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; Fax: (033) 2225-4850

NOTICE OF 35th ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that 35th Annual General Meeting of the Members of the Company will be held at the Registered office of the Company at P-36, India Exchange Place Extn., Kolkata - 700001, on Saturday, the 29th September, 2018 at 1.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements and the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Reports of the Directors and Auditors thereon;

2. To appoint a Director in place of Mr. Praveen Chand Dhandhania (DIN – 00154048), who retires by rotation and being eligible, offers himself for re-appointment;

3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, relating to the appointment of the Auditors of the Company:

   "**RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 ('the Act') read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Chokhani & Associates, Chartered Accountants, (Firm Registration No – 326017E) be and are hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 40th Annual General Meeting on a remuneration as may be determined by the Board of Directors of the Company in consultation with the said Auditor."

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Fax: (033) 2225-4850

Dated: 30th May, 2018

By Order of the Board
For **Lincoln Industries Limited**

sd/-
Praveen Chand Dhandhania
Managing Director
(DIN: 00154048)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY DULY COMPLETED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

2. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**

3. 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.

4. Members / Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting.

5. 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.

6. Relevant documents referred to in the accompanying notice including Annual Report for the financial year 2017-2018 are open for inspection by members at the registered office of the company on all working days of the Company (Monday to Friday) between 11:00 a.m. and 1:00 p.m. up to the date of AGM.

7. The Register of Members and Share Transfer Books will remain closed under Section 91 of the Companies Act, 2013 from **23rd September, 2018 to 29th September, 2018 (both days inclusive)**.

8. All requests for physical transfer of Equity Shares, change of address and allied matters by shareholders should preferably be sent directly to the Company's Registrar & Share Transfer Agent – M/s Maheshwari Datamatics Pvt. Ltd., 23, R. N. Mukherjee Road, Kolkata 700 001.

9. Members desiring any information on accounts are advised to write to the company at least seven days before the Meeting to enable the Management to keep the information ready at the Meeting.

10. SEBI has made it mandatory for every participant in Capital Market to furnish Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in Physical form are also requested to submit self-attested copy of PAN (both sides) to the Registrar & Share Transfer Agents.

11. Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance vide Circular No. 17/2011 dated 21st April, 2011 allowing dispatch of notices, Annual Report and other correspondence through electronic mode via E-Mails. All shareholders – both Physical and DP are requested to send their Email Id to our Registrar & Share Transfer Agent for a faster communication.

12. Members may appoint nomination for Physical Shares held by them by sending completed Form available with the Company's Registrar & Share Transfer Agent and directly with their DP for Shares held in electronic mode. The Nomination Form is available on Company's website : www.lincoln-industries.net

13. SEBI has recently amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by its notification dated 8th June, 2018 providing that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. This provision shall come into force on the one hundred and eightieth day from the date of publication of the notification in the Official Gazette. In view of the above, the Shareholders holding shares of the Company in physical mode are requested to get their shares dematerialized at an early date.

14. Information about the Directors to be appointed and reappointed at the Annual General Meeting as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :-

Name of Director	**Mr. Praveen Chand Dhandhania**
Date of Birth & Age	29.04.1974
Nationality	Indian
Date of appointment on the Board	21.07.2003
Qualification	B. Com.
Expertise in Specific function areas.	More than 17 years of experience in Business and Finance management
List of Directorship Held in other Companies.	NIL
Membership/ Chairmanship of Committees Across other Companies	NIL
Number of shares held by Director In the company	19550
Director Identification Number	00154048

15. The Notice of the AGM along with the Annual Report 2017-2018 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

16. Complete particulars of the venue of the Meeting including route map and prominent land mark for easy location is enclosed for the convenience of the members. The same has also been hosted at the website of the Company at www.lincoln-industries.net.

17. VOTING THROUGH ELECTRONIC MEANS

I. In compliance to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The process and manner for remote e-voting are as under:

(i) The remote e-voting period commences on 26th September, 2018 (9:00 am) and ends on 28th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter

	RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. • Please Enter the DOB or Bank Account Number in order to Login. • If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Company Name i.e. **Lincoln Industries Limited** on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Institutional Shareholders & Custodians :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to https://www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user which 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 should be mailed to 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.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

18. Institutional Members / Bodies Corporate (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 **aklabhcs@gmail.com** with a copy marked to helpdesk.evoting@cdslindia.com on or before 28th September, 2018, upto 5:00 pm without which the vote shall not be treated as valid.

19. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 17th August, 2018.

20. The shareholders shall have one vote per equity share held by them as on the cut-off date of 22nd September, 2018. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2018.

21. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

22. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.

23. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 22nd September, 2018 are requested to send the written / email communication to the Company at sacmill@hotmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

24. Mr. Atul Kumar Labh , Practicing Company Secretary, (CP No- 3238) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

25. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.lincoln-industries.net and on the website of CDSL. The same will be communicated to the Stock Exchange where the shares of the Company are listed.

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Telephone: (033) 2225-4573
Fax: (033) 2225-4850
Dated: 30th May, 2018

By Order of the Board
For **Lincoln Industries Limited**

sd/-
Praveen Chand Dhandhania
Managing Director
(DIN: 00154048)

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ATTENDANCE SLIP

I hereby record my presence at the **35th** ANNUAL GENERAL MEETING of the Company on Saturday, 29th September, 2018 at P-36, India Exchange Place Extn., Kolkata - 700001, at 1.00 p.m.

Regd. Folio/DP-ID & Client ID	
Name and Address of the Shareholder	
Joint Holder(s)	
No. of shares held	

1) I hereby record my presence at the 35th Annual General Meeting of the Company being held on Saturday, 29th September, 2018, at 1.00 p.m.at P-36, India Exchange Place Extn., Kolkata – 700001.

2) Signature of the Shareholder / Proxy Present

3) Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip, duly signed, to the meeting and hand it over at the entrance.

4) Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

ELECTRONIC VOTING PARTICULARS

EVSN (E-voting Sequence Number)	User ID	Password
180901013		

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PROXY FORM (Form No. MGT – 11)

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

Name of the Company: **Lincoln Industries Limited** CIN: L51109WB1983PLC035957

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

Name of Member/(s): ....

Registered Address : ....

E-mail Id : ....

Folio No. .... DP ID No. .... Client ID No.: ....

I/We, being a member(s) holding .... Equity Shares of above named Company hereby appoint:

1. Name .... Address..
   E-mail Id .... Signature...or failing him/her
2. Name .... Address..
   E-mail Id .... Signature...or failing him/her
3. Name .... Address..
   E-mail Id .... Signature..

As my/our Proxy to attend and vote on (poll) for me / us, on my / our behalf at the 35th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at P-36, India Exchange Place Extn., Kolkata – 700001 at 1.00 p.m.and at any adjournment thereof in respect of such resolution(s) as are indicated below :

Sl .No	Resolutions	Vote For	Vote Against
	A. ORDINARY BUSINESS		
1	To adopt the audited financial Statements and audited consolidated financial statements of the Company for the financial year ended 31st March, 2018 and the report of Directors' and Auditors' thereon.		
2	To re-appoint Mr. Praveen Chandra Dhandhania (DIN – 00154048), director who retires by rotation		
3	To Appoint Auditors & fix their remuneration		

Affix Revenue Stamp

Signed this ....day of 2018

Signature of Member.. Signature of Proxy:..

NOTE: The Form of Proxy duly completed must be deposited at the Regd Office of the company not later than 48 hours before time of commencement of the meeting.

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(ANNEXURE TO THE NOTICE FOR THE 35th ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON Saturday, 29th September, 2018 at 1.00 p.m.)

1. Name & Registered Address of Sole/First named Member :

2. Joint Holders Name (If any) :

3. Folio No. / DP ID & Client ID :

4. No. of Equity Shares Held :

Dear Shareholder,

Subject: Process and manner for availing E-voting facility

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the 35th Annual General Meeting to be held on Saturday, 29th September, 2018 at P-36, India Exchange Place Extn., Kolkata - 700001 at 1.00 p.m. and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link https://www.evotingindia.com.

The Electronic Voting Particulars are set out below:

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
180901013		

The E-voting facility will be available during the following voting period:

Remote e-Voting Starts On	Remote e-Voting Ends On
26th September, 2018 (9.00 am) (IST)	28th September, 2018 (5:00 pm) (IST)

*Please read the instructions mentioned in the Notice before exercising your vote.

Place: Kolkata

By Order of the Board
For **Lincoln Industries Limited**

Dated: 30.05.2018

Managing Director
(DIN: 00154048)

Note - AGM Notice/Attendance Slip/Proxy Form are given in the enclosed Annual Report -2017-18.

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Date of AGM and Time	Saturday, 29th day of September, 2018, 1.00 P.M.
Venue	P-36, India Exchange Place Extn., Kolkata - 700001

BALLOT PAPER

Sl. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	
5	No. of shares	

I hereby exercise my vote in respect of resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Item No.	ORDINARY BUSINESS	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of audited financial Statements and audited consolidated financial statements of the Company for the financial year ended 31st March, 2018 and the report of Directors' and Auditors' thereon.			
2.	Re-appointment of Mr. Praveen Chand Dhandhania (DIN – 00154048), director who retires by rotation			
3.	Appointment of Auditors & fixation of their remuneration			

Place: Kolkata

Date: (Signature of the shareholder)

Google 36, India Exchange Pl Rd

Map data ©2015 Google 100 m

36, India Exchange Pl Rd
Murgighata, B B D Bagh
Kolkata, West Bengal 700001

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DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors hereby present the 35th Annual Report and Audited financial statement of the Company for the year ended 31st March 2018.

Financial Performance:

The Company's financial performance for the year ended 31st March, 2018 is summarized below:

(a) Standalone ***Amount in (Rs.)***

Financial Result	***Year Ended 31.03.2018***	***Year Ended 31.03.2017***
Total Revenue	41,06,48,883	35,01,42,979
Profit /(Loss) Before Tax	12,85,753	(1,35,577)
Profit /(Loss) After Tax	14,96,199	1,30,850
EPS	0.29	0.02

(b) Consolidated ***Amount in (Rs.)***

Financial Result	***Year Ended 31.03.2018***	***Year Ended 31.03.2017***
Total Revenue	41,32,27,707	35,69,89,092
Profit /(Loss) Before Tax	20,97,640	3,85,978
Profit /(Loss) After Tax	14,57,288	2,91,240
EPS	0.28	0.06

Financial Performance

During the financial year under review, total revenue increased from Rs. 35,01,42,979 to Rs. 41,06,48,883. Your Company had a net profit of Rs. 14,96,199 for the financial year compared to the net profit of Rs. 1,30,850 in the previous financial year.

Dividend

The Board of Directors regrets their inability to recommend any dividend for the financial year under report.

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, 2018 and the date of this Report of the Directors.

Subsidiary / Joint Ventures / Associates

Your Company has a subsidiary named PPA Fibres Private Limited. Particulars regarding the subsidiary are provided in the AOC-1 attached as **Annexure – 1** to this report.

Share Capital

The paid up Equity Share Capital as on March 31, 2018 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. There has been no change in the composition of the Board during the financial year under review.

Key Managerial Personnel

The following two persons were formally appointed as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

a) Mr. Praveen Chand Dhandhania, Managing Director
b) Mr. Shyam Sunder Bhageria, Chief Financial Officer (CFO)

Your Company is looking for a suitable candidate to be appointed as Company Secretary designated as KMP.

Meetings of Board and Committees:

Board Meetings
During the financial year 2017-2018, the Board met 6 times on 01.04.2017, 03.04.2017, 30.05.2017, 14.08.2017, 14.11.2017 and 14.02.2018.

Audit committee Meetings
During the financial year 2017-2018, the Committee met 4 times on 30.05.2017, 14.08.2017, 14.11.2017 and 14.02.2018.

Nomination and Remuneration Committee
During the financial year 2017-2018, no Committee meeting was held.

Stakeholders Relationship Committee
During the financial year 2017-2018, the Committee met once on 28.03.2018.

Board Evaluation

The Nomination & Remuneration Committee laid down the policy and process of evaluation of Board of Directors. Under this policy a set of parameters to be used in the evaluation process has been determined for:

i. Self evaluation of the Board Members
ii. Evaluation of Non- Independent Directors' performance by Independent Directors.
iii. Evaluation of Chairman's performance by Independent Directors.
iv. Assessment of quantity, quality and timeliness of information to the Board

Using the parameters mentioned above and in accordance with Guidance Note on Board Evaluation issued by SEBI dated 05.01.2017, the evaluation of the Board Members was carried out.

Meeting of Independent Directors

A separate meeting of Independent Directors was held on 30.12.2017 to evaluate performance of the Chairman of the Board, the Directors and the Board as a whole.

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.

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.

Audit Committee

The composition of the Audit Committee as on 31st March, 2018 is as follows:

1. Mr. Sushil Kumar Sureka - Chairman
2. Mr. Sushovan Saharoy
3. Mr. Praveen Chand Dhandhania

Nomination & Remuneration Committee

The composition of the Nomination & Remuneration Committee as on 31st March, 2018 is as follows:

1. Mr. Sushil Kumar Sureka - Chairman
2. Mr. Sushovan Saharoy
3. Mrs. Rinku Dhandhania

The Company's Remuneration Policy is available on the Company's website: www.lincoln-industries.net and is attached as **Annexure -2** and forms a part of this Report of the Directors.

Stakeholders Relationship Committee

The composition of the Stakeholders relationship committee as on 31st March, 2017 is as follows:

1. Mr. Sushil Kumar Sureka - Chairman
2. Mr. Sushovan Saharoy
3. Mr. Praveen Chand Dhandhania

Vigil Mechanism

The Company has in place a vigil mechanism details of which are available on the Company's website www.lincoln-industries.net

Contracts and Arrangements with Related Party

The Company follows a policy of disclosure of Related Party Transactions in each Meeting of the Audit Committee and also of the Board of Directors. The details of Related Party Transactions are enclosed as **Annexure -3.**

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-4** forming part of the Directors' Report.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT – 9 is enclosed as **Annexure -5** and forms part of this Report.

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 – 6** 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.

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 made an application for delisting of shares from Calcutta Stock Exchange.

Corporate Governance

Corporate Governance is not applicable to the company in terms of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015.

Auditors and Auditors Qualifications

The Board of Directors proposes to appoint M/s. Chokhani & Associates, Chartered Accountants, (Firm Registration No – 326017E) as the Statutory Auditors of the Company subject to the approval of the shareholders at the ensuing Annual General Meeting to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of 40th Annual General Meeting. The proposed Auditors have given their consent together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The observations made in the Auditor's Report, have been suitably explained in the Notes on Financial Statement which are self- explanatory.

Secretarial Audit

In terms of Section 204 of the Act and Rules made there under, Ms. Rinku Gupta, Practicing Company Secretary, (FCS – 9237, C.P. No. 9248) have been appointed as Secretarial Auditor of the Company for the financial year under review. The report of the Secretarial Auditor is enclosed as **Annexure - 7** to this report. Regarding the observation made therein, for non-appointment of Company Secretary, the Company is in process to appoint a qualified Company Secretary.

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.

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.

On behalf of the Board of Directors
For **Lincoln Industries Limited**

Place: Kolkata
Date: 30th May, 2018

Sd/-

Praveen Chand Dhandhania
Managing Director
(Din: 00154048)

Sd/-

Sushil Kumar Sureka
Director
(Din: 00154068)

ANNEXURE - 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

Name of the subsidiary	PPA Fibres Private Limited
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
3. Share capital	Rs. 1,00,000
4. Reserves & surplus	Rs. (176649)
5. Total assets	Rs. 31,701
6. Total Current Liabilities	Rs. 108,350
7. Investments	-
8. Turnover	-
9. Profit before taxation	Rs. (38,911)
10. Provision for taxation	-
11. Profit after taxation	Rs. (38911)
12. Proposed Dividend	-
13. % of shareholding	100%

The following information shall be furnished:-

1. **Names of subsidiaries which are yet to commence operations – N.A.**
2. **Names of subsidiaries which have been liquidated or sold during the year – N.A.**

Part "B": Associates and Joint Ventures: NIL

Place: Kolkata
Date: 30.05.2018

Sd/-

Praveen Chand Dhandhania
Managing Director
(Din: 00154048)

Sd/-

Sushil Kumar Sureka
Director
(Din: 00154068)

Sd/-

Shyam Sunder Bhageria
CFO
(PAN: AGDPB2968B)

ANNEXURE- 2

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 178 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 31st 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.

