

LINCOLN INDUSTRIES LIMITED

Regd. Office: P-36, India Exchange place Extn., Room no.43, 2ND Floor, Kolkata- 700 001

Tel No. (033) 2225-3353 ,e-mail:sacmill@hotmail.com

NOTICE

NOTICE is hereby given that the 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. 43, Kolkata- 700 001 on Monday, the 23rd day of September, 2013 at 10.00 A.M. to transact the following business:-

As Ordinary Business:

1. To consider and adopt the Balance Sheet as at 31st March 2013 and the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a director in place of Sri Praveen Chand Dhandhanian who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s B K S & Co., Chartered Accountants to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General meeting and to fix their remuneration.

As Special Business

To consider and if thought fit to pass with or without modification, the following resolutions:-

4. As Ordinary Resolution:

"RESOLVED THAT Mr. Sushil Kumar Sarda was appointed as an Additional Director of the company w.e.f. 22.07.2013 and who ceases to hold office as such in terms of Section 260 of the Companies Act, 1956, but being eligible for appointment, be and is hereby appointed as a director of the company.

5. As Ordinary Resolution:

"RESOLVED THAT Mr. Sushovan Saha Roy was appointed as an Additional Director of the company w.e.f. 22.07.2013 and who ceases to hold office as such in terms of Section 260 of the Companies Act, 1956, but being eligible for appointment, be and is hereby appointed as a director of the company.

Place: Kolkata

Date: 22nd day of July, 2013

By order of the Board
For LINCOLN INDUSTRIES LTD

(PRAVEEN CHAND DHANDHANIA)

MANAGING DIRECTOR

Certified to be true Copy

LINCOLN INDUSTRIES LIMITED

Praveen Chand Dhandhanian
Managing Director

LINCOLN INDUSTRIES LIMITED

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NOTES:

1. The Register of members and the share transfer books of the Company shall remain closed from 16th day of September, 2013 to 23rd day of September, 2013 (both days inclusive)
2. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself / herself and the proxy need not be a member of the company. However, the proxy forms duly filled up must be lodged with the company before 48 hours of the meeting.*
3. Please note that as per the notifications of SEBI, the company's equity shares have been under compulsory demat trading mode for all the investor. You are therefore, requested to demat your share holding to avoid inconvenience in future.
4. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item Nos.4 & 5 are annexed and forms part of the notice.
5. Members are requested to :-
 - a. Notify change of address, if any.
 - b. Send query (ies), regarding audited accounts at least 10 days before the meeting.
 - c. Bring with them their copy of the Annual Report in the meeting.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.4

Mr. Sushil Kumar Sureka was inducted in the Board as Additional director with effect from 22.07.2013. In accordance with the provisions of Section 260 of the Companies Act, 1956, he holds office as director only upto the date of the ensuing annual general meeting, but is eligible for appointment as director. The Company has received notice under Section 257 of the Companies Act, 1956 proposing his appointment.

The directors propose the resolution for your approval. None of the Directors, except Mr. Sushil Kumar Sureka in his personal capacity is interested or deemed to be interested in the proposed resolution.

Item No.5

Mr. Sushovan Saha Roy was inducted in the Board as Additional director with effect from 22.07.2013. In accordance with the provisions of Section 260 of the Companies Act, 1956, he holds office as director only upto the date of the ensuing annual general meeting, but is eligible for appointment as director. The Company has received notice under Section 257 of the Companies Act, 1956 proposing his appointment.

The directors propose the resolution for your approval. None of the Directors, except Mr. Sushovan Saha Roy in his personal capacity is interested or deemed to be interested in the proposed resolution.

Place: Kolkata

Date: 22nd day of July, 2013

By order of the Board

For LINCOLN INDUSTRIES LTD


(PRAVEEN CHAND DHANDHANIA)

MANAGING DIRECTOR

LINCOLN INDUSTRIES LIMITED

Regd. Office: P-36, India Exchange place Extn. ,Room no.43, 2ND Floor, Kolkata- 700 001

Tel No. (033) 2225-3353 ,e-mail:sacmill@hotmail.com

Directors' Report

to the members of M/s Lincoln Industries Ltd.

