost records does not apply on your Company.

### **Fraud**

There were no cases of any fraud as reported during the year.

### **Deposits**

The Company has not accepted any deposits from the public, and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

### **Corporate Social Responsibility (CSR)**

The provisions of Sections 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company.

### **Listing**

The Equity Shares of the Company continues to be listed with Calcutta and Delhi Stock Exchange. Since, Delhi Stock Exchange has been derecognized by SEBI, henceforth the Company is listed only on the Calcutta Stock Exchange. The Company has made an application for delisting of shares from Calcutta Stock Exchange and the same is under process.

### **Corporate Governance**

Corporate Governance is not applicable to the Company as the Company's paid-up capital is less than Rs.10 Crore. However, the Company suo-moto comply with most of its provisions.

### **Audit and Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. Chhaparia & Associates, Chartered Accountants, (Firm Registration No – 322169E) was appointed as the Auditors of the Company from conclusion of the 37th AGM until conclusion of the 42nd AGM of the Company scheduled to be held in the year 2025.

The members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139 of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement for ratification of Auditors appointment at every AGM has been done away. Therefore, the requirement of ratifying the appointment of M/s. Chhaparia & Associates., as the Auditors of the Company at the every AGM does not arise.

Your Company has received a certificate from M/s. Chhaparia & Associates., Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the provisions of Regulation 33 of the Listing Regulations.

The Auditor's Report on the financial statements for the financial year 2020-2021 does not contain any modified opinion or adverse remarks.

#### **Secretarial Audit & Observations:**

Secretarial Audit was conducted during the year by Mr. Asit Kumar Labh, Practicing Company Secretary (ACS-32891, CP No.- 14664) in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is attached as Annexure – 5 and forms a part of this Report of the Directors and does not contain any observation / adverse remark.

#### **Internal Audit & Controls**

In terms of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s VKC & Co., Kolkata was the Internal Auditor for the Company during the financial year.

Internal Auditors' findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

#### **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

There were no cases/ complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act during the financial year under review.

#### **Secretarial Standards**

The Board of Directors hereby affirms that your Company has adhered to the Secretarial Standards as prescribed by the Institute of Company Secretaries of India during the financial year under report.

#### **Other disclosures:**

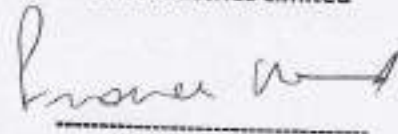
- (a) The Company has not entered into any one-time settlement proposal with any Bank or financial institution during the year.
- (b) As per available information, no application has been filed against the Company under the Insolvency and Bankruptcy Code ,2016 nor any proceedings thereunder is pending as on 31.03.2022
- (c) Company has not received any loan from Directors during the financial year under report.
- (d) There is no employee drawing remuneration more than Rs. 1.02 Crore per annum or Rs.8.50 Lakh per month or part of the month during the year under report.
- (e) The Company has no outstanding towards any MSME entity as on 31.03.2022.

**Acknowledgement**

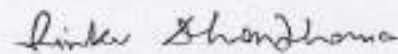
Your directors wish to place on record their appreciation of assistance and co-operation received from bankers, lenders, suppliers, customers, Government authorities, employees & other stake holders.

Place: Kolkata  
Date: 31.08.2022

On behalf of the Board of Directors  
For Lincoln Industries Limited



Praveen Chand Dhandhania  
Managing Director & CFO  
(Din: 00154048)



Rinku Dhandhania  
Director  
(Din: 05230255)

**Remuneration Policy of**  
**LINCOLN INDUSTRIES LIMITED**

LIL's remuneration strategy is aimed at attracting and retaining high standard of relevant talent. The Remuneration Policy, therefore, is market-led and takes into account the competitive circumstance of each business situation of the Company so as to attract and retain high quality talent fulfilling the requisite qualification and leverage performance significantly.

**PREAMBLE**

Pursuant to Section 17B of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. In order to align with the provisions of the Companies Act, 2013 and the amended Listing Agreement from time to time, the Board on 31<sup>st</sup> July, 2014 changed the nomenclature of the "Remuneration Committee" as "Nomination and Remuneration Committee" and reconstituted the Committee with two non-executive Independent Directors and one executive Director as Member of the Committee

**Remuneration of Manager, Directors, Company Secretary, CFO Etc.**

Remuneration of Manager under the Companies Act, 2013 ('Manager') and the Executive Directors, if any, the Company Secretary, Chief Financial Officer (CFO) and immediately one level below Senior Employees of the Company is determined by the Board of Directors ('Board') of the Company within the broad Policy formulated by the Nomination and Remuneration Committee comprising only Non-Executive Directors and in conformity with the relevant provisions of the Companies Act, 2013 and also subject to the approval of the Shareholders in their General Meeting. The aforesaid personnel are entitled to performance bonus for each financial year up to such an amount as may be determined by the Board. Such remuneration is linked to short and long term performance objectives appropriate to the working of the Company and its goals as well as the group to which the Company belongs to as well as on the concerned employee's qualification and the grade and the overall performance of such employee of the Company as a whole.

Commission of the Non-Executive and the Independent Directors of the Company is determined by the Board based, inter alia, on Company performance and the prevailing regulatory provisions and is payable on a uniform basis to reinforce the principle of collective responsibility. Non-Executive Directors and the Independent Directors are also entitled to sitting fees for attending Meetings of the Board and Committees thereof, the quantum of which is determined by the Board within the limits as laid down in the Articles of Association of the Company. The sitting fees shall be determined by the Board for attending each meeting of the Board, Audit Committee, Nomination and Remuneration Committee and Stakeholders 'Relationship Committee. The Non-Executive and the Independent Directors may be reimbursed out of pocket expenses for attending Board and Committee Meetings of the Company at a city other than the one in which they reside.



**Service Contracts, Severance Fee and Notice Period:**

The appointment of the Manager, the Executive Directors, if any, the Company Secretary, CFO and immediately one level below Senior Employees of the Company is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. A separate Service Contract is not entered into by the Company with those elevated to the Board from the management cadre, since they already have a Service Contract with the Company. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Manager and Executive Directors, if any, who have all been drawn from amongst the management cadre. The prevailing statutory provisions will however, apply. As per his terms of appointment, a notice of three month's is required to be given by the concerned employee, as the case may be, seeking to vacate office and such resignation takes effect upon the expiration of such notice or its earlier acceptance by the Board.

**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 transactions under third proviso thereto

- 1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

- |   |
|---|
| <p>1. (a) Name(s) of the related party and nature of relationship – Sri Annapurna Cotton Mills &amp; Industries Ltd.<br/>(b) Nature of contracts/arrangements/transactions – Loans and advances given<br/>(c) Duration of the contracts / arrangements/transactions – 01.04.2021-31.03.2022<br/>(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs.13,00,000/-<br/>(e) Date(s) of approval by the Board, if any:19.03.2021<br/>(f) Amount paid as advances, if any: Nil</p> |
|---|

Place: Kolkata  
Date: 31.08.2022

On behalf of the Board of Directors  
For Lincoln Industries Limited

Praveen Chand Dhandhan  
Managing Director & CFO  
(Din: 00154048)

Rinku Dhandhan  
Director  
(Din: 05230255)

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016**

Name of the Director / CEO / CFO / Company Secretary / Manager	Designation	(i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22	(ii) Percentage increase in Remuneration during 2021-22
Mr. Praveenchand Dhandhanian	Managing Director & CFO	0.56:1	Nil
Ms. Rinku Dhnadhanian	Director	-	-
Mr. Sushovan Saharoy	Director	-	-
Mr. Anupam Ghosh	Additional Director	-	-
Mr. Nitin Gupta	CS	1:1	Nil

Sl. No.	Description	Remarks
i.	the percentage increase in the median remuneration of employees in the financial year;	52.11%
ii.	the number of permanent employees on the rolls of company;	
iii.	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Salary increase of non-managerial employees is 51.69%  Average Salary increase of managerial employees is NIL
iv.	It is hereby affirmed that the remuneration to managerial personnel referred to above is as per the remuneration policy of the Company.	