ANNEXURE - 3

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:

(i) (a) Name(s) of the related party and nature of relationship – Mr. Praveen Chand Dhandhania, Managing Director
(b) Nature of contracts/arrangements/transactions -Rent
(c) Duration of the contracts / arrangements/transactions – Tenure of appointment
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 60,000 as rent
(e) Date(s) of approval by the Board, if any:
(f) Amount paid as advances, if any: Nil

(ii) (a) Name(s) of the related party and nature of relationship – Mr. Praveen Chand Dhandhania, Managing Director
(b) Nature of contracts/arrangements/transactions – Director's Remuneration
(c) Duration of the contracts / arrangements/transactions – Tenure of appointment
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 60,000 as Director's Remuneration
(e) Date(s) of approval by the Board, if any:
(f) Amount paid as advances, if any: Nil

Place: Kolkata
Date: 30th May, 2018

Sd/-

Praveen Chand Dhandhania
Managing Director
(Din: 00154048)

Sd/-

Sushil Kumar Sureka
Director
(Din: 00154068)

ANNEXURE – 4

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 2017-18	(ii) Percentage increase in Remuneration during 2017-18
Mr. Praveen Chand Dhandhania	Managing Director	0.7:1	-
Ms. Rinku Dhnadhania	Director	-	-
Mr. Sushil Kumar Sureka	Director	-	-
Mr. Sushovan Saharoy	Director	-	-
Mr. Shyam Sunder Bhageria	CFO	3.6:1	-

Sl. No.	Description	Remarks
iii.	the percentage increase in the median remuneration of employees in the financial year;	10.00%
iv.	the number of permanent employees on the rolls of company;	24
v.	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 – 3.00% Average Salary increase of managerial employees – nil
vi.	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. 8.5 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. 2017-18:

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	SHYAM SUNDER	MANAGER	25000/- P.M.	Permanent	10th	01/05/2005	43	NA	Nil	No
2	NARESH SHARMA	PURCHASER	22000/- P.M.	Permanent	8th	01.09.2016	37	NA	Nil	No
3	YOGESH Sharma	ACCOUNTANT	20000/- P.M.	Permanent	B.A.	15/10/2005	32	NA	Nil	No
4	ANIL KUMAR	ACCOUNTANT	19000/- P.M.	Permanent	B.COM	01/11/2006	31	NA	Nil	No
5	KAMAL BHAGERIA	PRODUCTION INCHARGE	18000/- P.M.	Permanent	10th	01/07/2007	45	NA	Nil	No
6	ROOPDASS SWAMI	SUPERVISOR	16000/- P.M.	Permanent	8th	01/05/2005	47	NA	Nil	No
7	ASHOK YADAV	CLERK	12000/- P.M.	Permanent	10th	01/04/2017	25	NA	Nil	No
8	VISHWANATH SHARMA	PRESS CLERK	12000/- P.M.	Permanent	8th	01.11.2016	59	NA	Nil	No
9	LAKHAN YADAV	CLERK	12000/- P.M.	Permanent	9th	01.04.2017	25	NA	Nil	No
10	SUSHIL KUMAR	CLERK	10500/- P.M.	Permanent	9th	07.09.2016	21	NA	Nil	No

Annexure - 5

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018
[Pursuant tp section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) CIN	:	L51109WB1983PLC035957
(ii) Registration Date	:	28.02.1983
(iii) Name of the Company	:	Lincoln Industries Limited
(iv) Category / Sub-Category of the Company	:	Public Company limited by shares
(v) Address of the Registered Office and contact details	:	P - 36, India Exchange Place Extn. 2nd Floor Kolkata - 700001
(vi) Whether Listed Company.	:	Yes
(vii) Name, address and contact details of the Registrar and Transfer Agent, if any	:	Maheshwari Datamatics Pvt.Ltd., 6, Mangoe Lane, 2nd floor, Kolkata - 700001 Phone : (033) 2243-5029 / 5: 2248-2248 Fax : (033) 2248-4787 Email: mdpl@cal.vsnl.net.in & mdpl@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :-

Sl.No.	Name and Description of main products / services	NIC Code of the Produt / Service	% to total turnover of the Company
1	Cotton ginning	01632	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl.No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1	**PPA Fibres Private Limited** P - 36, India Exchange Place Extn. 2nd Floor Kolkata - 700001	U74900WB2013PTC195848	Subsidiary	100.00%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2017]				No of Shares held at the end of the year [As on 31/Mar/2018]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	140050	0	140050	2.6702	140050	0	140050	2.6702	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	140050	0	140050	2.6702	140050	0	140050	2.6702	0.0000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	140050	0	140050	2.6702	140050	0	140050	2.6702	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c)Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	0	0	0	0.0000	0	0	0	0.0000	0.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	100000	5000000	5100000	97.2355	100000	5000000	5100000	97.2355	0.0000
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	4950	4950	0.0944	0	4950	4950	0.0944	0.0000
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Others (Specify)									
Non Resident Indians									
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	100000	5004950	5104950	97.3299	100000	5004950	5104950	97.3299	0.0000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	100000	5004950	5104950	97.3299	100000	5004950	5104950	97.3299	0.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	240050	5004950	5245000	100.0000	240050	5004950	5245000	100.0000	0.0000

ii) Shareholding of Promoters-

		Shareholding at the beginning of the year [As on 01/Apr/2017]			Shareholding at the end of the year [As on 31/Mar/2018]			% change in share holding during the Year
Sl No	Shareholder's Name	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Pravesh Dhandhania	24000	0.4576	0.0000	24000	0.4576	0.0000	0.0000
2	PREM CHAND DHANDHANIA	23000	0.4385	0.0000	23000	0.4385	0.0000	0.0000
3	PRATEET DHANDHANIA	21200	0.4042	0.0000	21200	0.4042	0.0000	0.0000
4	Praveenchand Dhandhania	19550	0.3727	0.0000	19550	0.3727	0.0000	0.0000
5	SEEMA DHANDHANIA	18050	0.3441	0.0000	18050	0.3441	0.0000	0.0000
6	Mukul Dhandhania	16500	0.3146	0.0000	16500	0.3146	0.0000	0.0000
7	PREMLATA DHANDHANIA	15900	0.3031	0.0000	15900	0.3031	0.0000	0.0000
8	Premchand Dhandhania	1200	0.0229	0.0000	1200	0.0229	0.0000	0.0000
9	PUSHPA DEVI DHANDHANIA	300	0.0057	0.0000	300	0.0057	0.0000	0.0000
10	RINKU DHANDHANIA	100	0.0019	0.0000	100	0.0019	0.0000	0.0000
11	SANDEEP DHANDHANIA	50	0.0010	0.0000	50	0.0010	0.0000	0.0000
12	MOHAN LAL DHANDHANIA	50	0.0010	0.0000	50	0.0010	0.0000	0.0000
13	RACHANA DHANDHANIA	50	0.0010	0.0000	50	0.0010	0.0000	0.0000
14	SITARAM DHANDHANIA	50	0.0010	0.0000	50	0.0010	0.0000	0.0000
15	RADHESHYAM DHANDHANIA	50	0.0010	0.0000	50	0.0010	0.0000	0.0000
	TOTAL	140050	2.6702	0.0000	140050	2.6702	0.0000	0.0000

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No	Name	Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PREM CHAND DHANDHANIA				
	01-04-2017	23000	0.4385		
	31-03-2018	23000	0.4385	23000	0.4385
2	RINKU DHANDHANIA				
	01-04-2017	100	0.0019		
	31-03-2018	100	0.0019	100	0.0019
3	SANDEEP DHANDHANIA				
	01-04-2017	50	0.0010		
	31-03-2018	50	0.0010	50	0.0010
4	MOHAN LAL DHANDHANIA				
	01-04-2017	50	0.0010		
	31-03-2018	50	0.0010	50	0.0010
5	SEEMA DHANDHANIA				
	01-04-2017	18050	0.3441		
	31-03-2018	18050	0.3441	18050	0.3441
6	PREMLATA DHANDHANIA				
	01-04-2017	15900	0.3031		
	31-03-2018	15900	0.3031	15900	0.3031
7	PUSHPA DEVI DHANDHANIA				
	01-04-2017	300	0.0057		
	31-03-2018	300	0.0057	300	0.0057
8	Premchand Dhandhania				
	01-04-2017	1200	0.0229		
	31-03-2018	1200	0.0229	1200	0.0229
9	SITARAM DHANDHANIA				
	01-04-2017	50	0.0010		
	31-03-2018	50	0.0010	50	0.0010
10	Praveenchand Dhandhania				
	01-04-2017	19550	0.3727		
	31-03-2018	19550	0.3727	19550	0.3727
11	Pravesh Dhandhania				
	01-04-2017	24000	0.4576		
	31-03-2018	24000	0.4576	24000	0.4576
12	RADHESHYAM DHANDHANIA				
	01-04-2017	50	0.0010		
	31-03-2018	50	0.0010	50	0.0010
13	RACHANA DHANDHANIA				
	01-04-2017	50	0.0010		
	31-03-2018	50	0.0010	50	0.0010
14	Mukul Dhandhania				
	01-04-2017	16500	0.3146		

iii) Change in Promoters' Shareholding (please specify, if there is no change)					
		Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	31-03-2018	16500	0.3146	16500	0.3146
15	PRATEET DHANDHANIA				
	01-04-2017	21200	0.4042		
	31-03-2018	21200	0.4042	21200	0.4042

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

		Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PRACTICAL TRADERS (P) LTD.				
	01-04-2017	150000	2.8599		
	31-03-2018	150000	2.8599	150000	2.8599
2	HARIOM SUPPLIERS (P) LTD				
	01-04-2017	150000	2.8599		
	31-03-2018	150000	2.8599	150000	2.8599
3	SRI DURGA MINERALS PVT LTD				
	01-04-2017	250000	4.7664		
	31-03-2018	250000	4.7664	250000	4.7664
4	DHANCOT FIBRES (P) LTD				
	01-04-2017	2000000	38.1316		
	31-03-2018	2000000	38.1316	2000000	38.1316
5	PUSHPANJALI BARTER PVT. LTD.				
	01-04-2017	250000	4.7664		
	31-03-2018	250000	4.7664	250000	4.7664
6	ANKIT DEALERS PVT. LTD.				
	01-04-2017	500000	9.5329		
	31-03-2018	500000	9.5329	500000	9.5329
7	DRAKE COMMERCIAL PVT. LTD.				
	01-04-2017	350000	6.6730		
	31-03-2018	350000	6.6730	350000	6.6730
8	PARASMANI CONSULTANTCY SERVICES PVT. LTD				
	01-04-2017	150000	2.8599		
	31-03-2018	150000	2.8599	150000	2.8599
9	OMKARA INVESTMENT ADVISORY PVT. LTD.				
	01-04-2017	150000	2.8599		
	31-03-2018	150000	2.8599	150000	2.8599
10	CHANDA CAST IRON INDUSTRIES PVT. LTD.				
	01-04-2017	250000	4.7664		
	31-03-2018	250000	4.7664	250000	4.7664

* Not in the list of Top 10 shareholders as on 01/04/2017 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.

v) Shareholding of Directors and Key Managerial Personnel					
		Shareholding at the beginning [01/Apr/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Praveenchand Dhandhania	19550	0.3727	19550	0.3727
2	RINKU DHANDHANIA	100	0.0019	100	0.0019

V. INDEBTEDNESS

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

	Secured loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1,76,48,785	-	-	1,76,48,785
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,76,48,785	-	-	1,76,48,785
Change in Indebtedness during the financial year				
(i) Addition	74,05,724	-	-	74,05,724
(ii) Reduction	-	-	-	-
Net change	74,05,724			74,05,724
Indebtedness at the end of the financial year				
(i) Principal Amount	2,50,54,509	-	-	2,50,54,509
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,50,54,509	-	-	2,50,54,509

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER

Sl.No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Mr. Praveen Chand Dhandhania (MD)	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	60000 - -	60000 - -
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total	60000	60000
	Ceiling as per the Act.		

B. REMUNERATION TO OTHER DIRECTORS

Sl.No.	Particulars of Remuneration	Name of the Direcrors		Total Amount
		Mr. Sushil Kumar Sureka	Mr. Sushovan Saharoy	
1	Independent Directors			
	* Fee for attending Board & Committee meetings	-	-	-
	* Commission	-	-	-
	* Others, please specify	-	-	-
	Total (1)	-	-	
2	Other Non-Executive Directors	Ms. Rinku Dhandhania		
	* Fee for attending Board & Committee meetings	-	-	-
	* Commission	-	-	-
	* Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act.	-	-	-

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

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
				Mr. Shyam Sunder Bhageria	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	- - -	- - -	300000 - -	- - -
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	300000	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act.	Brief Description	Details of Penalty/ Punishment/ Compound-ing fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

B. DIRECTORS

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

C. OTHER OFFICERS IN DEFAULT

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE – 6

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, 2018

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 equipments:

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.

Annexure - 7

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[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.
2nd Floor
Kolkata - 700 001

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., 2nd 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 31.03.2018 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 Board 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 statues 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 31.03.2018 according to the provisions of:

(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.

The Company has informed that there are no laws which are specifically applicable to 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 including general laws, labour laws, competition law, environments laws, etc.

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

1. ***The Company has not appointed Company Secretary in terms of Section 203 of the Companies Act, 2013.***

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, 1998;

(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 (Issue of Capital and Disclosure Requirements) Regulation, 2009;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

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.

(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 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.

For **Rinku Gupta & Associates**
Company Secretaries

(CS Rinku Gupta)
Practicing Company Secretary
FCS – 9237 / CP No.- 9248

Place : Kolkata
Dated : 30.05.2018

B K S & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
To the Members of Lincoln Industries Limited
Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Lincoln Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit/loss including other comprehensive income, its cash flows and the changes in equity 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.

Responsibilities of Management for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of Financial Statements

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" statement on the matters specified in paragraphs 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 purpose of our audit.

BKS & CO. Kolkata Chartered Accountants

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us

h) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

i) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

CA Akash Sureka
Partner
Membership No. : 310901
Place : Kolkata
Date : 30/05/2018

COMPANIES AUDITOR'S REPORT ORDER, 2016
To the Members of Lincoln Industries Limited

"ANNEXURE A" TO THE AUDIT REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018.

(i) Fixed Asset

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No discrepancies were noticed on such physical verification.

c) The title deeds of immovable properties are held in the name of the company.

(ii) Inventories

a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

(iii) Loans given by company

The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

(iv) Loans to director and investment by company

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

(v) Deposits

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

BKS & CO. Kolkata Chartered Accountants

Diamond Heritage Bldg 16 Strand Road 5th Floor
Suit # 519 Kolkata 700 001 Mob : 9433068790
Ph 033-6616 8553/54 E-mail : binay1@yahoo.com

(vi) Cost Records

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

(vii) Statutory Dues

a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

(viii) Repayment of Loans

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

(ix) Utilisation of Funds

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

(x) Reporting of Frauds

Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company has been noticed or reported during the year.

(xi) Approval of Managerial Remuneration

Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

(xiii) Related Party Transaction

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) Private Placement of Preferential Issue

Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) Non-cash Transaction

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) Registration under RBI Act

In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

Akash Sureka

CA Akash Sureka
Partner
Membership No. : 310901
Place : Kolkata
Date : 30/05/2018

BKS & CO. Kolkata Chartered Accountants

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

"ANNEXURE B" TO THE AUDIT REPORT

We have audited the internal financial controls over financial reporting of Lincoln Industries Limited as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

BKS & CO. Kolkata

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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

Akash

CA Akash Sureka
Partner
Membership No. : 310901
Place : Kolkata
Date : 30/05/2018

BKS & CO. Kolkata Chartered Accountants

LINCOLN INDUSTRIES LIMITED
P 36, India Exchange Place Extn, 2nd Floor, Kolkata - 700001
CIN No.: L51109WB1983PLC035957
Standalone Balance Sheet as at 31 March 2018

Amount in Rs.

	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4	18,297,746	21,730,378	25,837,205
(b) Financial assets				
(i) Investments	5	47,099,684	44,929,011	43,198,248
(c) Other non-current assets	6	2,269,961	2,269,961	2,269,961
Total Non-current assets		67,667,391	68,929,350	71,305,414
(2) Current assets				
(a) Inventories	7	15,198,293	4,473,417	15,351,604
(b) Financial assets				
(i) Trade receivables	8	13,522,340	19,011,038	4,026,174
(ii) Cash and cash equivalents	9	792,874	1,171,468	966,239
(iii) Other financial assets	10	285,133	276,336	267,211
(c) Current tax asset (net)	11	1,401,012	355,045	322,160
(d) Other current assets	12	23,753,416	22,921,915	19,163,664
Total Current assets		54,953,068	48,209,219	40,097,052
TOTAL ASSETS		122,620,459	117,138,569	111,402,466
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13	52,450,000	52,450,000	52,450,000
(b) Other equity	14	34,158,562	32,662,363	31,837,670
Total Equity		86,608,562	85,112,363	84,287,670
Liabilities				
(1) Non-current liabilities				
(a) Deferred tax liabilities (net)	15	8,876,097	9,086,542	9,042,699
Total Non-current liabilities		8,876,097	9,086,542	9,042,699
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	25,054,509	17,648,785	14,049,761
(ii) Trade payables	17	1,408,941	4,872,399	3,922,226
(b) Other current liabilities	18	672,351	418,480	100,110
Total Current liabilities		27,135,800	22,939,664	18,072,097
TOTAL EQUITY AND LIABILITIES		122,620,459	117,138,569	111,402,466

Significant accounting policies 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For B K S & Co
Chartered Accountants
FRN: 325718E

B K S & Co. Kolkata Chartered Accountants

CA AKASH SUREKA
Partner
Membership No: 310901
Place: Kolkata
Dated: The 30th day of May, 2018

For and on behalf of the Board

DIRECTOR
DIN:00154406

DIRECTOR
DIN:00154044

(Shyam Sunder Bagaria)
CFO

LINCOLN INDUSTRIES LIMITED
P 36, India Exchange Place Extn, 2nd Floor, Kolkata - 700001
CIN No.: L51109WB1983PLC035957
Standalone Statement of Profit and Loss for the year ended 31 March 2018

Amount in Rs.

	Particulars	Note	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from operations	19	40,79,45,213	34,90,85,104
II	Other income	20	27,03,670	10,57,875
III	**Total income (I + II)**		41,06,48,883	35,01,42,979
IV	Expenses			
	Cost of materials consumed	21	21,71,12,231	27,80,40,810
	Purchase of stock-in-trade	22	16,94,02,194	4,57,05,393
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(27,31,737)	29,35,282
	Employee benefits expense	24	56,54,921	61,65,040
	Finance costs	25	16,84,352	22,11,272
	Depreciation and amortisation expense	4	34,32,632	42,80,469
	Other expenses	26	1,48,08,537	1,09,40,290
	Total expenses (IV)		40,93,63,130	35,02,78,556
V	**Profit/ (loss) before tax (III-IV)**		12,85,753	(1,35,577)
VI	**Tax expense:**			
	Current tax		-	-
	Deferred tax		(2,10,446)	(2,66,427)
	For Earlier Years			
VII	**Profit / (loss) for the year (V-VI)**		14,96,199	1,30,850
	Other comprehensive income (net of tax)			
	A. Items that will not be reclassified to profit or loss			
	(a) Equity instruments through other comprehensive income - net change in fair value (net of taxes)		-	10,04,113
	(b) Income taxes relating to items that will not be reclassified to profit or loss		-	(3,10,271)
	Net other comprehensive income not to be reclassified subsequently to profit or loss		-	6,93,842
	B. Items that will be reclassified to profit or loss		-	-
	Net other comprehensive income to be reclassified subsequently to profit or loss		-	-
VIII	**Other comprehensive income**		-	6,93,842
IX.	**Total comprehensive income for the year (VII+VIII)**		14,96,199	8,24,692
X.	**Earnings per equity share**			
	[Face value of equity share Rs. 10 each (previous year Rs. 10 each)]			
	- Basic	28	0.29	0.02
	- Diluted	28	0.29	0.02

Significant accounting policies 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For B K S & Co
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA AKASH SUREKA
Partner
Membership No: 310901
Place: Kolkata
Dated: The 30th day of May, 2018

For and on behalf of the Board

DIRECTOR
DIN:00154068

DIRECTOR
DIN:00154048

(Shyam Sundar Bhagania)
CFO

LINCOLN INDUSTRIES LIMITED

Statement of Cash Flow for the year ended 31st March 2018

Amount in Rs.