Your directors have pleasure in presenting the Annual Report and Audited statement of Accounts of the company for the year ended 31.03.2013.

FINANCIAL RESULTS:

| | Year ended 31.03.2013 (Rs.) | Year ended 31.03.2012(Rs.) |
|----------------------------------|--------------------------------|-------------------------------|
| TOTAL REVENUE | 80,70,13,663 | 52,70,49,701 |
| PROFIT/(LOSS) BEFORE TAX | 33,04,539 | 53,538 |
| PROFIT/(LOSS) AFTER TAX | 18,11,053 | (28,452) |
| BALANCE CARRIED TO BALANCE SHEET | 1,03,60,244 | 85,64,750 |

DIVIDEND:

The Directors regret their inability to recommend any dividend for the year under report

DIRECTORS:

Sri Praveen Chand Dhandhanian retires by rotation and being eligible offer himself for re-appointment.

Mr. Sushil Kumar Sureka & Mr. Sushovan Saha Roy were inducted in the Board as Additional Directors with effect from 27.03.2013. In accordance with the provisions of Section 202 of the Companies Act, 1956, they hold office as Directors only upto the date of the ensuing Annual General Meeting and are eligible for appointment as directors. The directors propose the resolution for your approval.

Mr. Pravesh Dhandhanian, Mr. Prem Chand Dhandhanian & Mr. Sitaram Dhandhanian have resigned during the year. The Board place on record its deep sense of appreciation for the services rendered by them during the tenure of their directorship.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The particulars regarding conservation of energy, technology absorption, etc. in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are enclosed and forms part of our report.

PERSONNEL:

The Company did not have in its employment any employee as defined in Section 217(2A) of the Companies Act, 1956.

DEPOSIT:

The Company has not accepted any deposit pursuant to Section 58A of the Companies Act, 1956.

AUDITORS:

M/s B K S & Co., Chartered Accountants, auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS' OBSERVATIONS:

Auditors' observations are duly dealt in notes on accounts and are self-explanatory

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ALLOTMENT OF SHARES

The company has issued and allotted 50,00,000 Equity shares of Rs.10/- each on 17.05.2013 pursuant to conversion of Preference shares into equity shares after obtaining in-principle approval from the Calcutta and Delhi Stock exchanges. The company has already made the listing applications for these shares with both the exchanges

CORPORATE GOVERNANCE:

The Company has implemented the Corporate Governance norms pursuant to Clause 49 of the listing agreement and report thereon shall be provided in the next Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 the directors confirm:

- (a) that in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures;
- (b) that the directors had selected such accounting policies and applied them consistently and made judgements 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 or loss of the Company for that period;
- (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors had prepared the annual accounts on a going concern basis.

LISTING:

The Shares of the Company are listed at Calcutta and Delhi Stock Exchanges. The listing fee to all the stock exchanges are paid up-to-date

DEPOSITORY SYSTEM:

The Company's shares are under compulsory demat mode and hence the Company has entered into agreement with NSDL and the shares of company are tradable in demat mode. Members are requested to dematerialize their holding for their operational convenience.