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) and 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016**

It is hereby affirmed that:

- (i) No employee was in receipt of remuneration for the year in aggregate of more than Rs. 1.02 Crores (if employed throughout the financial year);
- (ii) No employee was in receipt of remuneration for any part of the year at a rate which in aggregate was more than Rs. 8.50 lacs per month (if employed for a part of the financial year);
- (iii) No employee was in receipt of remuneration in excess of that drawn by the Managing Director of Whole-time Director or Manager nor holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the Company.

Top Ten Employees in terms of Remuneration drawn for F.Y. 2021-22:

Sl. No.	Name	Designation	Remuneration (In Rs.)	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age	Last Employment Held	% of equity shares held	Whether relative of any Director / Manager
1	ROOP DAS SWAMI	SUPERVISOR	234000/-	Permanent	8 <sup>th</sup>	01/05/2005	51	NA	Nil	No
2	GORU ANAND RAO	ACCOUNTANT	126000/-	Permanent	B.COM	01/04/2021	42	NA	Nil	No
3	NITIN GUPTA	COMPANY SECRETARY	108000/-	Permanent	ACS	01/02/2019	31	NA	Nil	No
4	KRISHNA DAS	CLERK	90000/-	Permanent	12 <sup>th</sup>	01/04/2019	37	NA	Nil	No
5	JAGIR SINGH	CLERK	78000/-	Permanent	10 <sup>th</sup>	01/04/2019	31	NA	Nil	No
6	Praveen Chand Dhandhanie	Managing Director & CFO	60,000/-	Permanent	B.com	21.07.2003	48	NA	19550	Yes

Information pursuant to clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2022.

**A) CONSERVATION OF ENERGY:**

- (i) Energy conservation measures taken and impact of the measures:

Energy optimization schemes and pollution control measures have been fully incorporated in the design and engineering of the plant. The company continues to lay a great deal of emphasis on conservation of energy.

- (ii) Steps taken for utilisation of alternate sources of energy:

The company continues to lay a great deal of emphasis on conservation of energy and utilization of alternate sources of energy.

- (iii) Capital Investment on energy conservation equipment:

The company maintained satisfactory and acceptable pollution control measures and environmental management system during the year.

**B) TECHNOLOGY ABSORPTION:**

- (i) The efforts made towards technology absorption:

The company has an in-house Research and Development Department which always keeps on adopting latest development in improving quality and productivity thereby making the products most cost effective.

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The company has always been aware of the latest technological development and has adopted them to attain high levels of quality at lowest cost of production.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL

- (iii) Expenditure incurred on Research and Development:

The expenditure incurred on Research and Development was commensurate with the scale of operation of the Company.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There was no Foreign Exchange earnings and outgo during the financial year under review.

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2022**

*[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,**

**Lincoln Industries Limited**

P – 36, India Exchange Place Extn.

2<sup>nd</sup> Floor, Kolkata - 700 001

West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lincoln Industries Limited**, P-36, India Exchange Place Extn., 2<sup>nd</sup> Floor, Kolkata – 700001; West Bengal (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 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 31.03.2022 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.

**Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said

audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

*I report that*, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2022 according to the provisions of (*as amended*):

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**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, on test-check basis, the Company has generally complied with the provisions of the laws to the extent of their applicability to the Company during the financial year ended 31.03.2022 and my examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company.

Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:



- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**I further report that :**

- (a) 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.
- (b) 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.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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.

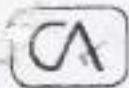
**I further report that:**

- (a) The Company is in process of maintaining Structured Digital Database pursuant to the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2020 vide SEBI Notification dated 17th July, 2020.

(b) In the light of heightened concern on spread of Covid-19 across the nation during the year under report, the Company had temporarily suspended its operations at its Offices for certain period.

*Sd/-*  
*(Asit Kumar Labh)*  
*Practicing Company Secretary*  
*ACS – 32891 / C.P. No. – 14664*  
**UDIN: A032891D000779208**

**Place: Kolkata**  
**Dated: 11.08.2022**



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**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
**Lincoln Industries Limited**

**Report on the Audit of Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of **Lincoln Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss for the year ended on that date, the Cash Flow Statement for the year ended on that date, the Statement of Changes in Equity and Notes to the Financial Statements including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, its Profit for the year ended on that date and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Standalone Financial Statements and Auditors' Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including the Annexures to the Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.





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If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report such fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance 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 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

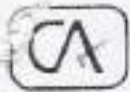
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give, in the **Annexure A**, a statement on the matters specified in paragraph 3 and 4 of the Order.
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;



**CHHAPARIA & ASSOCIATES**  
*Chartered Accountants*

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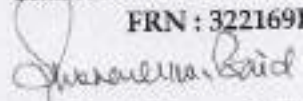
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except non-provision of Employees Benefits in terms of Accounting Standard-15, the amount of which cannot be ascertained;
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022, and taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2022, 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, we attach herewith a report on the same in Annexure B
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has paid or provided any remuneration to its Directors, if any, during the year in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a. That management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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- b. That management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any other person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material misstatement.

For Chhaparia & Associates  
Chartered Accountants  
FRN : 322169E  
  
(Subhash Kumar Baid)  
Partner  
Membership No. 064917

Place : Kolkata

Dated : The 31<sup>st</sup> day of May, 2022.

UDIN : 22064917 A7ADY58727



**LINCOLN INDUSTRIES LIMITED**

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (B) The Company does not own any Intangible assets as at the end of the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the the company does not have any Immovable Properties held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not have any Inventories, hence, this clause of the Said Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Hence, this clause of the Said Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below. The Company has not provided any guarantee or security, to companies, limited liability partnership or any other parties during the year.





# CHHAPARIA & ASSOCIATES

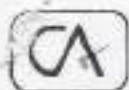
Chartered Accountants

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- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to parties other than subsidiaries as below:

<u>Particulars</u>	<u>Amount (₹ 00s)</u>
Aggregate amount of loan granted during the year - Others	182,469.00
Balance outstanding as at the balance sheet date - Others	543,214.00

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment to any party other than the subsidiary mentioned above.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to granting of loans and investments made.



# CHHAPARIA & ASSOCIATES

Chartered Accountants

SHANTINIKETAN BUILDING, B, CAMAC STREET,  
5TH FLOOR, SUITE-2 & 15, KOLKATA - 700 017  
PH. : 2282-4241, 4213  
Website : www.chhapariaassociates.com

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1<sup>st</sup> July, 2017, these liabilities have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ("GST"), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

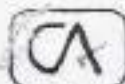
According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes as on 31<sup>st</sup> March, 2022 except for the following.

Name of the Statutes	Nature of the Dues	Period to which the amount relates	Forum where dispute is pending	Amount under dispute, not yet deposited (₹00)
Income Tax Laws (Income Tax)	Income Tax	A.Y. 2010-11	CIT Appeal, Kolkata	61,352.50/-

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our



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examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

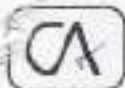
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the term loans obtained by the Company have been utilized for the purpose for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



**CHHAPARIA & ASSOCIATES**  
*Chartered Accountants*

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- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company does not have an internal audit system and is also not required to have an internal audit system as per provisions of the Companies Act, 2013. Accordingly, clause 3(xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not



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Chartered Accountants

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capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, the Company is not required to spend any amount under Section 135 of the Companies Act, 2013. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

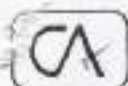
For Chhaparia & Associates  
Chartered Accountants  
FRN : 322169E

(Subhash Kumar Baid)  
Partner  
Membership No. 064917

Place : Kolkata

Dated : The 30th day of May, 2022

UDIN : 22064917APYDYJ8T37



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**LINCOLN INDUSTRIES LIMITED**  
**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Lincoln Industries Limited** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the 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 have 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.