	Particulars	Year ended 31-03-2018		Year ended 31-03-2017	
		Amount	Amount	Amount	Amount
A.	**Cash Flows from Operating Acitivities**				
	Net Profit/(Loss) before tax		1,285,753		(135,577)
	Adjustment for:				
	Depreciation	3,432,632		4,280,469	
	Interest expense	1,614,496		2,121,908	
	Profit From Partnership Firm	(2,170,673)		(726,650)	
	Loss on sale of fixed asset	-		802	
	Interest Income	(532,997)		(331,225)	
			2,343,458		5,345,304
	Operating cash flows before working capital changes		**3,629,211**		**5,209,727**
	Working capital adjustments:				
	(Increase)/Decrease in Inventories	(10,724,876)		10,878,187	
	(Increase)/Decrease in Trade Receivables	5,488,698		(14,984,864)	
	(Increase)/Decrease in Other Assets	(1,886,265)		(3,800,261)	
	Increase/(Decrease) in Trade Payables	(3,463,458)		950,173	
	Increase/(Decrease) in Current Liabilities	253,871		318,370	
			(10,332,030)		(6,638,395)
	Cash generated from operations		**(6,702,819)**		**(1,428,668)**
	Income tax paid (net)		-		-
	Net Cash from / (used in) Operating Activities (A)		**(6,702,819)**		**(1,428,668)**
B.	**Cash Flows from Investing Activities**				
	Purchase of Property, plant & equipment	-		(209,444)	
	Sale of Property, plant & equipment	-		35,000	
	Interest Income	532,997		331,225	
	Net Cash used in Investing Activities (B)		**532,997**		**156,781**
C.	**Cash Flow from Financing Activities**				
	Increase/ (Decrease) in Short-term Borrowings	7,405,724		3,599,024	
	Interest Paid	(1,614,496)		(2,121,908)	
	Net Cash from Financing Activities (C)		**5,791,228**		**1,477,116**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)		**(378,594)**		**205,229**
	Cash and Cash Equivalents at the beginning of the year		**1,171,468**		**966,239**
	Cash and Cash Equivalents at the end of the year		**792,874**		**1,171,468**
	(Refer Note No. 9 to the Accounts)				

Note :

i) Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS - 7 specified under section 133 of the Companies Act, 2013

ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances) during the year.

iii) Figures in brackets indicate cash outflow.

Significant accounting policies: Note 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For B K S & Co
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA AKASH SUREKA
Partner
Membership No: 310901
Place: Kolkata
Dated: The 30th day of May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 00154

DIRECTOR
DIN: 00154

(Shyam Sunder Bhagaria)

CFO

LINCOLN INDUSTRIES LIMITED

Standalone Statement of Changes in Equity for the year ended 31 March 2018

Amount in Rs.

A. Equity share capital

Particulars	Number	Amount
Balance as at 1 April 2016	52,45,000	5,24,50,000
Changes in equity share capital during 2016-17	-	-
Balance as at 31 March 2017	52,45,000	5,24,50,000
Changes in equity share capital during 2017-18	-	-
Balance as at 31 March 2018	52,45,000	5,24,50,000

B. Other equity

Particulars	Export Profit Reserve	Retained earnings	Total
Balance at 1 April 2016	2,40,000	3,15,97,670	3,18,37,670
Profit or Loss	-	1,30,850	1,30,850
Other comprehensive income (net of tax)	-	6,93,842	6,93,842
Total comprehensive income for the year	-	8,24,692	8,24,692
Dividend	-	-	-
Income tax on dividend paid	-	-	-
Other adjustments	-	-	-
Transfer from retained earnings	-	-	-
Balance at 31 March 2017	2,40,000	3,24,22,363	3,26,62,363
Profit or Loss	-	14,96,199	14,96,199
Other comprehensive income (net of tax)	-	-	-
Total comprehensive income	-	14,96,199	14,96,199
Dividend	-	-	-
Income tax on dividend paid	-	-	-
Other adjustments	-	-	-
Transfer from retained earnings	-	-	-
Balance at 31 March 2018	2,40,000	3,39,18,562	3,41,58,562

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For B K S & Co
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA AKASH SUREKA
Partner
Membership No: 310901
Place: Kolkata
Dated: The 30th day of May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 00154018

DIRECTOR
DIN: 00154048

(Shyam Sundar Bhagat)

CFO

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 it's operating plant loacated 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.

The Company has adopted all the Ind AS standards and adoptions was carried out in accordance with Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP. Reconciliations and descriptions of the effect of transition has been sumarised in Note 34.

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 for the following items:

(i) Certain financial assets and financial liabilities measured at fair value;
(ii) Employee's defined benefit plan as per actuarial valuation.

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.

BKS & CO. Kolkata Chartered Accountants

(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) Defined benefit plans:

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) 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.

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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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.

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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 are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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 included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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.

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 intially 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

BKS & CO. Kolkata Chartered Accountants

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.

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• Amortised cost
• Fair value through other comprehensive income (FVTOCI)
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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.

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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 included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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.

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 intially 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

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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.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

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.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

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.

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iv. Depreciation and amortisation

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

Depreciation on fixed assets 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.

d) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a written down value basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Estimated useful life of the Computer Software is 5 years.

e) 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.

The cost of inventories is based on the first-in first-out (FIFO) formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs including octroi and other levies, transit insurance and receiving charges incurred in bringing them to their present location and condition. Excise duty liability is included in the valuation of closing inventory of the finished goods.

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.

f) Impairment

i. Impairment of financial instruments: financial assets

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

The impairment losses and reversals are recognised in Statement of Profit and Loss.

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.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

BKS & CO. ★ Kolkata ★ Chartered Accountants

g) 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.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

h) 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Revenue Recognition

Revenue from sale of goods is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discount to customers. Revenue from sale of goods includes excise and is recorded after taking into account contractually defined terms of payment and excluding other taxes or duties collected on behalf of the government.

j) 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.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet. Payments made under operating leases are recognized in the Statement of Profit or Loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with general inflation.

k) 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 or expense 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 contactual terms of the financial instrument (for example, payment, extension, call and similar options) but does not consider the expected credit losses.

l) 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.

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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.

m) **Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

n) **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.

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Amount in Rs.

4

Particulars	Gross Block[1]						
	Balance at 1st April 2016	Additions	Disposals/ Discard	Balance at 31st March 2017	Additions	Disposals/ Discard	Balance at 31st March 2018
Property, plant and equipment							
Leasehold Land	24,620	-	-	24,620	-	-	24,620
Owned Buildings	1,30,81,052	-	-	1,30,81,052	-	-	1,30,81,052
Plant and equipment	1,23,34,472	2,09,444	-	1,25,43,916	-	-	1,25,43,916
Furniture and fixtures	14,469	-	-	14,469	-	-	14,469
Vehicles	3,82,492	-	(35,802)	3,46,690	-	-	3,46,690
Office equipment	100	-	-	100	-	-	100
Total	2,58,37,205	2,09,444	(35,802)	2,60,10,847	-	-	2,60,10,847

(1) The company has elected to measure all its property, plant and equipments at the previous GAAP carrying amount i.e 31st March, 2016 as its deemed cost (Gross Block Value) on the date of transition to IND AS i.e 1st April, 2016.

Particulars	Accumulated Depreciation							Net Block		
	Balance on 1st April 2016	Depreciation for the year	Adjustments/ Disposals	Balance at 31st March 2017	Depreciation for the year	Adjustments/ Disposals	Balance at 31st March 2018	At 1st April 2016	At 31st March 2017	At 31st March 2018
Property, plant and equipment										
Leasehold Land	-	-	-	-	-	-	-	24,620	24,620	24,620
Owned Buildings	-	13,71,554	-	13,71,554	12,26,806	-	25,98,360	1,30,81,052	1,17,09,498	1,04,82,692
Plant and equipment	-	28,24,171	-	28,24,171	21,44,471	-	49,68,642	1,23,34,472	97,19,745	75,75,274
Furniture and fixtures	-	-	-	-	-	-	-	14,469	14,469	14,469
Vehicles	-	84,744	-	84,744	61,355	-	1,46,099	3,82,492	2,61,946	2,00,591
Office equipment	-	-	-	-	-	-	-	100	100	100
Total	-	42,80,469	-	42,80,469	34,32,632	-	77,13,101	2,58,37,205	2,17,30,378	1,82,97,746

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Amount in Rs.

5 Non-Current Investments

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unquoted Investments			
Investments in Equity Instruments			
In Subsidiary (at cost)			
PPA Fibres (P) Ltd., 10,000 (31st March 2017: 10,000; 1 April 2016: 10,000) Equity Shares of Rs.10/- each fully paid	100,000	100,000	100,000
In Others (at fair value through Other Comprehensive Income)			
Sri Annapurna Cotton Mills & Ind Ltd., 8,000 (31st March 2017: 8,000; 1 April 2016: 8,000) Equity Shares of Rs. 10/- each fully paid	758,231	758,231	760,154
Calvin Barter (P) Ltd., 4,00,800 (31st March 2017: 4,00,800; 1 April 2016: 4,00,800) Equity Shares of Rs. 1/- each fully	11,240,425	11,240,425	11,117,947
Dhancot Fibres (P) Ltd., 1,96,000 (31st March 2017: 1,96,000; 1 April 2016: 1,96,000) Equity Shares of Rs. 10/- each fully paid	19,967,629	19,967,629	19,096,561
P & P highrise (P) Ltd., 1,18,626 (31st March 2017: 1,18,626; 1 April 2016: 1,18,626) Equity Shares of Rs. 10/- each fully paid	8,214,305	8,214,305	8,201,817
Investments in Partnership Firm			
In Subsidiary (at cost)			
Original LLP* (Refer note below)	4,042,155	2,119,387	1,512,350
In Others (at fair value through profit or loss)			
Pragati Dealmark LLP* (Refer note below)	2,773,938	2,526,033	2,406,420
Investment in Government or Trust Securities - (at amortised cost)	3,000	3,000	3,000
Total	47,099,684	44,929,011	43,198,248
Aggregate value of unquoted investments	47,099,684	44,929,011	43,198,248

Note:

Original LLP

Name of Partners	Share in profits			Total Capital		
	31st March 2018	31st March 2017	31st March	31st March	31st March	31st March
Mukul Dhandhania	0.000063%	0.000063%	0.000063%	249	128	90
Premlata Dhandhania	0.000007%	0.000007%	0.000007%	27	14	10
Lincoln Industries Limited	99.99993%	99.99993%	99.99993%	3,957,465	2,034,697	1,427,660

Pragati Dealmark LLP

Name of Partners	Share in profits			Total Capital		
	31st March 2018	31st March 2017	31st March	31st March	31st March	31st March
Melody Commercial LLP	47.31%	47.31%	47.31%	4,490,558	3,089,179	3,000,000
Subhdata Dealers LLP	48.89%	48.89%	48.89%	4,693,577	3,138,913	3,100,000
Lincoln Industries Limited	3.80%	3.80%	3.80%	608,160	360,255	240,642

* The difference in investment in LLP's vis-à-vis capital balance in LLP is on account of conversion of Original Commotrade Private Limited into Original LLP on 18th day of March 2016 and conversion of Pragati Delmark Private Limited into Pragati Delmark LLP on 21st day of May 2016.

6 Other non-current assets

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances other than capital advances			
- Security and other deposits	2,269,961	2,269,961	2,269,961
Total	2,269,961	2,269,961	2,269,961

BKS & CO. Kolkata Chartered Accountants

Amount in Rs.

7 Inventories	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(Valued at the lower of cost and net realisable value)			
Raw materials	7,628,693	-	8,001,406
Finished goods	5,181,216	-	4,514,924
Stock-in-trade	1,597,897	4,047,376	2,467,734
Stores and spares	303,021	211,355	280,215
Packing materials	487,466	214,686	87,325
Total	15,198,293	4,473,417	15,351,604

8 Trade receivables	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good	13,522,340	19,011,038	4,026,174
Total	13,522,340	19,011,038	4,026,174

9 Cash and cash equivalents	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with banks	285,849	291,301	522,755
Cash on hand	507,025	880,167	443,484
Total	792,874	1,171,468	966,239

10 Other Financial Assets	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Bank deposit	285,133	276,336	267,211
Total	285,133	276,336	267,211

*Represents deposits with original maturity of more than 12 months from the Balance Sheet date.

11 Current tax Asset (net)	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advance payment of tax (net of provisions)	1,401,012	355,045	322,160
Total	1,401,012	355,045	322,160

12 Other current assets	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances other than capital advances			
- Advance from customers	20,420,144	17,553,273	17,218,459
Other advances			
- Balance with Revenue Authorities	3,318,769	5,358,234	1,945,205
- Prepaid Expenses	14,503	10,408	-
Total	23,753,416	22,921,915	19,163,664

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Amount in Rs.

13 Equity share capital	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised			
60,00,000 (31st March 2017- 60,00,000 ; 1st April 2016 - 60,00,000) Equity Shares of Rs.10/- each	60,000,000	60,000,000	60,000,000
	60,000,000	60,000,000	60,000,000
Issued, subscribed and fully paid-up			
52,45,000 (31st March 2017- 52,45,000 ; 1st April 2016 - 52,45,000) Equity Shares of Rs.10/- each fully Paid up	52,450,000	52,450,000	52,450,000
	52,450,000	52,450,000	52,450,000

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the period

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Amount	Number	Amount	Number	Amount
Balance as at the beginning of the year	5,245,000	52,450,000	5,245,000	52,450,000	5,245,000	52,450,000
Add: Issued during the year	-	-	-	-	-	-
Balance as at the end of the year	5,245,000	52,450,000	5,245,000	52,450,000	5,245,000	52,450,000

B. Rights, prefernces and restrictions attaching to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupeee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

C. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
Name of the Shareholder	Number	% of total shares in	Number	% of total shares	Number	% of total shares
Dhancot Fibres Pvt. Ltd.	2,100,000	40.04%	2,100,000	40.04%	2,100,000	40.04%
Ankit Dealers Pvt. Ltd.	500,000	9.53%	500,000	9.53%	500,000	9.53%
Drake Commercial Pvt. Ltd.	350,000	6.67%	350,000	6.67%	350,000	6.67%

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Amount in Rs.

14 Other equity

Components	Note	1st April 2017	Movement during the year	31 March 2018	1 April 2016	Movement during the year	31 March 2017
Retained earnings	a	32,422,363	1,496,199	33,918,562	31,597,670	824,692	32,422,363
Export Profit Reserve	b	240,000	-	240,000	240,000	-	240,000
		32,662,363	1,496,199	34,158,562	31,837,670	824,692	32,662,363

The description of the nature and purpose of each reserve within equity is as follows:

(a) Retained earnings: This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

(b) Export Profit Reserve: Amount set aside out of profits from exports for availing income tax benefits.

15 Deferred Tax Liabilities (net)	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred tax liability (net)	8,876,097	9,086,542	9,042,699
Total	8,876,097	9,086,542	9,042,699

Deferred tax liabilities/assets in relation to

Movement in deferred tax liabilities/ (assets) balances	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	on fiscal allowance on property, plant and equipment etc.	other timing differences	on fiscal allowance on property, plant and equipment etc.	other timing differences	on fiscal allowance on property, plant and equipment etc.	other timing differences
Opening Balance	(889,977)	9,976,519	(623,550)	9,666,249	(623,550)	-
Recognised in Profit or Loss	(210,446)	-	(266,427)	-	-	-
Recognised in OCI	-	-		310,271	-	9,666,249
Reconised directly in equity	-	-	-	-	-	-
Reclassified to profit or loss	-	-	-	-	-	-
Closing Balance	(1,100,423)	9,976,519	(889,977)	9,976,519	(623,550)	9,666,249

16 Borrowings	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
Working capital and term loans			
- From bank	25,054,509	17,648,785	14,049,761
Total	25,054,509	17,648,785	14,049,761

Nature of security

Working Capital Facility from Bank is Secured by hypothecation of all stocks of the Company and additionally secured by way of hypothecation of the entire movable machinery installed/to be installed in the factory. The said facilities are futher secured by equitable mortgage of property standing in the name of the Director and also by his personal gurantee.

BKS & CO. Chartered Accountants Kolkata

Amount in Rs.

17 Trade payables	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Dues to Micro And Small Enterprises (as per the intimation received from vendors)			
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year	-	-	-
b. Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c. Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	-
e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-	-
Dues to Others			
- For goods	551,721	4,789,550	3,409,942
- For expenses	857,220	82,849	512,284
Total	1,408,941	4,872,399	3,922,226

18 Other current liabilities	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory Dues (including provident fund, tax deducted at source and others)	70,355	418,480	100,110
Other payables	601,996	-	-
Total	672,351	418,480	100,110

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LINCOLN INDUSTRIES LIMITED

Notes to the Standalone financial statements for the year ended 31 March 2018 (Continued)

Amount in Rs.

19 Revenue from operations	Year ended 31st March 2018	Year ended 31st March 2017
Sale of Products		
- Sale of finished goods	233,495,661	299,370,376
- Sale of stock-in-trade	174,449,552	49,714,728
Total revenue from operations	407,945,213	349,085,104

20 Other income	Year ended 31st March 2018	Year ended 31st March 2017
Interest income	532,997	331,225
Other non-operating income		
- Profit From Partnership Firm	2,170,673	726,650
	2,703,670	1,057,875
Interest income comprises interest from:		
a) Deposits with banks - carried at amortised cost	20,896	-
b) Financial assets measured at FVTOCI held at the end of the reporting period	66,492	-
c) Interest on account of delayed payment	442,149	331,225
d) Others (from statutory authorities)	3,460	-
Total	532,997	331,225

21 Cost of materials consumed	Year ended 31st March 2018	Year ended 31st March 2017
Inventory of raw materials at the beginning of the year	-	8,001,406
Add: Purchases	224,740,924	270,039,404
	224,740,924	278,040,810
Less: Inventory of raw materials at the end of the year	7,628,693	-
Cost of materials consumed	217,112,231	278,040,810

22 Purchase of stock-in-trade	Year ended 31st March 2018	Year ended 31st March 2017
Purchase of stock-in-trade	169,402,194	45,705,393
Total	169,402,194	45,705,393

23 Change in inventories of finished goods and work-in-progress	Year ended 31st March 2018	Year ended 31st March 2017
Opening inventories		
Finished goods	-	4,514,924
Stock-in-Trade	4,047,376	2,467,735
Closing inventories		
Finished goods	(5,181,216)	-
Stock-in-Trade	(1,597,897)	(4,047,376)
Total	(2,731,737)	2,935,282

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LINCOLN INDUSTRIES LIMITED

Notes to the Standalone financial statements for the year ended 31 March 2018 (Continued)

Amount in Rs.

24 Employee benefits expense	Year ended 31st March 2018	Year ended 31st March 2017
Salaries and wages (including managing and whole time director's remuneration)	55,37,708	60,27,810
Contribution to provident and other funds	52,328	79,900
Workmen and staff welfare expenses	64,885	57,330
Total	56,54,921	61,65,040

25 Finance costs	Year ended 31st March 2018	Year ended 31st March 2017
Interest cost on finance liabilities	16,14,496	21,21,908
Other borrowing costs	69,857	89,364
Total	16,84,352	22,11,272

26 Other Expenses	Year ended 31st March 2018	Year ended 31st March 2017
Consumption of stores, spares and tools	12,45,137	9,37,486
Quality claim charges	15,14,933	4,46,816
Tractor expenses	12,130	-
Power & fuel	65,53,666	53,77,250
Building repairs	46,133	49,259
Rent, rates & taxes	7,01,243	1,33,295
Insurance charges	80,931	1,70,591
Legal expenses	2,11,149	2,90,092
Brokerage	7,88,078	7,40,663
Packing material consumed	25,15,223	12,90,040
Subscription	35,000	1,50,313
Loss on sale/discard of property, plant and equipments (net)	-	802
Machinery Repairs	1,89,947	1,74,827
Payment to auditors		
- as audit fees	29,750	40,250
Postage expenses	40,900	43,390
Printing and stationery	64,555	57,240
Telephone expenses	60,579	80,018
Travelling expenses	2,67,605	4,01,367
Cash discount	1,93,457	2,45,188
Advertisement	13,140	13,140
Office expenses	60,890	52,740
General expenses	1,84,090	2,45,523
Total	1,48,08,537	1,09,40,290

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	c	-	310,271
Income tax expense reported in the Standalone Statement of Profit and Loss (a+b+c)		(210,446)	43,844

C Reconciliation of effective tax rate	Year ended 31st March 2018	Year ended 31st March 2017
Profit/(loss) before tax	1,285,753	(135,577)
Income tax expense calculated @ 25.75% (2017- 30.90%)	331,081	(41,893)
Effect of income not taxable	(558,948)	(224,534)
Other tax differences	17,421	-
Effective tax rate	(210,446)	(266,427)

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax rate of 25.75%; previous year 30.90% (25% + education cess @ 3%; previous year 30% + education cess @ 3%) payable on taxable profits under the Income Tax Act, 1961.