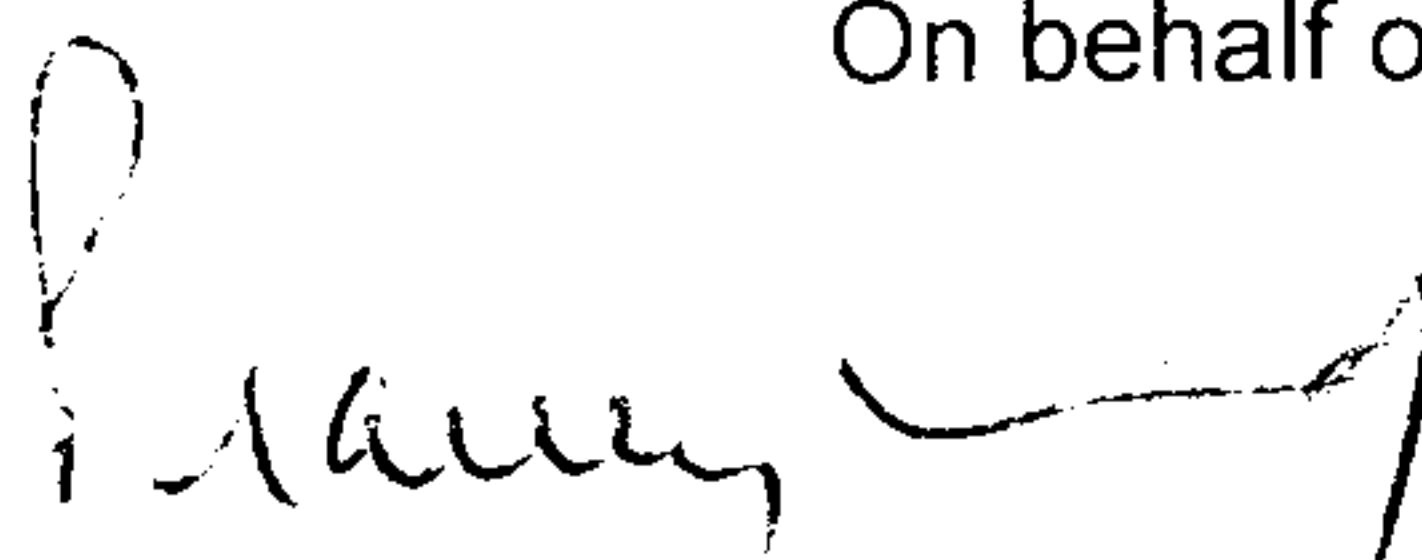
ACKNOWLEDGEMENT:

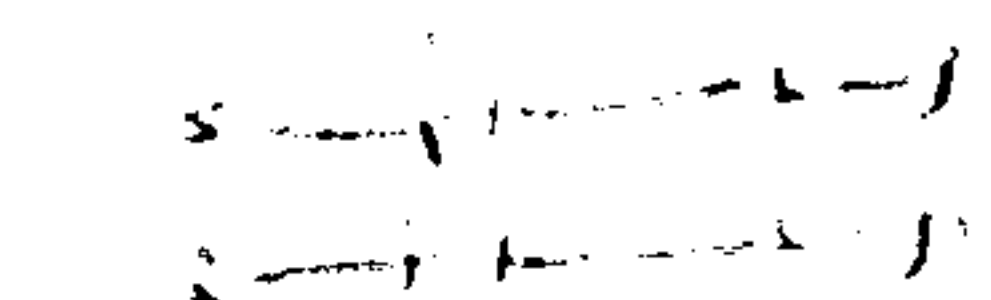
Industrial relation continues to be cordial during the year. Your directors acknowledge the continued support extended by the bankers, clients and employees of the Company.

Place: Kolkata

Dated: the 22nd day of July, 2013

On behalf of the Board


Managing Director


Director

LINCOLN INDUSTRIES LIMITED

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ANNEXURE TO THE DIRECTORS REPORT

PARTICULARS REQUIRED UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

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.

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

B. TECHNOLOGY ABSORPTION

Research & Development

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.

Technology absorption, Adaptation and Innovation

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.

FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign Exchange used and earned are:-

| | 2012-13 Rs. | 2011-12 Rs. |
|--------|----------------|----------------|
| Used | NIL | NIL |
| Earned | NIL | NIL |

Lincoln Industries Ltd


Managing Director


Director



Auditors' Report

To the Members.

LINCOLN INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Lincoln Industries Limited as at 31st March, 2013 which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