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### 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.

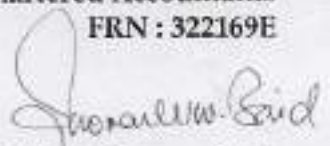
### Inherent Limitations of Internal Financial Controls over Financial Reporting

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 31<sup>st</sup> March, 2022, 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 Chhaparia & Associates  
Chartered Accountants  
FRN : 322169E

  
(Subhash Kumar Baid)  
Partner  
Membership No. 064917

Place : Kolkata

Dated : The 30<sup>th</sup> day of May, 2022.

UDIN : 22064917APX0YJ8737

**LINCOLN INDUSTRIES LIMITED**

**BALANCE SHEET AS AT 31ST MARCH 2022**

Particulars	Note No.	Amount in ₹ 00s	
		31st Mar 2022	31st Mar 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	1	2,734.05	3,046.72
(b) Financial Assets			
(i) Investments	2	4,31,115.22	4,03,232.98
(c) Deferred Tax Assets	3	22,536.42	33,618.27
(d) Other Non Current Assets	4	27,493.87	23,557.62
<b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivable	5	13,559.81	6,786.03
(ii) Cash and cash equivalents	6	5,760.46	4,986.23
(iii) Short Term Loans & Advances	7	5,43,214.19	3,60,564.76
(iv) Other Financial Assets	8	7,752.53	1,62,000.37
(b) Other Current Assets	9	6,209.81	5,463.44
<b>TOTAL ASSETS</b>		<b>10,60,376.37</b>	<b>10,03,256.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	10	5,24,500.00	5,24,500.00
(b) Other equity	11	5,21,566.17	4,76,469.79
<b>Liabilities</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	12	12,127.50	-
(ii) Other Financial Liabilities	13	1,343.21	1,284.86
(b) Other Current Liabilities	14	839.50	1,001.77
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,60,376.37</b>	<b>10,03,256.42</b>

Significant Accounting Policies

Notes forming part of the Financial Statements

1 to 34

In terms of our report of even date annexed

For Chhaparia & Associates

Chartered Accountants

FRN: 322169E

*Subhash Kumar Baid*

(Subhash Kumar Baid)

Partner

Membership No. 064917

Place : Kolkata

Dated : The 30<sup>th</sup> day of May, 2022

For and on behalf of the Board

*Praveen Chand Dhandhanias*      *Rinku Dhandhanias*

Chief Financial Officer & Managing Director

Director

Praveen Chand Dhandhanias

DIN: 00154048

Director

Rinku Dhandhanias

DIN: 05230255

*Nitin Gupta*  
Company Secretary  
Nitin Gupta  
Pan: AQNPG8747P



**LINCOLN INDUSTRIES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022**

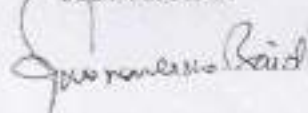
Particulars	Note No.	Amount in ₹ 00s	
		2021-2022	2020-2021
<b>I Income</b>			
Revenue from Operations	15	47,758.78	38,311.84
Other Income	16	36,259.85	62,902.18
<b>Total Income (I)</b>		<b>84,018.63</b>	<b>1,01,214.02</b>
<b>II Expenses</b>			
Purchases of Stock-in-Trade	17	47,016.03	-
Employee Benefits Expense	18	7,559.50	21,845.95
Finance Charges	19	-	184.31
Depreciation and Amortization Expense	1	312.67	9,421.41
Other Expenses	20	8,686.04	69,618.30
<b>Total Expenses (II)</b>		<b>63,574.24</b>	<b>1,01,069.97</b>
<b>III Profit/(loss) before Exceptional items &amp; tax (I-II)</b>		<b>20,444.39</b>	<b>144.05</b>
<b>IV Add : Exceptional Item</b>		-	-
<b>V Profit/(loss) before tax (III-IV)</b>		<b>20,444.39</b>	<b>144.05</b>
<b>VI Tax Expense :</b>			
Current Tax		-	-
Deferred Tax		2,088.36	(14,031.91)
<b>VII Profit/(loss) for the Year (V-VI)</b>		<b>18,356.03</b>	<b>14,175.96</b>
<b>VIII Other Comprehensive Income</b>			
A. Items that will not be reclassified to Profit & Loss			
(a) Equity Instruments through other comprehensive income-net change in fair value		35,733.83	23,500.01
(b) Income Tax relating to items that will not be reclassified to Profit & Loss		(8,993.49)	(5,914.48)
<b>Total Other Comprehensive Income</b>		<b>26,740.34</b>	<b>17,585.53</b>
<b>IX Total Comprehensive Income for the period (VII+VIII)</b>		<b>45,096.38</b>	<b>31,761.49</b>
<b>X Paid-up equity share capital (Face Value of ₹10 each)</b>		<b>52,450.00</b>	<b>52,450.00</b>
<b>XI Reserves/other equity (other than revaluation reserve)</b>		-	-
<b>XII Earnings Per Equity Share (F. V. of ₹ 10/- each) :</b>	21		
Basic		0.35	0.27
Diluted		0.35	0.27
Significant Accounting Policies			
Notes forming part of the Financial Statements	1 to 34		

In terms of our report of even date annexed

For Chhaparia & Associates

Chartered Accountants

FRN: 322169E



(Subhash Kumar Baid)

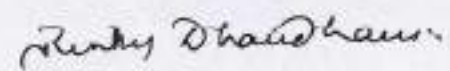
Partner

Membership No. 064917

Place : Kolkata

Dated : The 30<sup>th</sup> day of May, 2022

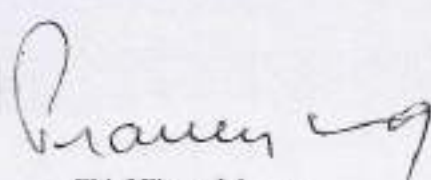
For and on behalf of the Board



Director

Rinku Dhandhanian

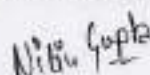
DIN: 05230255



Chief Financial  
Officer & Director

Praveen Chand Dhandhanian

DIN: 00154048



Company Secretary

Nitin Gupta

Pan: AQNPG8747P

**LINCOLN INDUSTRIES LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

Particulars	Equity Share Capital			Total
		Revenue Reserve	Surplus in the Statement of Profit and Loss	
Balance at April 1, 2020	5,24,500.00	60,936.05	3,83,772.26	9,69,208.31
Profit / (Loss) for the year	-	-	31,761.49	31,761.49
Balance at March 31, 2021	5,24,500.00	60,936.05	4,15,533.74	10,00,969.79
Profit / (Loss) for the year	-	-	45,096.38	45,096.38
Balance at March 31, 2022	5,24,500.00	60,936.05	4,60,630.12	10,46,066.17

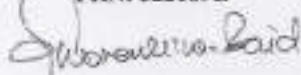
Significant Accounting Policies  
Notes forming part of the Financial Statements

In terms of our report of even date annexed

For Chhaparia & Associates

Chartered Accountants

FRN: 322169E



(Subhash Kumar Baid)