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Amount in Rs.

28 Earnings per equity share	Year ended 31st March 2018	Year ended 31st March 2017
Earnings per share has been computed as under:		
(a) Profit for the year	1,496,199	130,850
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic/diluted earnings per share	5,245,000	5,245,000
(c) Earnings per share on profit for the year		
- Basic EPS [(a)/(b)]	0.29	0.02
- Diluted EPS [(a)/(b)]	0.29	0.02

29 Segment information

As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements. Please refer note 19 for revenue from sale of products.

30 Employee Benefits

(a) Defined contribution plans:

Contribution to defined contribution plans, recognised as expense for the year are as under:

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Employer's contribution to Provident Fund	52,328	79,900
Total	52,328	79,900

(b) Defined benefit plans:

The company has not provided for gratuity under the Payment of Gratuity Act, 1972 (the Gratuity Act) as the no of employess in the company are less then ten.

31 Related Party Disclosures

Key Management Personnel (KMP)	
Mr. Praveen Chand Dhandhania	Director
Mr. Sushil Kumar Sureka	Director
Mr. Rinku Dhandhania	Director
Mr. Sushovan Saharoy	Director

Note: Related Parties have been identified by the management.

The following transactions were carried out with related parties in the ordinary course of business:

Nature of transaction	Name of related party	Transaction for the year ended		Balance at the year ended	
		31/03/2018	31/03/2017	31/03/2018	31/03/2017
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Rent	Mr. Praveen Chand Dhandhania	60,000	60,000	-	-
Director's Remuneration	Mr. Praveen Chand Dhandhania	60,000	60000	-	-

Terms and conditions of transactions with related parties

The purchase from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Compensation of Key Management Personnel of the Company

Key management personnel compensation comprised the following :

Nature of transaction	Year ended 31 March 2018	Year ended 31 March 2017
Short-term employee benefits	60,000	60,000
Other long-term benefits	-	-
Total Compensation paid to key management personnel	60,000	60,000

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Amount in Rs.

32 Financial instruments and related disclosures

32.1 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 there instruments.

32.2 Financial instruments by category

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 aamount is a reasonable approximation of fair value.

	Particulars	Note No.	As at 31st March 2018		As at 31st March 2017		As at 31st March 2017	
			Carrying amount	Fair value Level 3	Carrying amount	Fair value Level 3	Carrying amount	Fair value Level 3
A.	**Financial assets:**							
a)	**Measured at amortised cost**							
	Trade receivables	8	13,522,340	-	19,011,038	-	4,026,174	-
	Cash and cash equivalents	9	792,874	-	1,171,468	-	966,239	-
	Other financial assets	10	285,133	-	276,336	-	267,211	-
b)	Meaured at fair value through profit or loss							
	Investments	5	2,776,938	2,773,938	2,529,033	2,526,033	2,409,420	2,406,420
c)	Meaured at fair value through other comprehensive Income							
	Investments	5	40,180,591	40,180,591	40,180,591	40,180,591	39,176,478	39,176,478
B.	**Financial liabilities:**							
a)	**Measured at amortised cost**							
	Borrowings	16	25,054,509	-	17,648,785	-	14,049,761	-
	Trade payables	17	1,408,941	-	4,872,399	-	3,922,226	-

32.3 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, trade 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.

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Amount in Rs.

(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 form 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 31 March 2018		Year ended 31 March 2017	
	%	Amount	%	Amount
Revenue from top customer	14.08%	57,444,475	20.34%	71,012,070
Revenue from top five customers	39.14%	159,676,270	51.78%	180,739,962

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 lossed on trade receivables using a provision matrix to mitigate the risk of default payments amd 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.

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
As at 31 March 2018				
Borrowings	25,054,509	-	-	25,054,509
Trade payables	1,408,941	-	-	1,408,941
	26,463,450	-	-	26,463,450
As at 31 March 2017				
Borrowings	17,648,785	-	-	17,648,785
Trade payables	4,872,399	-	-	4,872,399
	22,521,184	-	-	22,521,184
As at 1 April 2016				
Borrowings	14,049,761	-	-	14,049,761
Trade payables	3,922,226	-	-	3,922,226
	17,971,987	-	-	17,971,987

(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.

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Amount in Rs.

(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	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Fixed rate instruments			
Financial assets	285,133	276,336	267,211
Financial liabilities	-	-	-
	285,133	276,336	267,211
Variable rate instruments			
Financial assets	-	-	-
Financial liabilities	(25,054,509)	(17,648,785)	(14,049,761)
	(25,054,509)	(17,648,785)	(14,049,761)

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 instruments

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
31 March 2018				
Variable rate instruments	(250,545)	250,545	(186,030)	186,030
Cash flow sensitivity (net)	(250,545)	250,545	(186,030)	186,030
31 March 2017				
Variable rate instruments	(176,488)	176,488	(121,953)	121,953
Cash flow sensitivity (net)	(176,488)	176,488	(121,953)	121,953

(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.

33 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		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Total debt (Bank and other borrowings)	A	25,054,509	17,648,785	14,049,761
Equity	B	86,608,562	85,112,363	84,287,670
Liquid investments including bank deposits	C	792,874	1,171,468	966,239
Debt to Equity (A / B)		0.29	0.21	0.17
Debt to Equity (net) [(A-C) / B]		0.28	0.19	0.16

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34 Explanation of transition to Ind AS

As stated in note 2(a), these are the Company's first standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Company had prepared its standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in note 3 have been applied in preparing these standalone financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening standalone Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its standalone Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in standalone financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its standalone financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and

Optional exemptions availed and mandatory exceptions

In preparing these standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory

A. Optional exemptions availed

1 Property plant and equipment

The Company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and intangible assets as per the statement of financial position prepared in accordance with previous

2 **Fair value measurement of financial assets or liabilities at initial recognition**

The Company has applied the requirements of Ind AS 109, "Financial Instruments: Recognition and Measurement", wherever applicable.

B. Mandatory exceptions

1 Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Determination of the discounted value for financial instruments carried at amortised cost.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition

2 Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the derecognition principles of Ind AS 109 retrospectively as reliable information was available at the time of initially accounting for these transactions.

3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is

C. Reconciliation of equity

Particulars	Note	31 March 2017			1 April 2016		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
I. ASSETS							
(1) Non-current assets							
(a) Property, plant and equipment		21,730,378	-	21,730,378	25,837,205	-	25,837,205
(b) Financial assets							
(i) Investments	(a)	12,642,540	32,286,471	44,929,011	11,915,890	31,282,358	43,198,248
(c) Other non-current assets		2,269,961	-	2,269,961	2,269,961	-	2,269,961
Total Non-current assets		36,642,879	32,286,471	68,929,350	40,023,056	31,282,358	71,305,414
(2) Current assets							
(a) Inventories		4,473,417	-	4,473,417	15,351,604	-	15,351,604
(b) Financial assets				-			
(i) Trade receivables		19,011,038	-	19,011,038	4,026,174	-	4,026,174
(ii) Cash and cash equivalents		1,171,468	-	1,171,468	966,239	-	966,239
(iii) Other financial assets		276,336	-	276,336	267,211	-	267,211
(c) Current tax asset (net)		355,045	-	355,045	322,160	-	322,160
(d) Other current assets		22,921,915	-	22,921,915	19,163,664	-	19,163,664
Total Current assets		48,209,219	-	48,209,219	40,097,052	-	40,097,052
TOTAL ASSETS		84,852,098	32,286,471	117,138,569	80,120,108	31,282,358	111,402,466
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		52,450,000	-	52,450,000	52,450,000	-	52,450,000
(b) Other equity	(a)	10,352,411	22,309,951	32,662,362	10,221,561	21,616,109	31,837,670
Total Equity		62,802,411	22,309,951	85,112,362	62,671,561	21,616,109	84,287,670
Liabilities							
(1) Non-current liabilities							
(a) Deferred tax liabilities (net)	(b)	(889,977)	9,976,519	9,086,542	(623,550)	9,666,249	9,042,699
Total Non-current liabilities		(889,977)	9,976,519	9,086,542	(623,550)	9,666,249	9,042,699
(2) Current liabilities							
(a) Financial liabilities							
(i) Borrowings		17,648,785	-	17,648,785	14,049,761	-	14,049,761
(ii) Trade payables		4,872,399	-	4,872,399	3,922,226	-	3,922,226
(b) Other current liabilities		418,480	-	418,480	100,110	-	100,110
Total Current liabilities		22,939,664	-	22,939,664	18,072,097	-	18,072,097
TOTAL EQUITY AND LIABILITIES		84,852,098	32,286,471	117,138,569	80,120,108	31,282,358	111,402,466

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D. Reconciliation of total comprehesive income for the year ended 31 March 2017

	Particulars	Note	Year ended 31 March 2017		
			Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
I.	Revenue from operations		349,085,104	-	349,085,104
II.	Other income		1,057,875	-	1,057,875
III.	Total income (I + II)		350,142,979	-	350,142,979
IV.	Expenses				
	Cost of materials consumed		278,040,810	-	278,040,810
	Purchase of stock-in-trade		45,705,393	-	45,705,393
	Changes in inventories of finished goods and work-in-progress		2,935,282	-	2,935,282
	Employee benefits expense		6,165,040	-	6,165,040
	Finance costs		2,211,272	-	2,211,272
	Depreciation and amortisation expense		4,280,468	-	4,280,468
	Foreign exchange fluctuation		-	-	-
	Other expenses		10,940,290	-	10,940,290
	Total expenses (IV)		350,278,555	-	350,278,555
	V. Profit / (Loss) before exceptional item and tax				
	VI. Exceptional item				
	Profit on sale of investment in subsidary (refer note 42)				
V.	Profit/ (loss) before tax (III-IV)		(135,576)	-	(135,576)
VI.	Tax expenses				
	Current tax				
	Deferred tax		(266,427)	-	(266,427)
VII.	Profit / (loss) for the year (V-VI)		130,851	-	130,851
VIII.	Other comprehensive income (net of tax)				
	A. Items that will not be reclassified subsequently to profit or loss				
	(a) Equity instruments through other comprehensive income - net change in fair value (net of taxes)	(a)	-	1,004,113	1,004,113
	(b) Income taxes relating to items that will not be reclassified to profit or loss	(b)	-	(310,271)	(310,271)
	Net other comprehensive income not to be reclassified subsequently to profit		-	693,842	693,842
	B. Items that will be reclassified subsequently to profit or loss		-	-	-
	Net other comprehensive income to be reclassified subsequently to profit or		-	-	-
	Other comprehensive income for the year, net of income tax		-	693,842	693,842
IX.	Total comprehensive income for the year (VII+VIII)		130,851	693,842	824,693

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

E. There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

F. Notes to the reconciliations of equity as at 1 April 2016 and 31 March 2017 and total comprhensive income for the year ended 31 March 2017

(a) Fair valuation of investments

In accordance with Ind AS, financial assets representing investment in equity shares of entities other than subsidiaries have been fair valued. The Company has designated certain investments classified as fair value through profit or loss with certain others equity investments designated as at fair value through other comprehensive income as permitted by Ind AS 109. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost.

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(b) Deferred Taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS.

As per our report of even date attached
For B K S & Co
Chartered Accountants
FRN: 325718E

CA AKASH GUREKA
Partner
Membership No: 310901
Place: Kolkata
Dated: The 30th day of May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 00154068

DIRECTOR
DIN: 00154048

(Shyam Sunder Dhoganiya)

CFO

LINCOLN INDUSTRIES LIMITED

Computation of Income for Assessment Year	As per AS 2018-19	As per AS 2017-18	As per Ind AS 2018-19	As per Ind AS 2017-18
Net Profit as per Profit & Loss account	1,285,753	(135,577)	1,285,753	868,536
Add: Ind AS Adjustments			-	(1,004,113)
Add: Depreciation to be considered separately	3,432,632	4,280,468	3,432,632	4,280,469
Add: Loss on sale of Fixed Assets		802	189,947	175,629
Less: Exempt Income Share of Profit from Partnership Firm	(2,170,673)	(726,650)	(2,170,673)	(726,650)
Less: Depreciation as per Income Tax Rule	(3,026,694)	(3,501,096)	(3,026,694)	(3,501,096)
Less: Income Chargeable under Other Source	(532,997)		(532,997)	(331,225)
Income from Business	(1,011,979)	(82,053)	(822,032)	(238,450)
Income From Capital Gain			(189,947)	(175,629)
Income From Other Sources - Interest	532,997	-	532,997	331,225
Total Income	(478,982)	(82,053)	(478,982)	(82,854)
TDS Paid	49,681	32,885	49,681	32,885
BALANCE PAYABLE/(REFUNDABLE)	49,681	32,885	49,681	32,885

MAT Computation				
Net Profit as per Profit & Loss account	1,285,753	(135,577)	1,285,753	(135,577)
Add: Depreciation to be considered separately	3,432,632	4,280,468	3,432,632	4,280,469
Less: Depreciation as per Income Tax Rule	(3,026,694)	(3,501,096)	(3,026,694)	(3,501,096)
Less: Exempt Income Share of Profit from Partnership Firm	(2,170,673)	(726,650)	(2,170,673)	(726,650)
	(478,982)	(82,855)	(478,982)	(82,854)

Carry Forward Chart		
AY 15-16	263,262	263,262
AY 16-17	947,077	947,077
AY 17-18	82,053	414,079
AY 18-19	1,011,979	1,011,979
	2,304,371	2,636,397

Deferred Tax Components	FY 2017-18	FY 2016-17	FY 2015-16
Opening			
DTA - Fixed Assets	490,628	249,556	(128,470)
DTA - Loss	399,349	373,995	2,004,963
During FY			
Fixed Assets_Tax adjustment	(88,110)		
Loss_ Tax adjustment	(66,558)		
DTA - Depreciation	104,529	241,072	378,025
DTA - Loss	260,585	25,354	(1,630,969)
Closing			
DTA - Fixed Assets	507,047	490,628	249,556
DTA - Loss	593,376	399,349	373,994
Deferred Tax as per Indian GAAP	1,100,423	889,977	623,550
Opening			
DTL - Equity Investment	(9,976,519)	(9,666,249)	
During FY			
DTL - Equity Investment	-	(310,271)	(9,666,249)
Deferred Tax as per Ind AS	(9,976,519)	(9,976,519)	(9,666,249)
Deferred Tax (Expense)/ Income			
Through Profit and Loss	210,446	266,427	
Through Other Comprehensive Income	-	(310,271)	

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BKS & Co.
Chartered Accountants

Independent Auditors' Report

To the Members,
LINCOLN INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying Consolidated financial statements of Lincoln Industries Limited ('the Company') which comprise the Consolidated Balance Sheet as at 31st March, 2018 and also the Consolidated Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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 Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the those Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.We conducted our audit in accordance with the Standards on Auditing under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free form material mis-statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss & Cash Flow Satement for the year ended on that date.

Diamond Heritage Bldg 16 Strand Road 5th Floor
Suit # 519 Kolkata 700 001 Mob : 9433068790
Ph 033-6616 8553/54 E-mail : binay1@yahoo.com

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not appilcable for consolidation

2 As required by section 143 (3) of the Act, we report that :

a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) the Balance Sheet , Profit Loss Account and and Cash Flow Statement dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid Consolidated financial statements comply with the those Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) on the basis of written representations received from the director, as on 31st March, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on date mentioned above from being appointed as directors in terms of Section 164 (2) of the Act;

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.

g) in our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014;

i) The Company does not have any pending litigations which would impact its financial position

ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses

iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund

For **B K S & CO**
Chartered Accountant
Firm Registration # 325718E

Akash

(Akash Sureka / Partner)
Membership No. 310901

Place: Kolkata
Date: 31/05/2018

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the

We have audited the internal financial controls over financial reporting ofLincoln Industries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 **B K S & CO**
Chartered Accountant
Firm Registration # 325718E

Place: Kolkata
Date: 31/05/2018

(Akash Sureka / Partner)
Membership No. 310901

LINCOLN INDUSTRIES LIMITED

P 36, India Exchange Place Extn, 2nd Floor, Kolkata - 700001

CIN No.: L51109WB1983PLC035957

Consolidated Balance Sheet as at 31 March 2018

Amount in Rs.

	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4A	1,82,97,746	2,17,30,378	2,58,37,205
(b)Goodwill	4A	84,690	84,690	84,690
(c) Financial assets				
(i) Investments	5	4,29,59,495	4,27,11,590	4,15,85,898
(d) Other non-current assets	6	22,69,961	22,82,803	22,95,643
Total Non-current assets		6,36,11,892	6,68,09,461	6,98,03,436
(2) Current assets				
(a) Inventories	7	1,51,98,293	44,73,417	1,53,51,604
(b) Financial assets				
(i) Trade receivables	8	1,35,22,340	1,90,11,038	40,26,174
(ii) Cash and cash equivalents	9	12,15,647	14,63,247	17,20,455
(iii) Other financial assets	10	5,26,89,600	4,74,26,622	3,89,80,097
(c) Current tax asset (net)	11	14,30,264	4,84,922	6,16,763
(d) Other current assets	12	11,35,11,765	11,27,05,264	11,59,77,013
Total Current assets		19,75,67,908	18,55,64,510	17,66,72,106
TOTAL ASSETS		26,11,79,801	25,23,73,972	24,64,75,542
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13	5,24,50,000	5,24,50,000	5,24,50,000
(b) Other equity	14	16,93,06,877	16,78,49,589	16,68,64,507
(c) Non-controlling interest		13,810	13,676	13,614
Total Equity		22,17,70,687	22,03,13,265	21,93,28,121
Liabilities				
(1) Non-current liabilities				
(a) Deferred tax liabilities (net)	15	88,76,097	90,86,542	90,42,699
Total Non-current liabilities		88,76,097	90,86,542	90,42,699
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	2,84,15,726	1,76,48,785	1,40,49,761
(ii) Trade payables	17	14,38,291	49,06,899	39,54,851
(b) Other current liabilities	18	6,79,000	4,18,480	1,00,110
Total Current liabilities		3,05,33,016	2,29,74,164	1,81,04,722
TOTAL EQUITY AND LIABILITIES		26,11,79,800	25,23,73,972	24,64,75,542
Significant accounting policies	3			

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For BKS & Co.