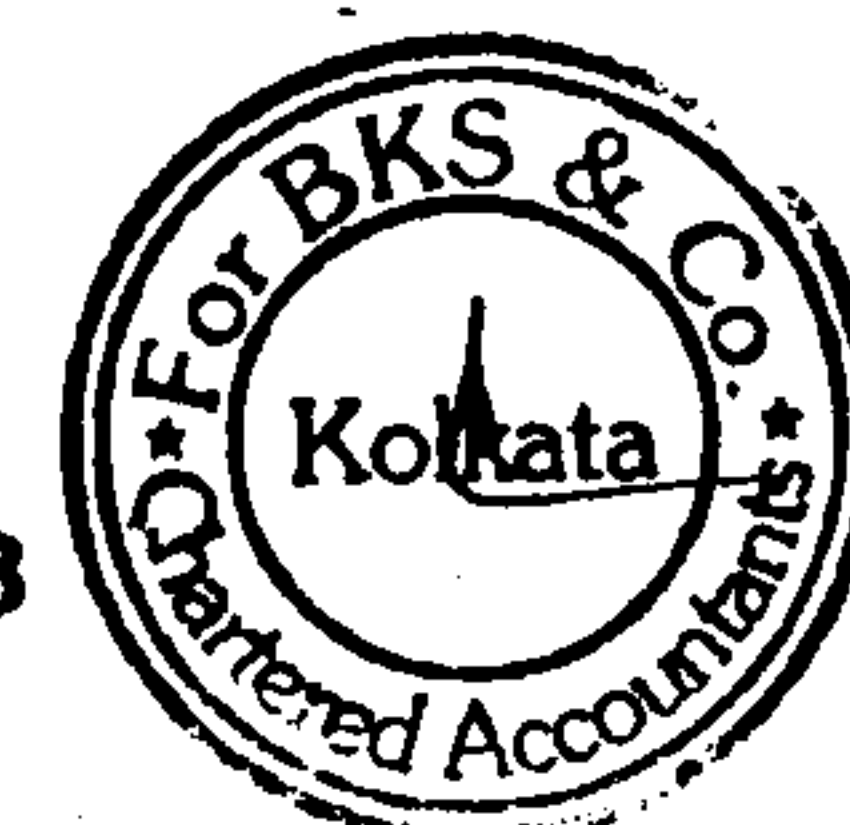
We have conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- b) In the case of the Statement of Profit and Loss, of the Profit/(Loss) for the period ended on that date.
- c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.





Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of our audit, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

2 As required by section 227 (3) of the Act, we report that:

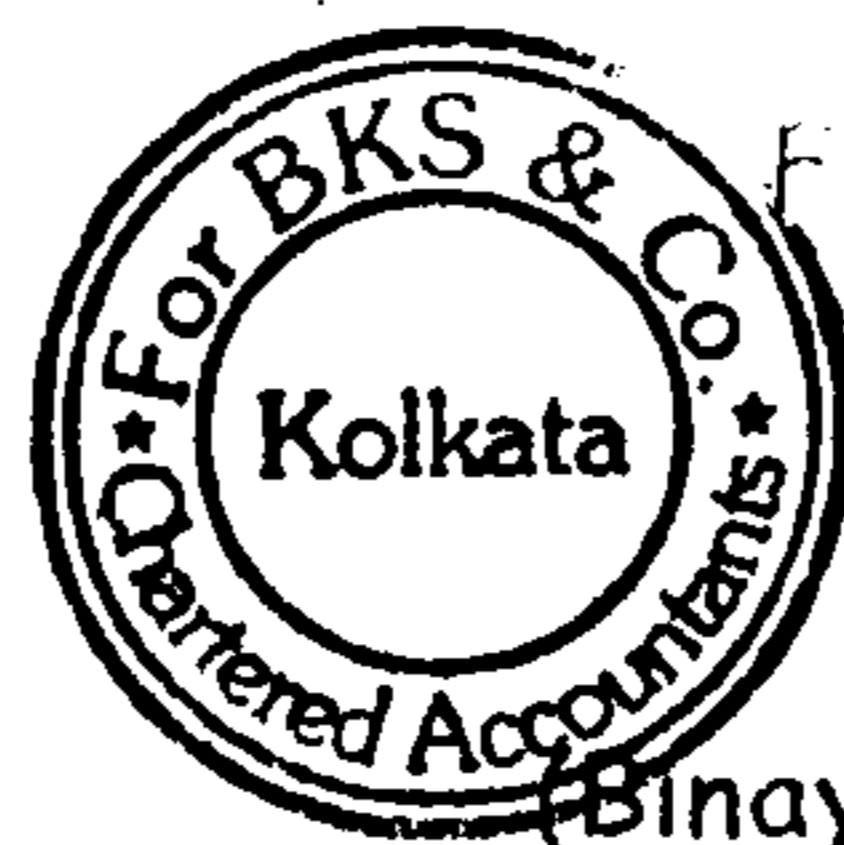
- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet and Profit Loss Account dealt with by this report are in agreement with the books of account;
- d) In our opinion the Balance Sheet and Profit and Loss Account dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors (including Mr. Manoj Kumar Singhania) and record by the Board of Directors we report that the directors have not been aware of any fraud or any other illegal or irregular transactions involving the Company during the period under audit in violation of the provisions of section 217 of the Companies Act 1956;

f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For B K S & CO

Chartered Accountant

Firm Registration # 325718E



B. Singhania

(Binay Kumar Singhania/Partner)