Partner

Membership No. 064917

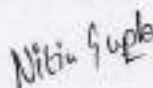




Chief Financial Officer  
& Director

Praveen Chand Dhandhanias

DIN: 00154048

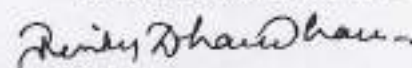


Company Secretary

Nitin Gupta

Pan: AQNPG8747P

For and on behalf of the Board



Director

Rinku Dhandhanias

DIN: 05230255

Place : Kolkata

Dated : The 30th day of May, 2022

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2022**

Particulars	Amount in ₹ 00s	
	2021-2022	2020-2021
<b>A. Cash Flow from Operating Activities</b>		
Profit Before Tax	20,444.39	144.05
<u>Adjustments for:</u>		
Depreciation and Amortization Expense	312.67	9,421.41
Interest Received	(35,891.31)	(26,571.67)
Interest on Income Tax Return	(368.54)	-
Interest Paid	-	184.31
Profit from Partnership Firm	-	(36,330.51)
<b>Operating Profit Before Working Capital Changes</b>	<b>(15,502.79)</b>	<b>(53,152.41)</b>
<u>Movements in Working Capital:</u>		
(Increase) / Decrease in Inventories	-	5,045.21
(Increase) / Decrease in Trade Receivables	(6,773.78)	31,176.77
(Increase) / Decrease in Advances & Other Receivables	1,53,501.46	22,283.15
Increase / (Decrease) in Trade Payables	12,023.58	-
Increase / (Decrease) in Other Long Term Liabilities	-	(10,789.09)
<b>Cash Generated from / (used in) Operations</b>	<b>1,43,248.47</b>	<b>(5,436.37)</b>
Direct Taxes Paid (net of refunds)	(3,567.71)	(2,674.13)
<b>Net Cash flow from / (used in) Operating Activities</b>	<b>1,39,680.76</b>	<b>(8,110.50)</b>
<b>B. Cash Flow from Investing Activities</b>		
(Increase) / Decrease in Loan	(1,82,649.43)	(1,26,877.92)
(Increase) / Decrease in Investment	7,851.60	-
Sale Proceeds from Sale of Fixed Assets	-	1,19,194.67
Interest Received	35,891.31	26,571.67
<b>Net Cash from / (used in) Investing Activities</b>	<b>(1,38,906.52)</b>	<b>18,888.42</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase / (Decrease) in Short-Term Borrowings	-	(11,688.10)
Interest Paid	-	(184.31)
<b>Net Cash from / (used in) Financing Activities</b>	<b>-</b>	<b>(11,872.41)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>774.24</b>	<b>(1,094.49)</b>
Cash and Cash Equivalents at beginning of the year	4,986.23	6,080.72
<b>Cash and Cash Equivalents at end of the year</b>	<b>5,760.46</b>	<b>4,986.23</b>

In terms of our report of even date annexed

For Chhaparia & Associates

For and on behalf of the Board

Chartered Accountants

FRN: 322169E

*Subhash Kumar Baid*  
(Subhash Kumar Baid)

Partner  
Membership No. 064917

*Praveen Chand Dhandhan*  
Chief Financial Officer & Managing Director  
Praveen Chand Dhandhan  
DIN: 00154048

*Rinku Dhandhan*  
Director  
Rinku Dhandhan  
DIN: 05230255

Place : Kolkata

Dated : The 30th day of May, 2022

*Nitin Gupta*  
Company Secretary  
Nitin Gupta  
Pan: AQNPG8747P

## LINCOLN INDUSTRIES LIMITED

Notes to the Financial Statements for the year ended 31 March 2022

### 1 Company Overview

Lincoln Industries Limited ("the Company") is a public company incorporated in India on 28th February, 1983 having its registered office at P 36, India Exchange Place, 2nd Floor, Kolkata-700001. The company is listed on the Calcutta Stock Exchange. The Company is principally engaged in the business of ginning, pressing and oil mill. The company has its operating plant located at Bhuna (Haryana) and Khajuwala (Rajasthan).

### 2 Basis of preparation

#### a) Statement of Compliance

These financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

#### b) Functional and presentation currency

The financial statements are presented in Indian Rupees ('Rs') which is Company's presentation currency. The functional currency of the Company is also Indian Rupees ('Rs').

#### c) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except certain financial assets and financial liabilities have been measured at fair value.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### d) Use of judgments and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

#### Critical accounting judgements and key sources of estimation uncertainty: Key assumptions-

##### (i) Useful lives of Property, plant and equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

##### (ii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

##### (iii) Recognition and measurement of provisions and contingencies:

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

#### e) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments.



## LINCOLN INDUSTRIES LIMITED

### Note to the Financial Statements for the year ended 31 March 2022

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### 3 Significant accounting policies

#### a) Operating Cycle

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 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### b) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### i. Financial Assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

##### Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss.

##### Financial assets at FVTOCI

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

##### Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

##### Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.



## LINCOLN INDUSTRIES LIMITED

Notes to the Financial Statements for the year ended 31 March 2022

### ii. Financial liability

#### Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

#### Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

#### Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

#### Derecognition

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### c) Property, Plant and Equipment

#### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

#### ii. Subsequent expenditures

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### iii. Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss.

Depreciation on Property, Plant and Equipment are provided on written down value method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act.

Freehold land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.



## LINCOLN INDUSTRIES LIMITED

Notes to the Financial Statements for the year ended 31 March 2022

### d) Inventories

Inventories which comprise raw materials, finished goods, stock in trade, packing materials, stores and spares are measured at the lower of cost and net realisable value.

Inventories are valued at the lower of cost or net realizable value on the first-in first-out (FIFO) formula. Cost includes purchase price, duties, transport & handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

### e) Impairment

#### i. Impairment of financial instruments: financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

#### ii. Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

### f) Employee Benefits

#### i. Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### iii. Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

### g) Provisions (other than for employee benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### h) Revenue Recognition

Sales are measured at the fair value of consideration received or receivable. Sales recognized is net of Goods and Service tax, intermediary sales, rebates other indirect taxes and discount.



## LINCOLN INDUSTRIES LIMITED

Notes to the Financial Statements for the year ended 31 March 2022

### i) Leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

### j) Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. Interest income is recognised using the effective interest method. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, payment, extension, call and similar options) but does not consider the expected credit losses.

### k) Income tax

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

#### i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

#### ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### l) Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### m) Additional Regulatory Information

- i) The Company does not own any immovable property whose title deeds are not registered in the name of the Company.
- ii) During the year, the Company has not revalued its PPE (including Right to Use Assets) or Intangible assets and accordingly the disclosures in respect of these matters are not applicable to it.
- iii) There is no Capital Work in Progress and accordingly the disclosures in respect of it are not applicable to the Company.
- iv) There are no intangible assets under development and accordingly the disclosures in respect of it are not applicable to the Company.
- v) The Company does not have any benami property and no proceedings have been initiated or pending against the company for holding any benami property.
- vi) The Company has not availed cash credit facility against security of current assets from various bankers. Hence no disclosure for the same is provided.
- vii) The Company has not been declared as a wilful defaulter by any bank, financial institution or other lender.
- viii) The Company has not entered into any transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- ix) No charge or satisfaction of charge is pending for registration with the Registrar of Companies in respect of loans availed by the Company.





## LINCOLN INDUSTRIES LIMITED

Note to the Financial Statements for the year ended 31 March 2022

- x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and does not hold any investments which are beyond the restrictions mentioned herein.
- xi) The company has not advanced, loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall directly or indirectly lend or invest in ultimate beneficiaries or provide any guarantee, security or the like to or on behalf of such ultimate beneficiary.
- xii) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Company shall directly or indirectly lend or invest in ultimate beneficiaries or provide any guarantee, security or the like to or on behalf of such ultimate beneficiary.
- xiii) The Company has not surrendered or disclosed any transaction as income in income tax assessments under the Income Tax Act, 1961 carried out during the year.
- xiv) The provisions of CSR as per section 135 of the Companies Act, 2013 are not applicable to the Company.
- xv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

2. NON-CURRENT INVESTMENTS	31st Mar 2022		Amount in ₹ 00s	
			31st Mar 2021	
(long-term, other than trade, value at cost)				
In Unquoted Equity Instruments				
(fully paid up of face value of ₹ 10 each)				
400,800 (P.Y. 400,800) Shares of Calvin Barter Private Limited	1,26,201.15		1,26,383.79	
196,000 (P.Y. 196,000) Shares of Dhancot Fibres Private Limited	2,34,305.52		1,98,650.36	
118,626 (P.Y. 118,626) Shares of P & P Highrise Private Limited	68,172.13		67,910.81	
In Limited Liability Partnership:				
Original Comtrade LLP	-		-	
Pragati Dealmark LLP	2,406.42		7,851.60	
Investment in Government or Trust Securities (at amortised cost)	30.00		2,406.42	
	<u>4,31,115.22</u>		<u>30.00</u>	
			<u>4,03,232.98</u>	