Chartered Accountants

FRN: 325718E

BKS & Co. ★ Kolkata ★ Chartered Accountants

CA. Akash Sureka

Partner

Membership No: 310901

Place: Kolkata

Dated: The 31st May, 2018

For and on behalf of the Board

DIRECTOR

DIN: 00154068

DIRECTOR

DIN: 0015404

LINCOLN INDUSTRIES LIMITED
P 36, India Exchange Place Extn, 2nd Floor, Kolkata - 700001
CIN No.: L51109WB1983PLC035957
Consolidated Statement of Profit and Loss for the year ended 31 March 2018

Amount in Rs.

	Particulars	Note	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from operations	19	40,79,45,213	35,29,28,690
II	Other income	20	52,82,494	40,60,402
III	**Total income (I + II)**		**41,32,27,707**	**35,69,89,092**
IV	**Expenses**			
	Cost of materials consumed	21	21,71,12,231	27,80,40,810
	Purchase of stock-in-trade	22	16,94,02,194	4,94,46,294
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(27,31,737)	29,35,282
	Employee benefits expense	24	63,21,241	68,26,645
	Finance costs	25	23,89,221	22,11,272
	Depreciation and amortisation expense	4A	34,32,632	42,80,469
	Other expenses	26	1,52,04,285	1,28,62,342
	Total expenses (IV)		**41,11,30,067**	**35,66,03,114**
V	**Profit/ (loss) before tax (III-IV)**		**20,97,640**	**3,85,978**
VI	**Tax expense:**			
	Current tax		8,57,073	3,61,165
	Deferred tax		(2,10,446)	(2,66,427)
	For Earlier Years		(6,275)	-
VII	**Profit / (loss) for the year (V-VI)**		**14,57,288**	**2,91,240**
	Other comprehensive income (net of tax)			
	A. Items that will not be reclassified to profit or loss			
	(a) Equity instruments through other comprehensive income - net change in fair value (net of taxes)		-	10,04,113
	(b) Income taxes relating to items that will not be reclassified to profit or loss		-	(3,10,271)
	Net other comprehensive income not to be reclassified subsequently to profit or loss		-	**6,93,842**
	B. Items that will be reclassified to profit or loss		-	-
	Net other comprehensive income to be reclassified subsequently to profit or loss		-	-
VIII	**Other comprehensive income**		-	**6,93,842**
IX.	**Total comprehensive income for the year (VII+VIII)**		**14,57,288**	**9,85,082**
X.	**Earnings per equity share**			
	[Face value of equity share **Rs. 10** each (previous year Rs. 10 each)]			
	- Basic	28	0.28	0.06
	- Diluted	28	0.28	0.06
	Significant accounting policies	3		

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

BKS & Co. Chartered Accountants Kolkata

CA. Aksah Sureka
Partner
Membership No: 310901
Place: Kolkata
Dated: The 31st May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 00151066

DIRECTOR
DIN: 00151048

LINCOLN INDUSTRIES LIMITED

Statement of Cash Flow for the year ended 31st March 2018

Amount in Rs.

	Particulars	Year ended 31-03-2018		Year ended 31-03-2017	
		Amount	Amount	Amount	Amount
A.	**Cash Flows from Operating Acitivities**				
	Net Profit/(Loss) before tax		20,97,640		3,85,978
	Adjustment for:				
	Depreciation	34,32,632		42,80,469	
	Interest expense	23,19,365		21,21,908	
	Profit From Partnership Firm	(2,47,771)		(1,19,877)	
	Loss on sale of fixed asset	-		802	
	Interest Income	(50,34,723)		(39,40,525)	
			4,69,503		23,42,777
	Operating cash flows before working capital changes		**25,67,143**		**27,28,755**
	Working capital adjustments:				
	(Increase)/Decrease in Inventories	(1,07,24,876)		1,08,78,187	
	(Increase)/Decrease in Trade Receivables	54,88,698		(1,49,84,864)	
	(Increase)/Decrease in Other Assets	(70,01,979)		(50,30,095)	
	Increase/(Decrease) in Trade Payables	(34,68,608)		9,52,048	
	Increase/(Decrease) in Current Liabilities	2,60,520		3,18,370	
			(1,54,46,245)		(78,66,354)
	Cash generated from operations		**(1,28,79,102)**		**(51,37,599)**
	Income tax paid (net)		(8,50,798)		(3,61,165)
	Net Cash from / (used in) Operating Activities (A)		**(1,37,29,900)**		**(54,98,764)**
B.	**Cash Flows from Investing Activities**				
	Purchase of Property, plant & equipment	-		(2,09,444)	
	Sale of Property, plant & equipment	-		35,000	
	Purchase of investment			(1,703)	
	Interest Income	50,34,723		39,40,525	
	Net Cash used in Investing Activities (B)		**50,34,723**		**37,64,378**
C.	**Cash Flow from Financing Activities**				
	Increase/ (Decrease) in Short-term Borrowings	1,07,66,941		35,99,024	
	Interest Paid	(23,19,365)		(21,21,908)	
	Net Cash from Financing Activities (C)		**84,47,576**		**14,77,116**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)		**(2,47,601)**		**(2,57,269)**
	Cash and Cash Equivalents at the beginning of the year		**14,63,247**		**17,20,455**
	Cash and Cash Equivalents at the end of the year		**12,15,646**		**14,63,185**
	(Refer Note No. 9 to the Accounts)				

Note :

i) Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS - 7 specified under section 133 of the Companies Act, 2013

ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances) during the year.

iii) Figures in brackets indicate cash outflow.

Significant accounting policies: Note 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA. Akash Sureka
Partner
Membership No: 310901
Place: Kolkata
Dated: The 31st May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 00154062

DIRECTOR
DIN: 00154048

LINCOLN INDUSTRIES LIMITED

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

Amount in Rs.

A. Equity share capital

Equity shares of Rs. 10/- each issued,subscribed and fully paid

Particulars	Number	Amount
As at 1 April 2016	52,45,000	5,24,50,000
Changes in equity share capital during 2016-17	-	-
As at 31 March 2017	52,45,000	5,24,50,000
Changes in equity share capital during 2017-18	-	-
As at 31 March 2018	52,45,000	5,24,50,000

B. Other equity

Particulars	Reserves and Surplus			Total
	Export Profit Reserve	Retained earnings	General Reserve	
Balance at 1 April 2016	2,40,000	16,27,34,964	38,89,544	16,68,64,507
Profit or Loss	-	2,91,240	-	2,91,240
Other comprehensive income (net of tax)	-	6,93,842	-	6,93,842
Total comprehensive income for the year	-	9,85,082	-	**9,85,082**
Dividend	-	-	-	-
Income tax on dividend paid	-	-	-	-
Other adjustments	-	-	-	-
Transfer from retained earnings	-	-	-	-
Balance at 31 March 2017	2,40,000	16,37,20,046	38,89,544	16,78,49,589
Profit or Loss	-	14,57,288	-	14,57,288
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income	-	14,57,288	-	**14,57,288**
Dividend	-	-		-
Income tax on dividend paid	-	-		-
Other adjustments	-	-		-
Transfer from retained earnings	-	-		-
Balance at 31 March 2018	2,40,000	16,51,77,334	38,89,544	16,93,06,877

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For BKS & Co.

Chartered Accountants

FRN: 325718E

CA. Aksh Sureka

Partner

Membership No: 310901

Place: Kolkata

Dated: The 31st May, 2018

BKS & CO. Kolkata Chartered Accountants

For and on behalf of the Board

DIRECTOR

DIN: 00159066

DIRECTOR

DIN: 00159046

LINCOLN INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements for the year ended 31 March 2018

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 it's operating plant loacated at Bhuna (Haryana) and Khajuwala (Rajasthan).

2 Basis of preparation

a) Statement of Compliance

These consolidated 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.

The Company has adopted all the Ind AS standards and adoptions was carried out in accordance with Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP. Reconciliations and descriptions of the effect of transition has been sumarised in Note 34.

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) Basis of consolidation

Lincoln Industries Limited consolidates entities which it owns or controls. The consolidated financial statements comprise financial statements of the company and it's subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group Companies are consolidated on a line by line basis and intra group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the group. Non-controlling interests, which represents part of the net profit/loss and net asset of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

c) 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').

d) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

(i) Certain financial assets and financial liabilities measured at fair value;

(ii) Employee's defined benefit plan as per actuarial valuation.

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.

e) 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-

BKS & CO. Kolkata Chartered Accountants

(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) Defined benefit plans:

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) 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.

f) 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.

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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g) Standard issued but not yet effective

Revenue from contracts with customers- Ind AS 115

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The effective date of Ind AS 115 is yet to be announced.

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.

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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 are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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 included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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.

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 intially 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

BKS & CO. Kolkata Chartered Accountants

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.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

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.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

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.

BKS & CO. Kolkata Chartered Accountants

iv. Depreciation and amortisation

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

Depreciation on fixed assets 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.

d) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a written down value basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Estimated useful life of the Computer Software is 5 years.

e) 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.

The cost of inventories is based on the first-in first-out (FIFO) formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs including octroi and other levies, transit insurance and receiving charges incurred in bringing them to their present location and condition. Excise duty liability is included in the valuation of closing inventory of the finished goods.

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.

f) Impairment

i. Impairment of financial instruments: financial assets

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

The impairment losses and reversals are recognised in Statement of Profit and Loss.

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.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

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g) 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.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

h) 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Revenue Recognition

Revenue from sale of goods is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discount to customers. Revenue from sale of goods includes excise and is recorded after taking into account contractually defined terms of payment and excluding other taxes or duties collected on behalf of the government.

j) 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.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet. Payments made under operating leases are recognized in the Statement of Profit or Loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with general inflation.

k) 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 or expense 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 contactual terms of the financial instrument (for example, payment, extension, call and similar options) but does not consider the expected credit losses.

l) 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.

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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.

m) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

n) 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.

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Amount in Rs.

4A

Particulars	Gross Block[1]						
	Balance at 1st April 2016	Additions	Disposals/ Discard	Balance at 31st March 2017	Additions	Disposals/ Discard	Balance at 31st March 2018
Property, plant and equipment							
Leasehold Land	24,620	-	-	24,620	-	-	24,620
Owned Buildings	1,30,81,052	-	-	1,30,81,052	-	-	1,30,81,052
Plant and equipment	1,23,34,472	2,09,444	-	1,25,43,916	-	-	1,25,43,916
Furniture and fixtures	14,469	-	-	14,469	-	-	14,469
Vehicles	3,82,492	-	(35,802)	3,46,690	-	-	3,46,690
Office equipment	100	-	-	100	-	-	100
Total	2,58,37,205	2,09,444	(35,802)	2,60,10,847	-	-	2,60,10,847

4B

Goodwill	84,690.00	-	-	84,690	-	-	84,690

(1) The company has elected to measure all its property, plant and equipments at the previous GAAP carrying amount i.e 31st March, 2016 as its deemed cost (Gross Block Value) on the date of transition to IND AS i.e 1st April, 2016.

4A

Particulars	Accumulated Depreciation							Net Block		
	Balance on 1st April 2016	Depreciation for the year	Adjustments/ Disposals	Balance at 31st March 2017	Depreciation for the year	Adjustments/ Disposals	Balance at 31st March 2018	At 1st April 2016	At 31st March 2017	At 31st March 2018
Property, plant and equipment										
Leasehold Land	-	-	-	-	-	-	-	24,620	24,620	24,620
Owned Buildings	-	13,71,554	-	13,71,554	12,26,806	-	25,98,360	1,30,81,052	1,17,09,498	1,04,82,692
Plant and equipment	-	28,24,171	-	28,24,171	21,44,471	-	49,68,642	1,23,34,472	97,19,745	75,75,274
Furniture and fixtures	-	-	-	-	-	-	-	14,469	14,469	14,469
Vehicles	-	84,744	-	84,744	61,355	-	1,46,099	3,82,492	2,61,946	2,00,591
Office equipment	-	-	-	-	-	-	-	100	100	100
Total	-	42,80,469	-	42,80,469	34,32,632	-	77,13,101	2,58,37,205	2,17,30,378	1,82,97,746

4B

Goodwill	-	-	-	-	-	-	-	84,690	84,690	84,690

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Amount in Rs.

5 Non-Current Investments

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unquoted Investments			
Investments in Equity Instruments			
In Others (at fair value through Other Comprehensive Income)			
Sri Annapurna Cotton Mills & Ind Ltd., 8,000 (31st March 2017: 8,000; 1 April 2016: 8,000) Equity Shares of Rs. 10/- each fully paid	7,59,179	7,59,179	7,60,154
Calvin Barter (P) Ltd., 4,00,800 (31st March 2017: 4,00,800; 1 April 2016: 4,00,800) Equity Shares of Rs. 1/- each fully paid	1,12,40,425	1,12,40,425	1,11,17,947
Dhancot Fibres (P) Ltd., 1,96,000 (31st March 2017: 1,96,000; 1 April 2016: 1,96,000) Equity Shares of Rs. 10/- each fully paid	1,99,68,648	1,99,68,648	1,90,96,561
P & P highrise (P) Ltd., 1,18,626 (31st March 2017: 1,18,626; 1 April 2016: 1,18,626) Equity Shares of Rs. 10/- each fully paid	82,14,305	82,14,305	82,01,817
Investments in Partnership Firm			
In Others (at fair value through profit or loss)			
Pragati Dealmark LLP* (Refer note below)	27,73,938	25,26,033	24,06,420
Investment in Government or Trust Securities - (at amortised cost)	3,000	3,000	3,000
Total	4,29,59,495	4,27,11,590	4,15,85,898
Aggregate value of unquoted investments	4,29,59,495	4,27,11,590	4,15,85,898

Note:

Pragati Dealmark LLP						
Name of Partners	Share in profits			Total Capital		
	31st March	31st March	31st March	31st March	31st March	31st March
Melody Commercial LLP	47.31%	47.31%	47.31%	44,90,558	30,89,179	30,00,000
Subhdata Dealers LLP	48.89%	48.89%	48.89%	46,93,577	31,38,913	31,00,000
Lincoln Industries Limited	3.80%	3.80%	3.80%	6,08,160	3,60,255	2,40,642

* The difference in investment in LLP's vis-à-vis capital balance in LLP is on account of conversion of Original Commotrade Private Limited into Original LLP on 18th day of March 2016 and conversion of Pragati Delmark Private Limited into Pragati Delmark LLP on 21st day of May 2016.

6 Other non-current assets

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances other than capital advances			
- Security and other deposits	22,69,961	22,69,961	22,69,961
Others	-	12,842	25,682
Total	22,69,961	22,82,803	22,95,643

7 Inventories

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(Valued at the lower of cost and net realisable value)			
Raw materials	76,28,693	-	80,01,406
Finished goods	51,81,216	-	45,14,924
Stock-in-trade	15,97,897	40,47,376	24,67,734
Stores and spares	3,03,021	2,11,355	2,80,215
Packing materials	4,87,466	2,14,686	87,325
Total	1,51,98,293	44,73,417	1,53,51,604

Inventories have been pledged as security against certain bank borrowings of the company as at 31 March 2018 (Refer note 16).

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Amount in Rs.

8 Trade receivables	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good	1,35,22,340	1,90,11,038	40,26,174
Total	1,35,22,340	1,90,11,038	40,26,174

9 Cash and cash equivalents	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with banks	3,30,571	3,27,711	11,50,166
Cash on hand	8,85,076	11,35,537	5,70,289
Total	12,15,647	14,63,247	17,20,455

10 Other Financial Assets	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
Bank deposit	3,89,98,019	3,89,89,222	3,89,80,097
Loan to others	1,36,91,581	84,37,400	-
Total	5,26,89,600	4,74,26,622	3,89,80,097

*Represents deposits with original maturity of more than 12 months from the Balance Sheet date.

11 Current tax Asset (net)	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advance payment of tax (net of provisions)	14,30,264	4,84,922	6,16,763
Total	14,30,264	4,84,922	6,16,763

12 Other current assets	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances other than capital advances			
- Advance from customers	2,04,20,144	1,75,53,273	1,72,18,459
Other advances			
- Balance with Revenue Authorities	33,18,769	53,58,234	19,45,205
- Prepaid Expenses	14,503	10,408	-
- Others	8,97,58,349	8,97,83,349	9,68,13,349
Total	11,35,11,765	11,27,05,264	11,59,77,013

13 Equity share capital	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised			
60,00,000 (31st March 2017- 60,00,000; 1st April 2016 - 60,00,000) Equity Shares of Rs.10/- each	6,00,00,000	6,00,00,000	6,00,00,000
	6,00,00,000	6,00,00,000	6,00,00,000
Issued, subscribed and fully paid-up			
52,45,000 (31st March 2017- 52,45,000; 1st April 2016 - 52,45,000) Equity Shares of Rs.10/- each fully Paid up	5,24,50,000	5,24,50,000	5,24,50,000
	5,24,50,000	5,24,50,000	5,24,50,000

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the period

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Amount	Number	Amount	Number	Amount
Balance as at the beginning of the year	52,45,000	5,24,50,000	52,45,000	5,24,50,000	52,45,000	5,24,50,000
Add: Issued during the year	-	-	-	-	-	-
Balance as at the end of the year	52,45,000	5,24,50,000	52,45,000	5,24,50,000	52,45,000	5,24,50,000

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B. Rights, prefernces and restrictions attaching to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupeee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

C. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
Name of the Shareholder	Number	% of total shares in the class	Number	% of total shares in the class	Number	% of total shares in the class
Dhancot Fibres Pvt. Ltd.	21,00,000	40.04%	21,00,000	40.04%	21,00,000	40.04%
Ankit Dealers Pvt. Ltd.	5,00,000	9.53%	5,00,000	9.53%	5,00,000	9.53%
Drake Commercial Pvt. Ltd.	3,50,000	6.67%	3,50,000	6.67%	3,50,000	6.67%

14 Other equity

Components	Note	1st April 2017	Movement during the year	31 March 2018	1 April 2016	Movement during the year	31 March 2017
Retained earnings	a	16,37,20,046	14,57,288	16,51,77,334	16,27,34,964	9,85,082	16,37,20,046
Export Profit Reserve	b	2,40,000	-	2,40,000	2,40,000	-	2,40,000
General Reserve	c	38,89,544	-	38,89,544	38,89,544	-	38,89,544
		16,78,49,589	14,57,288	16,93,06,877	16,68,64,507	9,85,082	16,78,49,589

The description of the nature and purpose of each reserve within equity is as follows:

(a) Retained earnings: This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

(b) Export Profit Reserve: Amount set aside out of profits from exports for availing income tax benefits.

(c) General Reserve: This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

15 Deferred Tax Liabilities (net)	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred tax liability (net)	88,76,097	90,86,542	90,42,699
Total	88,76,097	90,86,542	90,42,699

Deferred tax liabilities/assets in relation to

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
Movement in deferred tax liabilities/ (assets) balances	on fiscal allowance on property, plant and equipment etc.	other timing differences	on fiscal allowance on property, plant and equipment etc.	other timing differences	on fiscal allowance on property, plant and equipment etc.	other timing differences
Opening Balance	(8,89,977)	99,76,519	(6,23,550)	96,66,249	(6,23,550)	-
Recognised in Profit or Loss	(2,10,446)	-	(2,66,427)	-	-	-
Recognised in OCI	-	-		3,10,271	-	96,66,249
Reconised directly in equity	-	-	-	-	-	-
Reclassified to profit or loss	-	-	-	-	-	-
Closing Balance	(11,00,423)	99,76,519	(8,89,977)	99,76,519	(6,23,550)	96,66,249

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Amount in Rs.

16 Borrowings	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
Working capital and term loans			
- From bank	2,50,54,509	1,76,48,785	1,40,49,761
	2,50,54,509	1,76,48,785	1,40,49,761
Unsecured			
Overdraft Facility TMB	1,21,374	-	-
Other loans from related parties	32,39,843	-	-
	33,61,217	-	-
	2,84,15,726	1,76,48,785	1,40,49,761

Nature of security

Working Capital Facility from Bank is Secured by hypothecation of all stocks of the Company and additionally secured by way of hypothecation of the entire movable machinery installed/to be installed in the factory. The said facilities are futher secured by equitable mortgage of property standing in the name of the Director and also by his personal gurantee.

17 Trade payables	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Dues to Micro And Small Enterprises (as per the intimation received from vendors)			
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year	-	-	-
b. Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
c. Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	-
e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-	-
Dues to Others			
- For goods	5,51,721	47,89,550	34,09,942
- For expenses	8,86,570	1,17,349	5,44,909
Total	14,38,291	49,06,899	39,54,851

18 Other current liabilities	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory Dues (including provident fund, tax deducted at source and others)	77,004	4,18,480	1,00,110
Other payables	6,01,996	-	-
Total	6,79,000	4,18,480	1,00,110

19 Revenue from operations	Year ended 31st March 2018	Year ended 31st March 2017
Sale of Products		
- Sale of finished goods	23,34,95,661	29,93,70,376
- Sale of stock-in-trade	17,44,49,552	5,35,58,314
Total revenue from operations	40,79,45,213	35,29,28,690

Sales from July 1, 2017 is net of Goods and Service Tax (GST). However, sales till period ended June 30, 2017 and for the previous year ended March 31, 2017 is gross of Excise Duty.

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Amount in Rs.

20 Other income	Year ended 31st March 2018	Year ended 31st March 2017
Interest income	50,34,723	39,40,525
Profit from Partnership Firm	2,47,771	1,19,877
	52,82,494	40,60,402
Interest income comprises interest from:		
a) Deposits with banks - carried at amortised cost	20,896	-
b) Financial assets measured at FVTOCI held at the end of the reporting period	66,492	-
c) Interest on account of delayed payment	4,42,149	3,31,225
d) Others (from statutory authorities)	3,460	-
Total	5,32,997	3,31,225

21 Cost of materials consumed	Year ended 31st March 2018	Year ended 31st March 2017
Inventory of raw materials at the beginning of the year	-	80,01,406
Add: Purchases	22,47,40,924	27,00,39,404
	22,47,40,924	27,80,40,810
Less: Inventory of raw materials at the end of the year	76,28,693	-
Cost of materials consumed	21,71,12,231	27,80,40,810

22 Purchase of stock-in-trade	Year ended 31st March 2018	Year ended 31st March 2017
Purchase of stock-in-trade	16,94,02,194	4,94,46,294
Total	16,94,02,194	4,94,46,294

23 Change in inventories of finished goods and work-in-progress	Year ended 31st March 2018	Year ended 31st March 2017
Opening		
Finished goods	-	45,14,924
Stock-in-Trade	40,47,376	24,67,735
Closing		
Finished goods	(51,81,216)	-
Stock-in-Trade	(15,97,897)	(40,47,376)
Total	(27,31,737)	29,35,282

24 Employee benefits expense	Year ended 31st March 2018	Year ended 31st March 2017
Salaries and wages (including managing and whole time director's remuneration)	55,37,708	60,27,810
Contribution to provident and other funds	52,328	79,900
Workmen and staff welfare expenses	64,885	57,330
Total	63,21,241	68,26,645

25 Finance costs	Year ended 31st March 2018	Year ended 31st March 2017
Interest cost on finance liabilities	23,19,365	21,21,908
Other borrowing costs	69,857	89,364
Total	23,89,221	22,11,272

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Amount in Rs.

26 Other Expenses	Year ended 31st March 2018	Year ended 31st March 2017
Consumption of stores, spares and tools	12,45,137	9,37,486
Quality claim charges	15,14,933	4,46,816
Tractor expenses	12,130	-
Power & fuel	65,53,666	53,77,250
Building repairs	46,133	49,259
Rent, rates & taxes	7,01,243	1,33,295
Insurance charges	80,931	1,70,591
Legal expenses	2,11,149	2,90,092
Brokerage	7,88,078	7,40,663
Packing material consumed	25,15,223	12,90,040
Subscription	35,000	1,50,313
Loss on sale/discard of property, plant and equipments (net)		802
Repairs of Machinery	1,89,947	1,74,827
Payment to auditors		
- as audit fees	29,750	40,250
Postage expenses	40,900	43,390
Printing and stationery	64,555	57,240
Telephone expenses	60,579	80,018
Travelling expenses	2,67,605	4,01,367
Cash discount	1,93,457	2,45,188
Advertisement	13,140	13,140
Office expenses	60,890	52,740
General expenses	1,84,090	2,45,523
Others	3,95,748	19,22,052
Total	1,52,04,285	1,28,62,342

27 Income taxes		Year ended 31st March 2018	Year ended 31st March 2017
A Amount recognised in profit or loss			
Current tax			
Current period		8,57,073	3,61,165
MAT credit (entitlement)/ reversal		-	-
	a	8,57,073	3,61,165
Deferred tax			
Deffered tax for the year		(2,10,446)	(2,66,427)
	b	(2,10,446)	(2,66,427)
B Income tax recognised in other comprehensive income			
Deferred tax			
On items that will not be reclassified to profit or loss			
- Fair valuation of equity instruments		-	3,10,271
	c	-	3,10,271
Income tax expense reported in the Standalone Statement of Profit and Loss (a+b+c)		6,46,627	4,05,009

C Reconciliation of effective tax rate	Year ended 31st March 2018	Year ended 31st March 2017
Profit/(loss) before tax	20,97,640	3,85,978
Income tax expense calculated @ 25.75% (2017- 30.90%)	5,40,142	1,19,267
Effect of income not taxable	(5,58,948)	(2,24,534)
Other tax differences	17,421	-
Effective tax rate	(1,385)	(1,05,267)

The tax rate used for the year 2016-17 and 2017-18 reconciliations above is the corporate tax rate of 25.75%; previous year 30.90% (25% + education cess @ 3%; previous year 30% + education cess @ 3%) payable on taxable profits under the Income Tax Act, 1961.

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Amount in Rs.

28 Earnings per equity share	Year ended 31st March 2018	Year ended 31st March 2017
Earnings per share has been computed as under:		
(a) Profit for the year	14,57,288	2,91,240
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic/diluted earnings per share	52,45,000	52,45,000
(c) Earnings per share on profit for the year		
- Basic EPS [(a)/(b)]	0.28	0.06
- Diluted EPS [(a)/(b)]	0.28	0.06

29 Segment information

The business of the company falls under a single operating segment i.e. manufacturing and trading of PP woven sacks/ Fabric/ Liner and its related raw material. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. As the Company is engaged in a single operating segment, segment information that has been tabulated below is Company-wide:

	Revenue (by loacation of operations)		Non-current assets (see note below)		
	Year ended 31st March 2018	Year ended 31st March 2017	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Country					
within India	40,79,45,213	35,29,28,690	2,06,52,397	2,40,97,871	2,82,17,538
outside India	-	-	-	-	-
Total	40,79,45,213	35,29,28,690	2,06,52,397	2,40,97,871	2,82,17,538

Note: Non-current assets exclude financial assets, deferred tax assets, post-employment benefit assets and rights under insurance contracts.

Major customer

The Company generates revenues of more than 10% from transactions with single external customer amounting to Rs. 5,74,44,475 (as at 31st March 2017 Rs. 14,01,49,480)

30 Employee benefits

(a) Defined contribution plans:

Contribution to defined contribution plans, recognised as expense for the year are as under:

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Employer's contribution to Provident Fund	52,328	79,900
Total	52,328	79,900

(b) Defined benefit plans:

The company has not provided for gratuity under the Payment of Gratuity Act, 1972 (the Gratuity Act) as the no. of employess in the company are less then ten.

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Amount in Rs.

31 Related Party Disclosures

Key Management Personnel (KMP)

Mr. Praveen Chand Dhandhania	Director
Mr. Sushil Kumar Sureka	Director
Mr. Rinku Dhandhania	Director
Mr. Sushovan Saharoy	Director

Note: Related Parties have been identified by the management.

The following transactions were carried out with related parties in the ordinary course of business:

Nature of transaction	Name of related party	Transaction for the year ended		Balance at the year ended	
		31/03/2018	31/03/2017	31/03/2018	31/03/2017
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Rent	Mr. Praveen Chand Dhandhania	60,000	60,000	-	-
Director's Remuneration	Mr. Praveen Chand Dhandhania	60,000	60,000	-	-

Terms and conditions of transactions with related parties

The purchase from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Compensation of Key Management Personnel of the Company

Key management personnel compensation comprised the following :

Nature of transaction	Year ended 31 March 2018	Year ended 31 March 2017
Short-term employee benefits	60,000	60,000
Other long-term benefits	-	-
Total Compensation paid to key management personnel	60,000	60,000

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Amount in Rs.

32 Financial instruments and related disclosures

32.1 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 there instruments.

32.2 Financial instruments by category

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 aamount is a reasonable approximation of fair value.

	Particulars	Note No.	As at 31st March 2018		As at 31st March 2017		As at 31st March 2017	
			Carrying amount	Fair value Level 3	Carrying amount	Fair value Level 3	Carrying amount	Fair value Level 3
A.	Financial assets:							
a)	Measured at amortised cost							
	Trade receivables	8	1,35,22,340	-	1,90,11,038	-	40,26,174	-
	Cash and cash equivalents	9	12,15,647	-	14,63,247	-	17,20,455	-
	Other financial assets	10	5,26,89,600	-	4,74,26,622	-	3,89,80,097	-
b)	Meaured at fair value through profit or loss							
	Investments	5	27,76,938	27,73,938	25,29,033	25,26,033	24,09,420	24,06,420
c)	Meaured at fair value through other comprehensive income							
	Investments	5	4,01,82,557	4,01,82,557	4,01,82,557	4,01,82,557	3,91,76,478	3,91,76,478
B.	Financial liabilities:							
a)	Measured at amortised cost							
	Borrowings	16	2,84,15,726	-	1,76,48,785	-	1,40,49,761	-
	Trade payables	17	14,38,291	-	49,06,899	-	39,54,851	-

32.3 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, trade 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.

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Amount in Rs.

(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 form 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 31 March 2018		Year ended 31 March 2017	
	%	Amount	%	Amount
Revenue from top customer	14.08%	5,74,44,475	20.12%	7,10,12,070
Revenue from top five customers	39.14%	15,96,76,270	51.21%	18,07,39,962

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 lossed on trade receivables using a provision matrix to mitigate the risk of default payments amd 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.

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
As at 31 March 2018				
Borrowings	2,50,54,509	-	-	2,50,54,509
Trade payables	14,38,291	-	-	14,38,291
	2,64,92,800	-	-	2,64,92,800
As at 31 March 2017				
Borrowings	1,76,48,785	-	-	1,76,48,785
Trade payables	49,06,899	-	-	49,06,899
	2,25,55,684	-	-	2,25,55,684
As at 1 April 2016				
Borrowings	1,40,49,761	-	-	1,40,49,761
Trade payables	39,54,851	-	-	39,54,851
	1,80,04,612	-	-	1,80,04,612

(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.

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(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	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Fixed rate instruments			
Financial assets	3,89,98,019	3,89,89,222	3,89,80,097
Financial liabilities	33,61,217	-	-
	4,23,59,236	3,89,89,222	3,89,80,097
Variable rate instruments			
Financial assets	-	-	-
Financial liabilities	(2,50,54,509)	(1,76,48,785)	(1,40,49,761)
	(2,50,54,509)	(1,76,48,785)	(1,40,49,761)

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 instruments

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
31 March 2018				
Variable rate instruments	(2,50,545)	2,50,545	(1,86,030)	1,86,030
Cash flow sensitivity (net)	(2,50,545)	2,50,545	(1,86,030)	1,86,030
31 March 2017				
Variable rate instruments	(1,76,488)	1,76,488	(1,21,953)	1,21,953
Cash flow sensitivity (net)	(1,76,488)	1,76,488	(1,21,953)	1,21,953

(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.

33 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		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Total debt (Bank and other borrowings)	A	2,84,15,726	1,76,48,785	1,40,49,761
Equity	B	22,17,70,687	22,03,13,265	21,93,28,121
Liquid investments including bank deposits	C	12,15,647	14,63,247	17,20,455
Debt to Equity (A / B)		0.13	0.08	0.06
Debt to Equity (net) [(A-C) / B]		0.12	0.07	0.06

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Amount in Rs.

34 Explanation of transition to Ind AS

As stated in note 2(a), these are the Company's first standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Company had prepared its standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in note 3 have been applied in preparing these standalone financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening standalone Ind AS balance sheet on the date of transition i.e. 1 April 2016

In preparing its standalone Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in standalone financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its standalone financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and

Optional exemptions availed and mandatory exceptions

In preparing these standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory

A. Optional exemptions availed

1 Property plant and equipment

The Company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and intangible assets as per the statement of financial position prepared in accordance with previous

2 Fair value measurement of financial assets or liabilities at initial recognition

The Company has applied the requirements of Ind AS 109, "Financial Instruments: Recognition and Measurement", wherever applicable.

B. Mandatory exceptions

1 Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Determination of the discounted value for financial instruments carried at amortised cost.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of March 31, 2017.

2 Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the derecognition principles of Ind AS 109 retrospectively as reliable information was available at the time of initially accounting for these transactions.

3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is

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C. Reconciliation of equity

Particulars	Note	31 March 2017 Previous GAAP*	31 March 2017 Adjustment on transition to Ind AS	31 March 2017 Ind AS	1 April 2016 Previous GAAP*	1 April 2016 Adjustment on transition to Ind AS	1 April 2016 Ind AS
I. ASSETS							
(1) Non-current assets							
(a) Property, plant and equipment		2,17,30,379	-	2,17,30,379	2,58,37,205	-	2,58,37,205
(b) Goodwill		84,690	-	84,690	84,690	-	84,690
(c) Financial assets		-					
(i) Investments	(a)	1,04,24,793	3,22,86,797	4,27,11,590	1,03,03,540	3,12,82,358	4,15,85,898
(d) Other non-current assets		22,82,803	-	22,82,803	22,95,643	-	22,95,643
Total Non-current assets		3,45,22,665	3,22,86,797	6,68,09,462	3,85,21,078	3,12,82,358	6,98,03,436
(2) Current assets							
(a) Inventories		44,73,417	-	44,73,417	1,53,51,604	-	1,53,51,604
(b) Financial assets							
(i) Trade receivables		1,90,11,038	-	1,90,11,038	40,26,174	-	40,26,174
(ii) Cash and cash equivalents		14,63,246	-	14,63,246	17,20,455	-	17,20,455
(iii) Other financial assets		4,74,26,622	-	4,74,26,622	3,89,80,097	-	3,89,80,097
(c) Current tax asset (net)		4,84,922	-	4,84,922	6,16,763	-	6,16,763
(d) Other current assets		11,27,05,264	-	11,27,05,264	11,59,77,013	-	11,59,77,013
Total Current assets		18,55,64,509	-	18,55,64,509	17,66,72,106	-	17,66,72,106
TOTAL ASSETS		22,00,87,174	3,22,86,797	25,23,73,972	21,51,93,184	3,12,82,358	24,64,75,542
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		5,24,50,000	-	5,24,50,000	5,24,50,000	-	5,24,50,000
(b) Other equity	(a)	14,55,39,312	2,23,10,278	16,78,49,590	14,52,48,398	2,16,16,109	16,68,64,507
(c) Non-Controlling Interest		13,676	-	13,676	13,614	-	13,614
Total Equity		19,80,02,988	2,23,10,278	22,03,13,266	19,77,12,012	2,16,16,109	21,93,28,121
Liabilities							
(1) Non-current liabilities							
(a) Deferred tax liabilities (net)	(b)	(8,89,977)	99,76,519	90,86,542	(6,23,550)	96,66,249	90,42,699
Total Non-current liabilities		(8,89,977)	99,76,519	90,86,542	(6,23,550)	96,66,249	90,42,699
(2) Current liabilities							
(a) Financial liabilities							
(i) Borrowings		1,76,48,785	-	1,76,48,785	1,40,49,761	-	1,40,49,761
(ii) Trade payables		49,06,899	-	49,06,899	39,54,851	-	39,54,851
(b) Other current liabilities		4,18,480	-	4,18,480	1,00,110	-	1,00,110
Total Current liabilities		2,29,74,164	-	2,29,74,164	1,81,04,722	-	1,81,04,722
TOTAL EQUITY AND LIABILITIES		22,00,87,174	3,22,86,797	25,23,73,972	21,51,93,184	3,12,82,358	24,64,75,542

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D. Reconciliation of total comprehesive income for the year ended 31 March 2017

	Particulars	Note	Year ended 31 March 2017		
			Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
I.	Revenue from operations		35,29,28,690	-	35,29,28,690
II.	Other income		40,60,402	-	40,60,402
III.	**Total income (I + II)**		35,69,89,092	-	35,69,89,092
IV.	**Expenses**				
	Cost of materials consumed		27,80,40,810	-	27,80,40,810
	Purchase of stock-in-trade		4,94,46,294	-	4,94,46,294
	Changes in inventories of finished goods and work-in-progress		29,35,282	-	29,35,282
	Employee benefits expense		68,26,645	-	68,26,645
	Finance costs		22,11,272	-	22,11,272
	Depreciation and amortisation expense		42,80,469	-	42,80,469
	Other expenses		1,28,62,342	-	1,28,62,342
	Total expenses (IV)		35,66,03,114	-	35,66,03,114
	V. Profit / (Loss) before exceptional item and tax				
	VI. Exceptional item				
V.	**Profit/ (loss) before tax (III-IV)**		3,85,978	-	3,85,978
VI.	**Tax expenses**				
	Current tax		3,61,165	-	3,61,165
	Deferred tax		(2,66,427)	-	(2,66,427)
VII.	**Profit / (loss) for the year (V-VI)**		2,91,240	-	2,91,240
VIII.	**Other comprehensive income (net of tax)**				
	A. Items that will not be reclassified subsequently to profit or loss				
	(a) Equity instruments through other comprehensive income - net change in fair value (net of taxes)	(a)	-	10,04,113	10,04,113
	(b) Income taxes relating to items that will not be reclassified to profit or loss	(b)	-	(3,10,271)	(3,10,271)
	Net other comprehensive income not to be reclassified subsequently to profit		-	6,93,842	6,93,842
	B. Items that will be reclassified subsequently to profit or loss		-	-	-
	Net other comprehensive income to be reclassified subsequently to profit or		-	-	-
	Other comprehensive income for the year, net of income tax		-	6,93,842	6,93,842
IX.	**Total comprehensive income for the year (VII+VIII)**		**2,91,240**	**6,93,842**	**9,85,082**

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* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

E. There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

F. Notes to the reconciliations of equity as at 1 April 2016 and 31 March 2017 and total comprhensive income for the year ended 31 March 2017

(a) Fair valuation of investments

In accordance with Ind AS, financial assets representing investment in equity shares of entities other than subsidiaries have been fair valued. The Company has designated certain investments classified as fair value through profit or loss with certain others equity investments designated as at fair value through other comprehensive income as permitted by Ind AS 109. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost.