Note:

Pragati Dealmark LLP

Name of the Partners	Share of Profit		Total Capital	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
	Melody Commercial LLP	47.31%	47.31%	30,000.00
Subdata Dealers LLP	48.89%	48.89%	31,000.00	31,000.00
Lincoln Industries Limited	3.80%	3.80%	2,406.42	2,406.42

3. DEFERRED TAX ASSETS/(LIABILITIES) (net)	31st Mar 2022		31st Mar 2021	
Deferred Tax Assets :				
Tax Impact arising on brought forward business loss, difference in fair value of Investment and unabsorbed depreciation	23,959.56		32,004.13	
Deferred tax liabilities				
Tax Impact of difference in W.D.V. of fixed assets as per Income Tax Act and Companies Act	1,423.14		(1,614.14)	
Deferred tax assets/(liabilities) (net)	<u>22,536.42</u>		<u>33,618.27</u>	

4. OTHER NON CURRENT ASSETS	31st Mar 2022		31st Mar 2021	
(Unsecured, considered good)				
Security Deposits	130.00		130.00	
Other Advances	500.00		500.00	
Income Tax Advances (net of provisions)	26,863.87		22,927.62	
	<u>27,493.87</u>		<u>23,557.62</u>	

5. TRADE RECEIVABLES	31st Mar 2022		31st Mar 2021	
Secured, Considered Good	-		-	
Unsecured, Considered Good	13,559.81		6,786.03	
Doubtful	-		-	
	<u>13,559.81</u>		<u>6,786.03</u>	

Trade Receivables Ageing Schedule as on 31.03.2022

Particulars	Outstanding for the following period from the due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
<b>Undisputed Trade Receivables</b>						
Considered Good	12,631.49	-	928.32	-	-	13,559.81
Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-
	<u>12,631.49</u>	<u>-</u>	<u>928.32</u>	<u>-</u>	<u>-</u>	<u>13,559.81</u>



**LINCOLN INDUSTRIES LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Trade Receivables Ageing Schedule as on 31.03.2021						Amount in ₹ 00s
Particulars	Outstanding for the following period from the due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
<b>Undisputed Trade Receivables</b>						
Considered Good	6,786.03	-	-	-	-	6,786.03
Considered Doubtful	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
Considered Good	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-
	6,786.03	-	-	-	-	6,786.03
<b>6. CASH AND BANK BALANCES</b>						
		31st Mar 2022			31st Mar 2021	
Cash and Cash Equivalents:						
Balances with Banks						
In Current Accounts			1,363.38			1,419.14
Cash in Hand (including balances in prepaid cards)			4,397.08			3,567.08
			5,760.46			4,986.23
<b>7. SHORT TERM LOANS &amp; ADVANCES</b>						
		31st Mar 2022			31st Mar 2021	
(Unsecured, considered good)						
Loans to Related Parties			5,43,214.19			3,60,564.76
			5,43,214.19			3,60,564.76
<b>8. OTHER FINANCIAL ASSETS</b>						
		31st Mar 2022			31st Mar 2021	
Unsecured, considered good						
Bank deposits (including interest accrued)			3,254.24			3,167.85
Recoverable from Bank			441.21			441.21
Current Capital Account with LLP			4,057.08			1,58,391.31
			7,752.53			1,62,000.37
<b>9. OTHER CURRENT ASSETS</b>						
		31st Mar 2022			31st Mar 2021	
Balance with Goods and Service Tax Department			6,209.81			5,463.44
			6,209.81			5,463.44
<b>10. SHARE CAPITAL</b>						
		31st Mar 2022			31st Mar 2021	
Authorised:						
60,00,000 (P.Y. 60,00,000) Equity Shares of ₹ 10/- each			6,00,000.00			6,00,000.00
Issued, Subscribed & Fully Paid-up:						
52,45,000 (P.Y. 52,45,000) Equity Shares of ₹ 10/- each			5,24,500.00			5,24,500.00
			5,24,500.00			5,24,500.00

(a) Terms / Rights attached to Equity Shares

Equity Shares:

Each equity share is entitled to dividend as proposed by the board of directors. Every share is having one vote. In case of winding up, the share holder is entitled to distribution in equal proportion of balance remaining after payment to all creditors.

(b) Details of Shareholders holding more than 5 % (percent) shares in the Company

	31st Mar 2022		31st Mar 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of ₹ 10 each fully paid-up				
<u>Name of the Shareholders</u>				
Dhancot Fibres Private Limited	21,00,000.00	40.04%	21,00,000.00	40.04%
Ankit Dealers Private Limited	5,00,000.00	9.53%	5,00,000.00	9.53%
Drake Commercial Private Limited	3,50,000.00	6.67%	3,50,000.00	6.67%



(c) Details of Shareholding of Promoters in the Company

Equity Shares of ₹ 10 each fully paid-up Name of the Shareholders	31st Mar 2022		
	No. of Shares	% of Holding	% Change during the year
Dhancot Fibres Private Limited	21,00,000.00	40.04%	0.00%
Pravesh Dhandhania	24,000.00	0.46%	0.00%
Prem Chand Dhandhania(HUF)	23,000.00	0.44%	0.00%
Prateet Dhandhania	21,200.00	0.40%	0.00%
Praveerchand Dhandhania	19,550.00	0.37%	0.00%
Seema Dhandhania	18,050.00	0.34%	0.00%
Mukul Dhandhania	16,500.00	0.31%	0.00%
Premalata Dhandhania	15,900.00	0.30%	0.00%
Premchand Dhandhania	1,200.00	0.02%	0.00%
Pushpa Devi Dhandhania	300.00	0.01%	0.00%
Rinku Dhandhania	100.00	0.00%	0.00%
Rachana Dhandhania	50.00	0.00%	0.00%
Sandeep Dhandhania	50.00	0.00%	0.00%
Radheshyam Dhandhania	50.00	0.00%	0.00%
Sitaram Dhandhania	50.00	0.00%	0.00%
Mohan Lal Dhandhania	50.00	0.00%	0.00%

Equity Shares of ₹ 10 each fully paid-up Name of the Shareholders	31st Mar 2021		
	No. of Shares	% of Holding	% Change during the year
Dhancot Fibres Private Limited	21,00,000.00	40.04%	0.00%
Pravesh Dhandhania	24,000.00	0.46%	0.00%
Prem Chand Dhandhania(HUF)	23,000.00	0.44%	0.00%
Prateet Dhandhania	21,200.00	0.40%	0.00%
Praveerchand Dhandhania	19,550.00	0.37%	0.00%
Seema Dhandhania	18,050.00	0.34%	0.00%
Mukul Dhandhania	16,500.00	0.31%	0.00%
Premalata Dhandhania	15,900.00	0.30%	0.00%
Premchand Dhandhania	1,200.00	0.02%	0.00%
Pushpa Devi Dhandhania	300.00	0.01%	0.00%
Rinku Dhandhania	100.00	0.00%	0.00%
Rachana Dhandhania	50.00	0.00%	0.00%
Sandeep Dhandhania	50.00	0.00%	0.00%
Radheshyam Dhandhania	50.00	0.00%	0.00%
Sitaram Dhandhania	50.00	0.00%	0.00%
Mohan Lal Dhandhania	50.00	0.00%	0.00%

11. RESERVES AND SURPLUS	31st Mar 2022	31st Mar 2021
General Reserve	60,936.05	60,936.05
Surplus in the Statement of Profit and Loss:		
Opening Balance	4,15,533.74	3,83,772.26
Add : Profit for the year	45,096.38	31,761.49
Closing Balance	4,60,630.12	4,15,533.74
	5,21,566.17	4,76,469.79