(b) Deferred Taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

BKS & CO. Chartered Accountants Kolkata

CA. Akash Sureka
Partner
Membership No: 310901
Place: Kolkata
Dated: The 31st May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 00151068

DIRECTOR
DIN: 00154048

LINCOLN INDUSTRIES LIMITED

Notes to the Consolidated Financial Statements for the year ended 31 March 2018

1	**Minority Share**				
	Non-Controlling interest		2018	2017	2016
	Subsidiary				
	PPA		-	-	-
	LLP				
	Original	P. Capital	277	143	100
		Reserves	13,533	13,534	13,514
			13,810	**13,676**	**13,614**
2	**Goodwill/ (Capital Reserve)**				
	Subsidiary				
	Investment of Lincoln in PPA		1,00,000	1,00,000	1,00,000
	Share Capital of PPA		-1,00,000	-1,00,000	-1,00,000
	Goodwill / (Capital Reserve)		-	-	-
	LLP				
	Investment of Lincoln in Original		40,42,155	21,19,387	15,12,350
	Less: Accumlated share of profit		25,29,805	6,07,037	
	Cost of Investment		15,12,350	15,12,350	15,12,350
	Less: Partners Capital Account		14,27,660	14,27,660	14,27,660
	Goodwill		**84,690**	**84,690**	**84,690**

BKS & CO. Kolkata Chartered Accountants

PPA FIBRES PRIVATE LIMITED

(CIN: U74900WB2013PTC195848)

Regd. Office: P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR, ROOM NO. 44, KOLKATA- 700 001

NOTICE OF 5th ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that 5th Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at P-36, India Exchange Place Extn., 2nd Floor, Room No. 44, Kolkata- 700 001 on Saturday, the 29th September, 2018 at 10:30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company together with the Directors' Report and the Auditors' Report thereon for the financial year ended 31st March, 2018.

Registered Office:
P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR,
NO. 44, KOLKATA- 700 001
Dated: 30th May, 2018

By Order of the Board

For PPA Fibres Private Limited

Sd/-
Mukul Dhandhania
Director
(DIN: 06630554)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY DULY COMPLETED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

2. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**

3. 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.

4. Members / Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting.

5. 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.

6. Relevant documents referred to in the accompanying notice including Annual Report for the financial year 2017-18 are open for inspection by members at the registered office of the company on all working days of the Company (Monday to Friday) between 11:00 a.m. and 1:00 p.m. up to the date of AGM.

7. Complete particulars of the venue of the Meeting including route map and prominent land mark for easy location is enclosed for the convenience of the members.

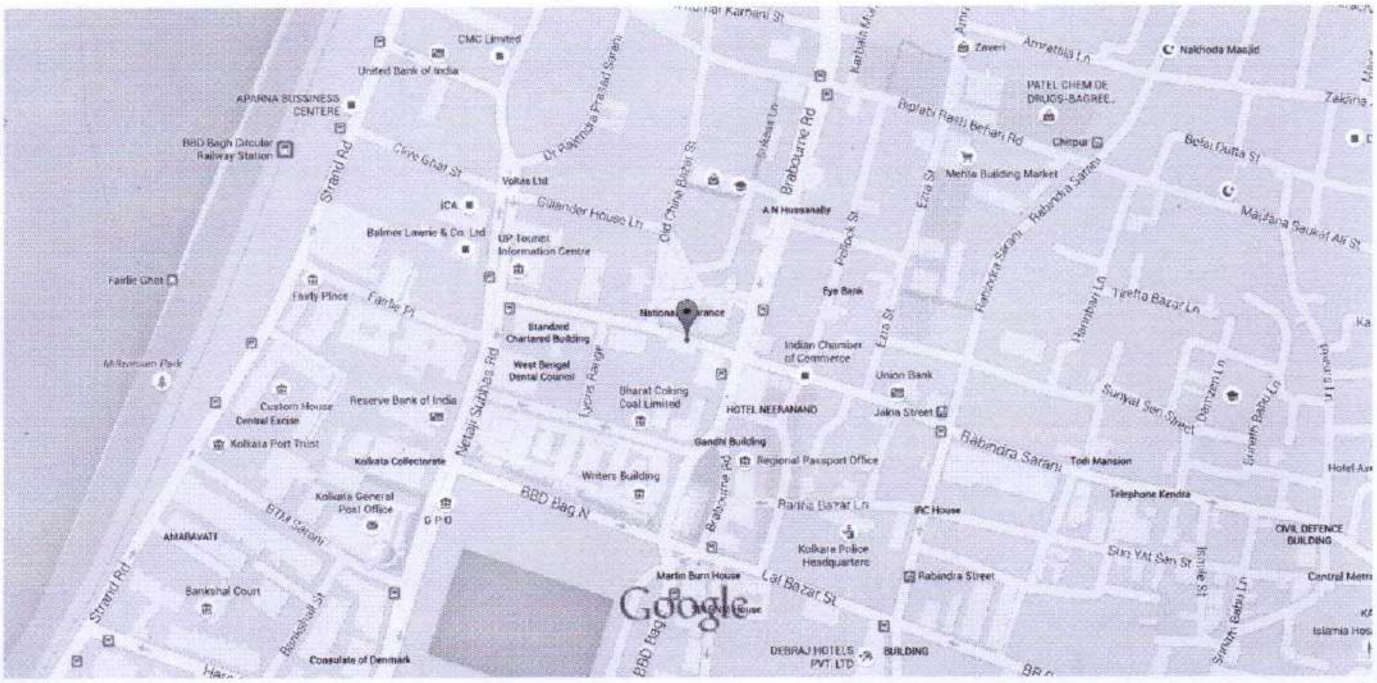
Registered Office:
P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR,
NO. 44, KOLKATA- 700 001
Dated: 30th May, 2018

By Order of the Board

For PPA Fibres Private Limited

Sd/-
Mukul Dhandhania
Director
(DIN: 06630554)

Google 36, India Exchange Pl Rd



Map data ©2015 Google 100 m

36, India Exchange Pl Rd
Murgighata, B B D Bagh
Kolkata, West Bengal 700001

PPA FIBRES PRIVATE LIMITED

(CIN: U74900WB2013PTC195848)

Regd. Office: P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR, ROOM NO. 44, KOLKATA- 700 001

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

(5th Annual General Meeting – 29th September. 2018 at 10.30 a.m.)

I hereby record my presence at the 5th ANNUAL GENERAL MEETING of the Company on Saturday, 29th September, 2018 at 10.30 A.M at **P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR, ROOM NO. 44, KOLKATA- 700 001.**

Full Name of Member (In BLOCK LETTERS) ....

Folio No. .... DP ID No. .... Client ID No.: ....

Full Name of Proxy (s) (In BLOCK LETTERS) ....

Nos of Shares held........................... Member/Proxy(s) Signature ....

....**Tear off here**..

PROXY FORM (Form No. MGT – 11)

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

Name of the Company: PPA FIBRES PRIVATE LIMITED CIN **U74900WB2013PTC195848**

Registered Office: **P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR, ROOM NO. 44, KOLKATA- 700 001**

Name of Member/(s) : ....

Registered Address : ....

E-mail Id : ....

Folio No. .... DP ID No. .... Client ID No.: ....

I/We, being a member(s) holding .... Equity Shares of above named Company hereby appoint:

1. Name .... Address..
   E-mail Id .... Signature..or failing him/her
2. Name .... Address..
   E-mail Id .... Signature..or failing him/her
3. Name .... Address..
   E-mail Id .... Signature..

As my/our Proxy to attend and vote on (poll) for me / us, on my / our behalf at the 5th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at : **P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR, ROOM NO. 44, KOLKATA- 700 001** at 10.30 a.m. and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Sl. No.	Resolutions	Vote For	Vote Against
	A. ORDINARY BUSINESS		
1	To receive, consider and adopt the Audited Financial Statements, Report of Board of Directors and Auditors thereon for FY 2017-18		

Affix Revenue Stamp

Signed this ....day of 2018

Signature of Member...

Signature of Proxy:..

NOTE: The Form of Proxy duly completed must be deposited at the Regd. Office of the company not later than 48 hours before time of commencement of the meeting.

PPA FIBRES PRIVATE LIMITED

(CIN: U74900WB2013PTC195848)

Regd. Office: P-36, INDIA EXCHANGE PLACE EXTN. 2ND FLOOR, ROOM NO. 44, KOLKATA- 700 001

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors hereby present the 5th Annual Report and Audited financial statement for the year ended 31st March 2018.

Financial Performance

The Company's financial performance for the year ended 31st March, 2018 is summarized below:

(Rs.)

Particulars	As on 31.03.2018	As on 31.03.2017
Total Revenue	-	-
Profit / (Loss) before taxation	(38,911)	(40,490)
Net Profit / (Loss) for the year	(38,911)	(40,490)
EPS	(3.89)	(4.05)

Financial Performance

During the year, the Company had no revenue from operations. For Financial year 2018, your Company's loss stood at Rs. 38,911/- vis-à-vis a loss of Rs. 40,490/- in the previous year.

Dividend

The Board of Directors regret their inability to recommend any dividend for the financial year under review.

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 the regulators or courts or tribunals impacting the going concern status and company's operations in future during the financial year under report.

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, 2018 and the date of this Report of the Directors.

Subsidiary / Joint Ventures / Associates

Your Company has no subsidiaries or Joint Venture or Associate company. Your company is a wholly owned subsidiary of Lincoln Industries Ltd.

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.

Share Capital

The paid up Equity Share Capital as on March 31, 2018 was Rs. 1,00,000/-. During the year under review, your Company has not issued any shares or any convertible instruments.

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

During the financial year, there was no change in the composition of the Board of Directors of the Company.

Meetings of Board

During the financial year 2017-18, the Board met four times on 30.05.2017, 25.09.2017, 30.12.2017 & 31.03.2018.

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 pricing basis. The details of Related Party Transactions are enclosed as **Annexure – I.**

Loans, guarantees and investments

The particulars of loans guarantees and investments made in securities under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 has been provided in the financial statements of the Company.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT – 9 is enclosed as **Annexure - II** and forms part of this Report.

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

In compliance with the provisions of section 134(3) (m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 your company has to report that:

a) There are no activities relating to conservation of energy. Your Company has neither carried out any Research and Development Work nor spent any amount on it.

b) There was no foreign exchange earning and Outgo during the financial year under review.

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) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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.

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. B K S & Co., Chartered Accountants, (Registration No.- FRN: 325718E),, was appointed as the Auditors of the Company from conclusion of the 1st AGM until conclusion of the 6th AGM of the Company scheduled to be held in the year 2019.

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. B K S & Co., Chartered Accountants., as the Auditors of the Company at the every AGM does not arise.

Your Company has received a certificate from M/s. B K S & Co., 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.

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

There were no cases/ complaints reported in terms of 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 in general has adhered to the Secretarial Standards as prescribed by the Institute of Company Secretaries of India during the financial year under report.

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.

On behalf of the Board of Directors
For PPA Fibres Private Limited

Place: Kolkata

Date: 30.05.2018

Sd/-
(MUKUL DHANDHANIA)
Director
(DIN: 06630554)

sd/-
(PREMLATA DHANDHANIA)
Director
(DIN: 06630543)

ANNEXURE - I

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:

(i) (a) Name(s) of the related party and nature of relationship – Lincoln Industries Ltd., Holding company.

(b) Nature of contracts/arrangements/transactions –Loan taken

(c) Duration of the contracts / arrangements/transactions – 01.04.2017-31.03.2018

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 25,000/- as loan

(e) Date(s) of approval by the Board, if any:

(f) Amount paid as advances, if any: Nil

Place: Kolkata
Date: 30th May, 2018

sd/-

Mukul Dhandhania
Director
(DIN: 06630554)

Sd/-

Premlata Dhandhania
Director
(DIN: 06630543)

Annexure - II

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018.
[Pursuant tp section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) CIN	:	U74900WB2013PTC195848
(ii) Registration Date	:	25.07.2013
(iii) Name of the Company	:	PPA Fibres Private Limited
(iv) Category / Sub-Category of the Company	:	Company limited by shares
(v) Address of the Registered Office and contact details	:	P-36, India Exchange Place Extn. , 2nd Floor, Room No. 44, Kolkata - 700001
(vi) Whether Listed Company.	:	No
(vii) Name, address and contact details of the Registrar and Transfer Agent, if any	:	Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :-

Sl.No.	Name and Description of main products / services	NIC Code of the Produt / Service	% to total turnover of the Company
1	-	-	-

Note: No revenue from operations during the financial yeaı 2017-2018

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl.No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1	Lincon Industries Ltd	L51109WB1983PLC035957	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2017]				No of Shares held at the end of the year [As on 31-March-2018]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		2	2	0.02%		2	2	0.02%	-
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.		9998	9998	99.98%		9998	9998	99.98%	
e) Banks/FI									
f) Any other									
Sub-total (A)(1)									
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)									
Total shareholding of Promoter (A)=(A)(1)+(A)(2)		10000	10000	100.00%		10000	10000	100.00%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c)Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Qualified Foreign Investor									
Sub-total(B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
c) Others (Specify)									
Non Resident Indians									
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
Sub-total(B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	0	10000	10000	100%	0	10000	10000	100%	0.00

ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2017]			Shareholding at the end of the year [As on 31/03/2018]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Lincoln Industries Ltd	9,998	99.98%	-	9,998	99.98%	-	-
2	Mukul Dhandhania	1	0.01%	-	1	0.01%	-	-
3	Prem Lata Dhandhania	1	0.01%	-	1	0.01%	-	-
	TOTAL	**10,000**	**100.00%**		**10,000**	**100.00%**		

iii) Change in Promoters' Shareholding (please specify, if there is no change)					
		Shareholding at the beginning [01/04/17]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/17 to 31/03/2018]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	No Change				

iv) Shareholding Pattern of top ten Shareholders					
(Other than Directors, Promoters and Holders of GDRs and ADRs):					
		Shareholding at the beginning [01/04/17]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/17 to 31/03/2018]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NIL				
Note: All the shareholders belong to the Promoter / Promoter Group					

v) Shareholding of Directors and Key Managerial Personnel					
		Shareholding at the beginning [01/04/2017]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/2017 to 31/03/2018]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mukul Dhandhania				
	01-04-2017	1	0.01%	No Change	
	31-03-2018	1	0.01%		
2	Prem Lata Dhandhania				
	01-04-2017	1	0.01%	No Change	
	31-03-2018	1	0.01%		

V. INDEBTEDNESS

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

	Secured loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	77,600.00	-	77,600.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	77,600.00	-	77,600.00
Change in Indebtedness during the financial year				
Addition	-	25,000.00	-	25,000.00
Reduction	-	-	-	-
Net Change	-	25,000.00	-	25,000.00
Indebtedness at the end of the financial year				
(i) Principal Amount	-	1,02,600.00	-	1,02,600.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	1,02,600.00	-	1,02,600.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER

Sl.No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total	-	-
	Ceiling as per the Act.	-	-

B. REMUNERATION TO OTHER DIRECTORS

Sl.No.	Particulars of Remuneration	Name of the Direcrors		Total Amount
1	Independent Directors			
	* Fee for attending Board & Committee meetings	-	-	-
	* Commission	-	-	-
	* Others, please specify	-	-	-
	Total (1)	-	-	-
2	Other Non-Executive Directors	Mukul Dhandhania	Prem Lata Dhandhania	-
	* Fee for attending Board & Committee meetings			
	* Commission	-	-	-
	* Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act.	-	-	-

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

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act.	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

B. DIRECTORS

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

C. OTHER OFFICERS IN DEFAULT

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITOR'S REPORT
To the Members of PPA FIBRES PVT LTD
Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **PPA FIBRES PVT LTD** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit/loss including other comprehensive income, its cash flows and the changes in equity 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.

Responsibilities of Management for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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

BKS & Co. Kolkata Chartered Accountants

reasonable and prudent, and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of Financial Statements

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" statement on the matters specified in paragraphs 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 purpose of our audit.

B K S & Co. Kolkata Chartered Accountants

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;
g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us
h) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
i) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA. Binay Kumar Singhania
Partner
Membership No. : 057889
Place : Kolkata
Date : 30th May, 2018

B K S & Co.
Chartered Accountants

CA

COMPANIES AUDITOR'S REPORT ORDER, 2016
To the Members of PPA FIBRES PVT LTD

"ANNEXURE A" TO THE AUDIT REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018.

(i) Fixed Asset-

The Company does not have any Fixed Assets. The provisions of clause 3 (i) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

(ii) Inventories-

The Company does not have any Inventories. The provisions of clause 3 (ii) (a) to (b) of the Order are not applicable to the Company and hence not commented upon.

(iii) Loans given by company

The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

(iv) Loans to director and investment by company

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

(v) Deposits

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) Cost Records

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

BKS & CO. Kolkata Chartered Accountants

(vii) Statutory Dues

a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

(viii) Repayment of Loans

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

(ix) Utilisation of Funds

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

(x) Reporting of Frauds

Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company has been noticed or reported during the year.

(xi) Approval of Managerial Remuneration

Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

(xiii) Related Party Transaction

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

BKS & CO. Kolkata Chartered Accountants

(xiv) Private Placement of Preferential Issue

Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) Non-cash Transaction

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) Registration under RBI Act

In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA. Binay Kumar Singhania
Partner
Membership No. : 057889
Place : Kolkata
Date : 30th May, 2018

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

"ANNEXURE B" TO THE AUDIT REPORT

We have audited the internal financial controls over financial reporting of PPA FIBRES PVT LTD as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

BKS & CO.
Kolkata
Chartered Accountants

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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

As per our report of even date attached
For BKS & Co.
Chartered Accountants
FRN: 325718E

BKS & Co. Chartered Accountants Kolkata

CA. Binay Kumar Singhania
Partner
Membership No. : 057889
Place : Kolkata
Date : 30th May, 2018

PPA FIBRES PVT LTD
P 36, India Exchange Place Extn, 2nd Floor, Kolkata - 700001
CIN No.:U74900WB2013PTC195848
Standalone Balance Sheet as at 31 March 2018

Amount in Rs.