12. TRADE PAYABLES	31st Mar 2022	31st Mar 2021
Dues to Micro and Small Enterprises (Refer Note 30)	-	-
Others	12,127.50	-
	12,127.50	-

Trade Payables Ageing Schedule as on 31.03.2022

Particulars	Outstanding for the following period from the due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	12,127.50	-	-	-	12,127.50
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
	12,127.50	-	-	-	12,127.50

**LINCOLN INDUSTRIES LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Amount in ₹ 00s

**Trade Payables Ageing Schedule as on 31.03.2021**

Particulars	Outstanding for the following period from the due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
	-	-	-	-	-

**13. OTHER CURRENT FINANCIAL LIABILITY**

	31st Mar 2022	31st Mar 2021
Statutory Liabilities	983.21	1,004.86
Payable to Employees	360.00	280.00
	<u>1,343.21</u>	<u>1,284.86</u>

**14. OTHER CURRENT LIABILITY**

	31st Mar 2022	31st Mar 2021
Payable for Expenses	839.32	1,001.59
Other Payable	0.18	0.18
	<u>839.50</u>	<u>1,001.77</u>



**LINCOLN INDUSTRIES LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

<b>15. REVENUE FROM OPERATIONS</b>		Amount in ₹ 00s	
	2021-2022	2020-2021	
Sale of Products			
Finished Goods			
Traded Goods	-		4,962
	47,759		
Sale of Service			
Ginning & Pressing Charges			
	-		33,350
	<u>47,759</u>		<u>38,312</u>
<b>16. OTHER INCOME</b>		2021-2022	2020-2021
Interest Income	35,891		26,572
Profit from Limited Liability Partnership Firm	-		36,331
Other Non-Operating Income	369		-
	<u>36,260</u>		<u>62,902</u>
<b>17. PURCHASES OF STOCK-IN-TRADE</b>		2021-2022	2020-2021
Purchase of Products			
Traded Goods			
	47,016		-
	<u>47,016</u>		<u>-</u>
<b>18. EMPLOYEE BENEFITS EXPENSE</b>		2021-2022	2020-2021
Salaries, Bonus & Other Allowances	6,960		21,160
Contribution to provident and other funds	-		100
Staff Welfare Expenses	600		586
	<u>7,560</u>		<u>21,846</u>
<b>19. FINANCE CHARGES</b>		2021-2022	2020-2021
Interest Expense			
	-		184
	<u>-</u>		<u>184</u>
<b>20. OTHER EXPENSES</b>		2021-2022	2020-2021
<b>Other Manufacturing Expenses</b>			
Consumption of Stores, Spares and Tools	-		1,905
Repairs to Machineries	-		185
	<u>-</u>		<u>2,090</u>
<b>Other Administrative and Selling Expenses</b>			
Advertisement	148		200
Bank Charges	72		53
Loss on Sale of Capital Assets	-		42,664
Loss from Limited Liability Partnership Firm	44		
Legal & Professional Charges	2,309		4,226
Membership and Subscription Charges	63		313
Power and Fuel	141		8,822
Packing Materials Consumed	-		4,943
Printing and Stationery	256		219
Postage Expenses	356		302
<b>Auditors' remuneration:</b>			
Audit Fees	600		600
Tax Audit Fees	-		-
Insurance Charges	-		27
Filing Fees	-		87
Travelling & Conveyance	297		21
Telephone Charges	152		117
Rent, Rates & Taxes	2,251		549
Office Expenses	553		483
General Expenses	<u>1,445</u>		<u>3,903</u>
	<u>8,686</u>		<u>69,618</u>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

21. EARNINGS PER SHARE (EPS)	2021-2022	2020-2021
The calculation of Earnings Per Share (EPS) has been made in accordance with Indian Accounting Standard - 33. A statement on calculation of Basic and Diluted EPS is as under :		
Net Profit After Tax	18,356	14,176
Add: Extra ordinary Expenses/Income -	-	-
Profit before consideration of Extraordinary items	18,356	14,176
Weighted average number of Equity Shares outstanding	52,45,000	52,45,000
Basic Earnings Per Share [Face Value of Rs. 10 each] in 00s	0	0
Add: Weighted number of potential equity shares on account of Employees Stock Options	-	-
Weighted average number of Equity Shares outstanding [inclusive dilutive ESOP shares outstanding]	52,45,000	52,45,000
Diluted Earnings Per Share [Face value of Re. 1 each] in 00s	0	0

22. INCOME TAXES	2021-2022	2020-2021
<b>A Amount recognised in profit or loss</b>		
<b>Deferred tax</b>		
Deferred tax for the year	2,088	(14,032)
<b>B Income tax recognised in other comprehensive income</b>		
<b>Deferred tax</b>		
On items that will not be reclassified to profit or loss		
- Fair valuation of equity instruments	(8,993)	(5,914)
	(8,993)	(5,914)
Income tax expense reported in the Standalone Statement of Profit and Loss (a+b)	(6,905)	(19,946)

23. EMPLOYEE BENEFITS	2021-2022	2020-2021
<b>(a) Defined contribution plans:</b>		
Contribution to defined contribution plans, recognised as expense for the year are as under:		
Particulars		
Employer's contribution to Provident Fund	-	100

24. SEGMENT REPORTING
As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements. Please refer note 17 for revenue from sale of products.

25. RELATED PARTY DISCLOSURES
As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties and also related parties with whom

(a) Key Managerial Personnel

Mr. Praveen Chand Dhandhania

(Director)

Mr. Sushil Kumar Sirota

(Director)

Mr. Rinku Dhandhania

(Director)

Mr. Sushovan Saharoy

(Director)

Mr. Nitin Gupta

(Company Secretary)

Mr. Shyam Sunder Bhageria

(Chief Financial Officer)

(b) Other Related Parties

Dhancot Fibres Private Limited

Prem Chand Dhandhania (HUF)

P & P Highrise Private Limited

Original Commodity LLP

Pragati Dealmark LLP

Sri Annapurna Cotton Mills & Inds. Ltd.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**(b) Transactions with Related Parties**

Nature of Transaction	2021-2022	2020-2021
<b>Director's Remuneration</b>		
Praveen Chand Dhandhania	600	600
<b>Salary Paid</b>		
Nitin Gupta	1,080	1,080
Shyam Sunder Bhageria	1,000	1,000
<b>Rent</b>		
Praveen Chand Dhandhania	-	100
Prem Chand Dhandhania (HUF)	240	240
<b>Interest Income</b>		
Original Comtrade LLP	7,169	-
Sri Annapurna Cotton Mills & Inds. Ltd.	28,508	25,000
<b>Share of Profit from Limited Liability Partnership Firms</b>		
Original Comtrade LLP	-	36,411
Pragati Dealmark LLP	(44)	120
<b>Loans and Advances Given</b>		
Sri Annapurna Cotton Mills & Inds. Ltd.	13,000	1,15,000
<b>Receipt of Loan and Advances Given</b>		
Sri Annapurna Cotton Mills & Inds. Ltd.	16,750	11,250
<b>Outstanding Balances</b>		
<b>Loans and Advances Receivables</b>		
Original Comtrade LLP	1,60,742	-
Sri Annapurna Cotton Mills & Inds. Ltd.	3,82,472	3,60,560

**26 LOANS TO PROMOTERS, DIRECTORS, KMPs AND RELATED PARTIES**

Type of Borrower	2021-2022		2020-2021	
	Amt of Loan or advance in nature of Loan	% to total Loans and Advances	Amt of Loan or advance in nature of Loan	% to total Loans and Advances
<i>Repayable on Demand</i>				
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	5,43,214	100.00%	3,60,565	100.00%
<i>Without Specifying any terms or period of repayment</i>				
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-