	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
(1) Non-current assets				
(a) Other non-current assets	4	-	12,842	25,682
Total Non-current assets		-	12,842	25,682
(2) Current assets				
(a) Financial assets				
(i) Cash and cash equivalents	5	31,701	32,770	30,395
Total Current assets		31,701	32,770	30,395
TOTAL ASSETS		31,701	45,612	56,077
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	6	100,000	100,000	100,000
(b) Other equity	7	(176,649)	(137,738)	(97,248)
Total Equity		(76,649)	(37,738)	2,752
Liabilities				
(1) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	8	102,600	77,600	47,600
(ii) Trade payables	9	5,750	5,750	5,725
Total Current liabilities		108,350	83,350	53,325
TOTAL EQUITY AND LIABILITIES		31,701	45,612	56,077
Significant accounting policies	3			

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
FOR BKS & CO.
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA. Binay Kumar Singhania
Partner
Membership No: 057889
Place: Kolkata
Dated: 30th May, 2018

For and on behalf of the Board

Mukesh Dhandhania

DIRECTOR
DIN: 06630554

Premlata Dhandhania

DIRECTOR
DIN: 06630543

PPA FIBRES PVT LTD
P 36, India Exchange Place Extn, 2nd Floor, Kolkata - 700001
CIN No.:U74900WB2013PTC195848
Standalone Statement of Profit and Loss for the year ended 31 March 2018

Amount in Rs.

		Note	Year ended 31 March 2018	Year ended 31 March 2017
I	Revenue from operations		-	-
II	Other income		-	-
III	**Total income (I + II)**		-	-
IV	**Expenses**			
	Cost of materials consumed		-	-
	Purchase of stock-in-trade		-	-
	Changes in inventories of finished goods, stock-in-trade and work-in-progress		-	-
	Employee benefits expense		-	-
	Finance costs		-	-
	Depreciation and amortisation expense		-	-
	Other expenses	10	38,911	40,490
	Total expenses (IV)		38,911	40,490
V	**Profit/ (loss) before tax (III-IV)**		(38,911)	(40,490)
VI	**Tax expense:**			
	Current tax		-	-
	Deferred tax		-	-
VII	**Profit / (loss) for the year (V-VI)**		(38,911)	(40,490)
	Other comprehensive income (net of tax)			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss		-	-
VIII	**Other comprehensive income**		-	-
IX.	**Total comprehensive income for the year (VII+VIII)**		(38,911)	(40,490)
X.	**Earnings per equity share**			
	[Face value of equity share **Rs. 10** each (Previous Year Rs. 10	12		
	- Basic		(3.89)	(4.05)
	- Diluted		(3.89)	(4.05)
	Significant accounting policies	3		

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
FOR BKS & CO.
Chartered Accountants
FRN: 325718E

BKS & CO. ★ Kolkata ★ Chartered Accountants

CA. Binay Kumar Singhania
Partner
Membership No: 057889
Place: Kolkata
Dated: 30th May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 06630554

DIRECTOR
DIN: 06630543

PPA FIBRES PVT LTD

Statement of Cash Flow for the year ended 31st March 2018

Amount in Rs.

	Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A.	**Cash Flows from Operating Acitivities**		
	Net Profit Before Tax & Extra-Ordinary Items	(38,911)	(40,490)
	Operating Profit before Working Capital Changes		
	Increase/(Decrease) in Trade Payables	-	25
	(Increase)/Decrease in Other Assets	12,842	12,840
	Cash generated from operations	(26,069)	(27,625)
	Income tax paid (net)	-	-
	Net Cash from / (used in) Operating Activities (A)	(26,069)	(27,625)
B.	**Cash Flows from Investing Activities**	-	-
	Net Cash used in Investing Activities (B)	-	-
C.	**Cash Flow from Financing Activities**		
	Increase/ (Decrease) in Short-term Borrowings	25,000	30,000
	Net Cash from Financing Activities (C)	25,000	30,000
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(1,069)	2,375
	Cash and Cash Equivalents at the beginning of the year	32,770	30,395
	Cash and Cash Equivalents at the end of the year	31,701	32,770
	(Refer Note No. 5 to the Accounts)		

Note :

i) Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS - 7 specified under section 133 of the Companies Act, 2013

ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances) during the year.

iii) Figures in brackets indicate cash outflow.

Significant accounting policies: Note 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
FOR BKS & CO.
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA. Binay Kumar Singhania
Partner
Membership No: 057889
Place: Kolkata
Dated: 30th May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 06630554

DIRECTOR
DIN: 06630543

PPA FIBRES PVT LTD

Standalone Statement of Changes in Equity for the year ended 31 March 2018

Amount in Rs.

A. Equity share capital

Particulars	Number	Amount
Balance as at 1 April 2016	10,000	100,000
Changes in equity share capital during 2016-17	-	-
Balance as at 31 March 2017	10,000	100,000
Changes in equity share capital during 2017-18	-	-
Balance as at 31 March 2018	**10,000**	**100,000**

B. Other Equity

Particulars	Surplus / (Deficit) in Statement of Profit & Loss	Total
Balance at 1 April 2016	(97,248)	(97,248)
Profit or Loss	(40,490)	(40,490)
Other comprehensive income (net of tax)	-	-
Total comprehensive income for the year	**(40,490)**	**(40,490)**
Dividend	-	-
Income tax on dividend paid	-	-
Other adjustments	-	-
Transfer from retained earnings	-	-
Balance at 31 March 2017	**(137,738)**	**(137,738)**
Profit or Loss	(38,911)	(38,911)
Other comprehensive income (net of tax)	-	-
Total comprehensive income for the year	**(38,911)**	**(38,911)**
Dividend	-	-
Income tax on dividend paid	-	-
Other adjustments	-	-
Transfer from retained earnings	-	-
Balance at 31 March 2018	**(176,649)**	**(176,649)**

Significant accounting policies 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
FOR BKS & CO.
Chartered Accountants
FRN: 325718E

BKS & CO. Kolkata Chartered Accountants

CA. Binay Kumar Singhania
Partner
Membership No: 057889
Place: Kolkata
Dated: 30th May, 2018

For and on behalf of the Board

DIRECTOR
DIN: 06630554

DIRECTOR
DIN: 06630543

1 Company Overview

PPA Fibres Private Limited ("the Company") is a private limited company incorporated in India on 25th July,2013 having its registered office at P 36, India Exchange Place, 2nd Floor, Kolkata-700001. Company's main object could not be achieved due to adverse market condition.

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.

The Company has adopted all the Ind AS standards and adoptions was carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP. Reconciliations and descriptions of the effect of transition has been sumarised in Note 17.

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 for the following items:

(i) Certain financial assets and financial liabilities 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) 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.

(ii) 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.

BKS & CO. Kolkata Chartered Accountants

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.
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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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 are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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 included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

BKS & CO. Kolkata Chartered Accountants

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.

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 intially 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) Impairment

Impairment of financial instruments: financial assets

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

The impairment losses and reversals are recognised in Statement of Profit and Loss.

BKS & CO. Kolkata Chartered Accountants

d) 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

e) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable for supplies made, net of discount to customers.

f) 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 or expense 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 contactual terms of the financial instrument (for example, payment, extension, call and similar options) but does not consider the expected credit losses.

g) 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.

h) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

i) 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.

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Amount in Rs.

4	Other non-current assets	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Advances other than			
	- Others	-	12,842	25,682
		-	12,842	25,682

5	Cash and cash equivalents	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Balances with banks	8,197	9,266	-
	Cash on hand	23,504	23,504	30,395
		31,701	32,770	30,395

6	Equity share capital	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Authorised			
	1,50,000 (31st March 2017: 1,50,000; 1st April 2016: 1,50,000) shares of Rs. 10/- each	1,500,000	1,500,000	1,500,000
		1,500,000	1,500,000	1,500,000
	Issued, subscribed and fully paid-up			
	10,000 (31st March 2017: 1,00,000; 1st April 2016: 1,00,000) shares of Rs. 10/- each	100,000	100,000	100,000
		100,000	100,000	100,000

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the period

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Amount	Number	Amount	Number	Amount
Balance as at the beginning of the year	10,000	100,000	10,000	100,000	10,000	100,000
Add: Issued during the year	-	-	-	-	-	-
Balance as at the end of the year	10,000	100,000	10,000	100,000	10,000	100,000

b. Rights, prefernces and restrictions attaching to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

c. Details of shares held by the Holding Company

The entire 10,000 shares are held by Lincoln Industries Limited, being the holding company.

d. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	% of total shares	Number	% of total shares	Number	% of total shares
Equity shares of Rs 10 each fully paid-up						
Lincoln Industries Limited	10,000	100%	10,000	100%	10,000	100%

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7	Other Equity						
	Components	1st April 2017	Movement during the year	31 March 2018	1 April 2016	Movement during the year	31 March 2017
	Retained earnings	(137,738)	(38,911)	(176,649)	(97,248)	(40,490)	(137,738)
		(137,738)	(38,911)	(176,649)	97,248	(40,490)	(137,738)

Retained earnings: This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

8	Borrowings	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Current, unsecured loan			
	- From holding company	102,600	77,600	47,600
		102,600	77,600	47,600

9	Trade payables	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Dues to Micro And Small Enterprises (as per the intimation received from vendors)*			
	a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year	-	-	-
	b. Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
	c. Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-
	d. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	-
	e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-	-
	Dues to Others			
	- For goods	-	-	-
	- For expenses	5,750	5,750	5,725
		5,750	5,750	5,725

10	Other Expenses	Year ended 31st March 2018	Year ended 31st March 2017
	Bank charges	472	633
	Payment to auditors		
	- as audit fees	5,900	5,750
	Legal and Professional expenses	17,899	19,230
	Rates and Taxes	1,798	1,173
	Printing and Stationery charges	-	864
	Preliminary expenses written off	12,842	12,840
		38,911	40,490

11	Income taxes		Year ended 31st March 2018	Year ended 31st March 2017
A	**Amount recognised in profit or loss**			
	Current tax	a	-	-
	Deferred tax	b	-	-
			-	-
	Deferred Tax Assets			
	Unused Tax Losses and Unabsorbed Depreciation		45,487	41,142
	Unrecognised deferred tax assets			

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.
The Company offsets tax assets and tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same authority.

B	**Income tax recognised in other comprehensive income**	c	-	-
	Income tax expense reported in the Standalone Statement of Profit and Loss (a+b+c)		-	-

C	Reconciliation of effective tax rate	Year ended 31st March 2018	Year ended 31st March 2017
	Profit/ (loss) before tax	(38,911)	(40,490)
	Tax using the Indian tax rate @ 25.75% (P.Y. 29.87%)	(10,020)	(12,094)
	Effect of unused tax losses and unabsorbed depreciation	4,345	11,093
	Tax rate differences	5,675	1,002
	Effective tax	-	-

The tax rate used for the year 2017-18 and 2016-17 reconciliations above is the corporate tax rate of 25.75%; previous year 29.87% (25% + education cess @ 3%; previous year 29% + education cess @ 3%) payable on taxable profits under the Income Tax Act, 1961.

12 Earnings Per Share:

Basic earnings per share
The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Earnings per equity share	Year ended 31st March 2018	Year ended 31st March 2017
Earnings per share has been computed as under:		
(a) Profit for the year	(38,911)	(40,490)
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic/diluted earnings per share	10,000	10,000
(c) Earnings per share on profit for the year		
- Basic EPS [(a)/(b)]	(3.89)	(4.05)
- Diluted EPS [(a)/(b)]	(3.89)	(4.05)

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13 Segment information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers.
Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. The Company therefore operates in a single reporting segment.

Particulars	Revenue (by loacation of		Non-current assets (see note below)		
	Year ended 31st March 2018	Year ended 31st March 2017	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Country					
within India	-	-	-	12,842	25,682
outside India	-	-	-	-	-
Total	-	-	-	12,842	25,682

Note: Non-current assets exclude financial assets, deferred tax assets, post-employment benefit assets and rights under insurance

The Company is presently not generating any income from operations. Hence the company currently does not have any customer base.

14 Related Party Disclosures

Related party where control exists

Particulars	Related Party	Country of Incoporation
Holding Company	Lincoln Industries Limited	India

Key Management Personnel (KMP)

Mr. Mukul Dhandhania	Director
Mrs. Premlata Dhandhania	Director

Note: Related Parties have been identified by the management.

Nature of transaction	Name of related party	Transaction for the year ended		Balance at the year ended	
		31/03/2018	31/03/2017	31/03/2018	31/03/2017
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Loans Taken	Lincoln Industries Limited	25,000	30,000	102,600	77,600

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Amount in Rs.

15 Financial instruments and related disclosures

15.1 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.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. 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.

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 1 April 2016, 31 March 2017 and 31 March 2018 : NIL

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

15.2 Financial instruments by category

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 aamount is a reasonable approximation of fair value.

	Particulars	Note No.	As at 31st March 2018		As at 31st March 2017		As at 31st March 2017	
			Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
A.	Financial assets:							
a)	Measured at amortised cost							
	Cash and cash equivalents	5	31,701	-	32,770	-	30,395	-
B.	Financial liabilities:							
a)	Measured at amortised cost							
	Borrowings	8	102,600	-	77,600	-	47,600	-
	Trade payables	9	5,750	-	5,750	-	5,725	-

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15.3 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 trade payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets constitutes cash & cash equivalents.

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 form 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. The company is not exposed to any credit 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.

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.

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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
As at 31 March 2018				
Borrowings	102,600	-	-	102,600
Trade payables	5,750	-	-	5,750
	108,350	-	-	108,350
As at 31 March 2017				
Borrowings	77,600	-	-	77,600
Trade payables	5,750	-	-	5,750
	83,350	-	-	83,350
As at 1 April 2016				
Borrowings	47,600	-	-	47,600
Trade payables	5,725	-	-	5,725
	53,325	-	-	53,325

(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 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. The company does not have any interest risk exposure at present.

(b) Equity price risk

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for stratergic 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.

16 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.

The accumulated losses of the Company as at 31st March, 2018 have exceeded hundred per cent of its net worth. The management of the Company is confident of improvement in the Company's future operations and the financial statements have accordingly been prepared on a going concern basis. The appropriateness of assumption of going concern is dependent upon improvement of the Company's future operations and ability to raise requisite finance/ generate cash flows in future to meet its obligations, including financial support from its parent. The Company is confident of implementing its business plan.

The Company's equity share capital comprises of 10,000 shares as on 31st March, 2018 (10,000 shares as on 31st March, 2017 and 10,000 shares as on 1st April, 2016) of Rs. 10 each aggegating to Rs. 1,00,000 as on 31st March, 2018 (Rs. 1,00,000 as on 31st March, 2017 and Rs. 1,00,000 as on 1st April, 2016)

Its total debt is Rs 1,08,350 as on 31st March 2018 (Rs. 83,350 as on 31st March, 2017 and Rs. 53,325 as on 1st April, 2016) which includes interest free loan from Holding Compay for Rs. 1,02,600 as on 31st March, 2018 (Rs. 77,600 as on 31st March, 2017 and Rs.47,600 as on 1st April, 2016)

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Amount in Rs.

17 Explanation of transition to Ind AS

As stated in note 2A, these are the Company's first standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Company had prepared its standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in note 3 have been applied in preparing these standalone financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2016 and the opening standalone Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its standalone Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in standalone financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its standalone financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions

In preparing these standalone financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

1 Fair value measurement of financial assets or liabilities at initial recognition

The Company has applied the requirements of Ind AS 109, *"Financial Instruments: Recognition and Measurement"*, wherever applicable.

B. Mandatory exceptions

1 Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Determination of the discounted value for financial instruments carried at amortised cost.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of March 31, 2017.

2 Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, *Financial Instruments*, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the derecognition principles of Ind AS 109 retrospectively as reliable information was available at the time of initially accounting for these transactions.

3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

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C. Reconciliation of equity

Particulars	Note	31 March 2017			1 April 2016		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
I. ASSETS							
(1) Non-current assets							
(a) Other non-current assets		12,842	-	12,842	25,682	-	25,682
Total Non-current assets		12,842	-	12,842	25,682	-	25,682
(2) Current assets							
(a) Financial assets							
(i) Cash and cash equivalents		32,770	-	32,770	30,395	-	30,395
Total Current assets		32,770	-	32,770	30,395	-	30,395
TOTAL ASSETS		**45,612**	-	**45,612**	**56,077**	-	**56,077**
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		100,000	-	100,000	100,000	-	100,000
(b) Other equity		(137,738)	-	(137,738)	(97,248)	-	(97,248)
Total Equity		(37,738)	-	(37,738)	2,752	-	2,752
(a) Financial liabilities							
(i) Borrowings		77,600	-	77,600	47,600	-	47,600
(ii) Trade payables		5,750	-	5,750	5,725	-	5,725
Total Current liabilities		83,350	-	83,350	53,325	-	53,325
TOTAL EQUITY AND LIABILITIES		**45,612**	-	**45,612**	**56,077**	-	**56,077**

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D. **Reconciliation of total comprehesive income for the year ended 31 March 2017**

Particulars	Note	Year ended 31 March 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
I. Revenue from operations				
II. Other income		-	-	-
III. **Total income (I + II)**		-	-	-
		-	-	-
IV. **Expenses**				
Cost of materials consumed				
Purchase of stock-in-trade		-	-	-
Changes in inventories of finished goods and work-in-progress		-	-	-
Excise duty		-	-	-
Employee benefits expense		-	-	-
Finance costs		-	-	-
Depreciation and amortisation expense		-	-	-
Foreign exchange fluctuation		-	-	-
Other expenses		-	-	-
Total expenses (IV)		40,490	-	40,490
		40,490	-	40,490
V. **Profit / (Loss) before exceptional item and tax**				
VI. **Exceptional item**				
Profit on sale of investment in subsidary (refer note 42)				
V. **Profit/ (loss) before tax (III-IV)**		(40,490)	-	(40,490)
VI. **Tax expenses**				
Current tax		-	-	-
Deferred tax		-	-	-
VII. **Profit / (loss) for the year (V-VI)**		(40,490)	-	(40,490)
VIII. **Other comprehensive income (net of tax)**				
A. Items that will not be reclassified subsequently to				
(a) Remeasurements of defined benefit liability/ (asset)		-	-	-
(b) Equity instruments through other comprehensive income - net change in fair value (net of taxes)		-	-	-
(c) Income taxes relating to items that will not be reclassified to profit or loss		-	-	-
Net other comprehensive income not to be reclassified subsequently to profit or loss		-	-	-
B. Items that will be reclassified subsequently to profit		-	-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		-	-	-
Other comprehensive income for the year, net of income tax		-	-	-
IX. **Total comprehensive income for the**		(40,490)	-	(40,490)

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

E. There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

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