8,40,000



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

27.	RATIO ANALYSIS		2021-2022	2020-2021	% Change	Remarks
(a)	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	40.29	236.07	-82.93%	Initiation of trading operations during the year causing increase in trade payables and reduction of Current ratio.
(b)	Debt-Equity Ratio	$\frac{\text{Total Borrowings}}{\text{Total Equity}}$	N.A.	N.A.	N.A.	-
(c)	Debt Service Coverage Ratio	$\frac{\text{EBIT}}{\text{Finance cost}}$	N.A.	N.A.	N.A.	-
(d)	Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Total Equity}}$	0.02	0.01	23.90%	-
(f)	Trade Receivables Turnover Ratio	$\frac{\text{Turnover}}{\text{Average Trade Receivables}}$	4.69	1.71	174.17%	Initiation of trading operations during the year causing increase in trade receivables and corresponding increase in the ratio.
(g)	Trade Payables Turnover Ratio	$\frac{\text{Turnover}}{\text{Average Trade Payables}}$	7.88	N.A.	N.A.	-
(h)	Net Capital Turnover Ratio	$\frac{\text{Turnover}}{(\text{Current Assets} - \text{Current Liab})}$	0.08	0.07	19.19%	-
(i)	Net Profit Ratio	$\frac{\text{Net Profit}}{\text{Turnover}}$	0.38	0.37	3.87%	-
(j)	Return on Capital Employed	$\frac{\text{EBIT}}{(\text{Total Assets} - \text{Current Liab})}$	0.02	0.00	5857.74%	Increased profit from trading operations causing increased overall profits.
(k)	Return on Investment	$\frac{\text{Net Profit}}{\text{Opening Equity}}$	0.02	0.01	25.38%	Increased profit from trading operations causing increased overall profits.



**28 Financial instruments and related disclosures**

Amount in ₹ 00s

**28.1 Fair value measurement**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchange in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing net asset value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The management assessed that trade receivables, cash and cash equivalent, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

**28.2 Financial instruments by**

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	Note	31st March 2022		31st March 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
			Level 3		Level 3
<b>A. Financial assets:</b>					
<b>a) Measured at amortised cost</b>					
Trade receivables	5	13,560	-	6,786	-
Cash and cash equivalents	6	5,760	-	4,986	-
Short term loans & Advances	7	5,43,214	-	3,60,565	-
Other financial assets	8	7,753	-	1,62,000	-
<b>b) Measured at fair value through profit or loss</b>					
Investments	2	4,31,115	2,40,642	10,258	10,258
<b>c) Measured at fair value through other comprehensive income</b>					
Investments	2	4,28,679	4,28,679	3,92,945	3,92,945
<b>B. Financial liabilities:</b>					
<b>a) Measured at amortised cost</b>					
Borrowings		-	-	-	-



**28.3 Financial Risk Management**

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

**Risk management framework**

The Company's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

**(i) Credit risk**

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

**Trade receivable**

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

**Exposure to credit risks**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

Particulars	Year ended		Year ended	
	%	Amount	%	Amount
Revenue from top customer	100.00%	47,759	100.00%	38,312
Revenue from top five	100.00%	47,759	100.00%	38,312

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

**(ii) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

# LINCOLN INDUSTRIES LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

Particulars	Less than 1 year	1-5 years	> 5 years	Total
<b>As at 31 March 2022</b>				
Borrowings	-	-	-	-
	-	-	-	-
<b>As at 31 March 2021</b>				
Borrowings	-	-	-	-
	-	-	-	-

### (iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

### Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31st March 2022	31st March 2021
<b>Fixed rate instruments</b>		
Financial assets	-	-
Financial liabilities	7,753	1,62,000
	-	-
<b>Variable rate instruments</b>	7,753	1,62,000
Financial assets	-	-
Financial liabilities	-	-
	-	-

### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

### Cash flow sensitivity analysis for variable rate instrumen

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2022</b>				
Variable rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
<b>31 March 2021</b>				
Variable rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

# LINCOLN INDUSTRIES LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (b) Equity price risk

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

### (c) Currency risk

The Company does not have currency risks since it is not exposed to any foreign currency transaction.

## 29 CAPITAL MANAGEMENT

The Company's management objective are :

The Company monitors capital on the basis of carrying amount of equity including retained earnings as presented on the face of Balance Sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. There is no change in the overall capital risk management strategy as compared to the last year.

Particulars		31st March 2022	31st March 2021
Total debt (Bank and other borrowings)	A	-	-
Equity	B	1,046,066	1,000,970
Liquid investments including bank deposits	C	5,760	4,986
Debt to Equity (A / B)		-	-
Debt to Equity (net) [(A-C) / B]		-	-

## 30 MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the informations available with the Company, the Company does not owe any sum to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006.

## 31 CONTINGENT LIABILITIES

	31st March 2022	31st March 2021
Income Tax Liability against which the Company has preferred appeal	61,353	61,353

## 32 CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility as mentioned in Schedule VII read with Section 135 of the Co Act 2013 is not applicable to the company.

## 33 PREVIOUS YEAR FIGURES

The figures for the previous years have been regrouped and/or reclassified wherever necessary to make them comparable.

## 34 APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved for issue by the Board of Directors on 30th, May, 2022.

In terms of our report of even date annexed

For Chhaparia & Associates

Chartered Accountants

FRN: 322169E

*Subhash Kumar Baid*  
(Subhash Kumar Baid)

Partner

Membership No. 064917

For and on behalf of the Board

*Rinku Dhandhanian*  
Director

Rinku Dhandhanian

DIN: 05230255

*Praveen Chand Dhandhanian*  
Chief Financial Officer & Director

Praveen Chand Dhandhanian

DIN: 00154048

*Nitin Gupta*

Company Secretary

Nitin Gupta

Pan: AQNPG8747P

Place : Kolkata

Dated : The 20<sup>th</sup> day of May, 2022

**LINCOLN INDUSTRIES LIMITED**

**DETAILS OF ACCOUNT AS AT 31st MARCH 2022**

Sl. No.	Particulars	Details of Security Deposits			Amount in ₹ 00s
		Total	Non-Current	Non-Current	
1	RTAL				
2	Rajasthan Electric Security	10	10	-	
3	Security Deposit-Vodafone	40	40	-	
4	Usha Martin Telekom Limited	50	50	-	
		30	30	-	
		<u>130</u>	<u>130</u>	<u>-</u>	

Sl. No.	Particulars	
1	Finshore Management Services Limited	
		500
		<u>500</u>

Sl. No.	Particulars	
1	Income Tax Appeal (A.Y. 2010-11)	
2	Income Tax Refundable (A.Y. 2015-16)	19,956
3	Income Tax Refundable (A.Y. 2016-17)	522
4	TDS Receivable (A.Y. 2022-23)	144
5	TDS Receivable (A.Y. 2021-22)	3,568
		<u>2,674</u>
		<u>26,864</u>

Sl. No.	Particulars	
1	Kalaniketan Fashions Private Limited	
2	Bhagwati Cotton Co; Bhatinds	12,631
		928
		<u>13,560</u>

Sl. No.	Particulars	
1	State Bank of India -51091261751	
2	ICICI Bank Limited-627605256741	297
3	Tamilnadu Bank Limited-083150050329940	293
4	State Bank of India -55132523035	514
		<u>259</u>
		<u>1,363</u>

Sl. No.	Particulars	
1	Sri Annapurna Cotton Mills Limited	
2	Original Comtrade LLP	3,82,472
		1,60,742
		<u>5,43,214</u>

Sl. No.	Particulars	
1	Fixed Deposits with Tamilnadu Bank	
		3,254
		<u>3,254</u>

Sl. No.	Particulars	
1	Punjab National Bank-Deaf Account	
		441
		<u>441</u>

Sl. No.	Particulars	
1	CGST Input	
2	SGST Input	2,154
3	IGST Input	2,154
4	TDS on CGST & SGST of CCI	(240)
		<u>2,143</u>
		<u>6,210</u>

**LINCOLN INDUSTRIES LIMITED**

**DETAILS OF ACCOUNT AS AT 31st MARCH 2022**

		<u>Details of Trade Payable</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	M/s Keya (Prop: Premchand Dhandhania)		12,128
			<u>12,128</u>
		<u>Details of Statutory Dues</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	TDS Payable		31
2	GST Payable (Bhuna)		952
			<u>983</u>
		<u>Details of Payable to employees</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Roop Das (Salary)		210
2	Jagir Singh		60
3	Nitin Gupta		90
			<u>360</u>
		<u>Details of Payable for Expenses</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Roop Das (Expenses)		8
2	A. K. Labh & Co.		193
3	Chhaparia and Associates		600
4	RPG Tax Consultant		39
			<u>839</u>
		<u>Details of Other Payables</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Sri Ganesh Ji Maharaj		0.18
			<u>0.18</u>
		<u>Details of Interest Income</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Sri Annapurna Cotton Mills & Inds. Ltd.		28,508
2	Original Commotrade LLP		7,169
3	Interest on Fixed Deposits with Tamilnadu Bank		214
			<u>35,891</u>
		<u>Details of Loss from Limited Liability Partnership Firms</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	From Pragati Dealmark LLP		44
			<u>44</u>
		<u>Details of Other Non-Operating Income</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Interest on Income Tax (A.Y. 2020-21)		235
2	Interest on Income Tax (A.Y. 2019-20)		134
			<u>369</u>
		<u>Details of Salaries, Bonus &amp; Other Allowances</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Directors Salary		600
2	Staff Salary		6,360
			<u>6,960</u>
		<u>Details of Legal and Professional Fees</u>	
<u>Sl. No.</u>	<u>Particulars</u>		
1	Professional Fees		2,309
			<u>2,309</u>

**LINCOLN INDUSTRIES LIMITED**

**DETAILS OF ACCOUNT AS AT 31st MARCH 2022**

Details of Rent, Rates & Taxes

<u>Sl. No.</u>	<u>Particulars</u>	
1	Professional Tax	
2	Rent-Prem Chand Dhandhanu (HUF)	25
3	Central Depository Services (I) Limited- Voting Charges	235
4	National Securities Depository Limited-Custody Fees	185
5	The Calcutta Stock Exchange Limited-Delisting	50
6	Empanelment Fees	1,500
7	Trade License	118
8	ROC Filing Fees	44
9	Membership Fees	59
10	Interest on TDS	30
		5
		<u>2,251</u>

Details of General Expenses

<u>Sl. No.</u>	<u>Particulars</u>	
1	Computer Expenses	
2	Electric Charges	50
3	Entertainment Expenses	10
4	Miscellaneous Expenses	418
		967
		<u>1,445</u>



# LINCOLN INDUSTRIES LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### I. FIXED ASSETS

Amount in '00s

Particulars	TANGIBLE						Total
	Leasehold Land	Building	Plant and Equipment	Furniture & Fixtures	Office Equipment	Vehicles	
<b>GROSS BLOCK</b>							
As At 31-March-2020	246	1,30,811	1,13,211	145	1	2,691	2,47,104
Additions during the year	-	-	-	-	-	-	-
Deletion during the year	-	(1,26,029)	(1,12,684)	(134)	(1)	(2,391)	(2,41,239)
<b>As At 31-March-2021</b>	246	4,782	527	10	-	299	5,864
Additions during the year	-	-	-	-	-	-	-
Deletion during the year	-	-	-	-	-	-	-
<b>As At 31-March-2022</b>	246	4,782	527	10	-	299	5,864
<b>DEPRECIATION</b>							
As At 31-March-2020	-	45,878	68,012	-	-	1,551	1,15,441
Charge for the year	-	4,858	4,463	-	-	101	9,421
Reversal for the year	-	(48,544)	(72,066)	-	-	(1,435)	(1,22,045)
<b>As At 31-March-2021</b>	-	2,192	409	-	-	18	2,818
Charge for the year	-	289	6	-	-	-	313
Reversal for the year	-	-	-	-	-	-	-
<b>As At 31-March-2022</b>	-	2,480	415	-	-	18	3,130
<b>NET BLOCK</b>							
As At 31-March-2021	246	2,590	118	10	-	299	3,047
As At 31-March-2022	246	2,302	112	10	-	281	2,734

**LINCOLN INDUSTRIES LIMITED**

Accounting Year : 2021-22

Assessment Year : 2022-23

**COMPUTATION OF INCOME**

Amount in ₹ 00s

**INCOME FROM BUSINESS**

	Amount
Net Profit as per Profit & Loss A/c	
Add:	20,444
Depreciation as per Co Act	
Loss on Slump Sale	313
Less-	-
Depreciation as per IT Act	313
Ex Income share of Profit LLP	20,757
	1,223
	(44)
	1,179
Less:	19,578
Brought Forward Business Loss	
Unabsorbed Depreciation	19,578
	19,578

**GROSS TOTAL INCOME**

Tax on Business Income	-
Less: TDS Receivable	3,568
Refundable	3,568

**Note :-**

**Carry Forward Loss :**

	A.Y.	b/f	Additions	Adjusted	c/f
Business Loss	2019-20	41,142	-	19,578	21,564
Business Loss	2020-21	51,345	-	-	51,345
Unabsorbed Depreciation	2015-16	2,633	-	-	2,633
Unabsorbed Depreciation	2016-17	9,471	-	-	9,471
Unabsorbed Depreciation	2017-18	821	-	-	821
Unabsorbed Depreciation	2018-19	4,790	-	-	4,790
Unabsorbed Depreciation	2019-20	26,118	-	-	26,118
Unabsorbed Depreciation	2020-21	14,194	-	-	14,194
Long Term Capital Loss	2021-22	18,620	-	-	18,620

**Computation of DTA/DTL As on 31.03.2022**

**Particulars**

PPE as per Co Act except Land	2,487.85
PPE as per IT Act except Land	8,141.20
Difference	5,653.35
C/F Lossess	-
<b>DTA</b>	5,653.35
	25.17%
	1,422.83
Diff in Fair Value of Investment	(35,733.83)
C/F Lossess	1,30,933.57
<b>DTA</b>	95,199.74
	25.17%
<b>Net DTA</b>	23,959.87
	22,537.04

**LINCOLN INDUSTRIES LIMITED**

Details of Depreciation Allowable as per Income Tax Rules 1961 For the Asst Year - 2021-22

DESCRIPTION	RATE	WDV AS ON 01.04.2021	ADDITION MORE		ADDITION LESS		SALES	TOTAL	ADDITIONAL DEPRECIATION	Adjustments Slump Sale	DEPRECIATION	Amount in Rs	
			DATE	AMOUNT	DATE	AMOUNT						WDV AS ON 31.03.2022	
Furniture & Fixture	10%	1,119	-	-	-	-	1,119	-	-	-	112	1,007	
Air Conditioner	15%	91	-	-	-	-	91	-	-	-	14	77	
Electrical Equipment	15%	3,016	-	-	-	-	3,016	-	-	-	452	2,564	
Generator	15%	98	-	-	-	-	98	-	-	-	15	83	
Lease Hold Land		246	-	-	-	-	246	-	-	-	-	246	
Factory Building	10%	1,297	-	-	-	-	1,297	-	-	-	130	1,167	
Moped & Scooter	15%	257	-	-	-	-	257	-	-	-	39	218	
Office Building	5%	620	-	-	-	-	620	-	-	-	31	589	
Motor Car	15%	2,658	-	-	-	-	2,658	-	-	-	399	2,259	
Mobile Phone	15%	39	-	-	-	-	39	-	-	-	6	33	
Work Shop	15%	169	-	-	-	-	169	-	-	-	25	144	
<b>TOTAL</b>		<b>9,610</b>	-	-	-	-	<b>9,610</b>	-	-	-	<b>1,223</b>	<b>8,387</b>	