Membership # 057889

Place: Kolkata
Date: 30/05/2013



ANNEXURE TO THE AUDIT REPORT

The Annexure referred to in our report to the Members of Lincoln Industries Limited for the year ended 31st March, 2013, we report that:

1) In respect of its fixed assets:

- 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) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

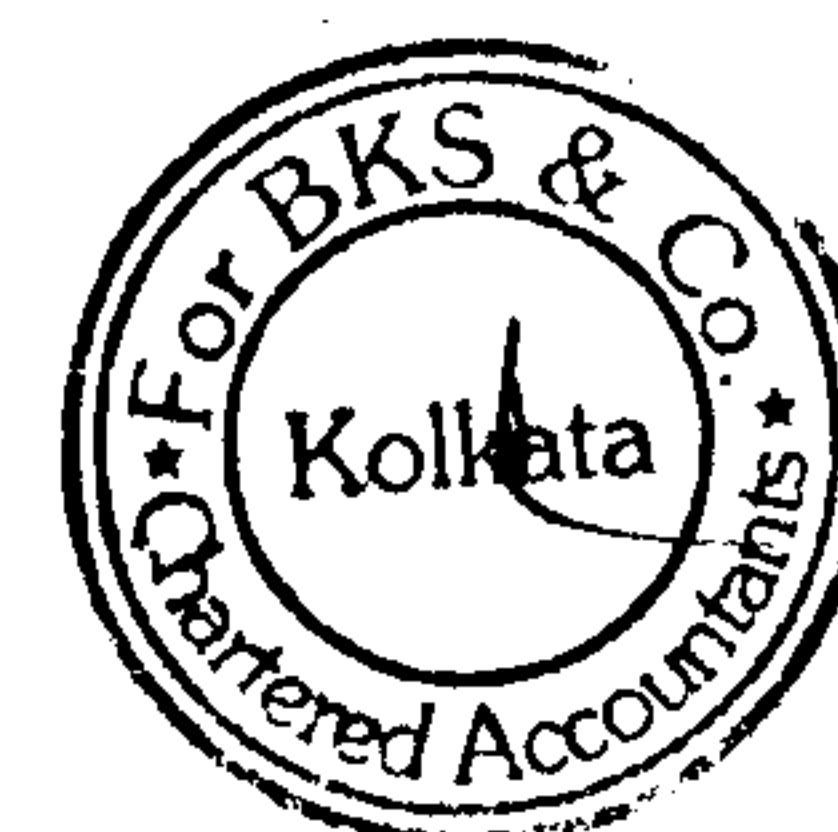
2) In respect of its inventories:

- a) As explained to us, the inventories of the Company were physically verified by the management during the year.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

3) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

- a) The Company has not granted any loans to and/or taken loans from parties covered in the section 301 of The Companies Act, 1956 during the year.

4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any weaknesses in internal controls.





- 5) In respect of transactions covered under Section 301 of the Companies Act, 1956:
- In our opinion and according to the information and explanations given to us, there were transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956, and particulars of the transactions have been entered in the register.
 - In our opinion and according to the information and explanations given to us, there were transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956, however the transactions have been made at the reasonable prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposits from the public within the meaning of the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- 7) In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- 8) The Central Government has prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 and the same are made and maintained by the Company.
- 9) In respect of statutory dues:
- According to the records of the Company, no undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues were remained unpaid for a period exceeding six months. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.
 - According to the record of the company, there are no dues outstanding of sales tax, income tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues on account of dispute other than the following:

| Name of the statute | Nature of dues | Amount (Rs.) | Period to which the amount relates | Forum where dispute is pending |
|---------------------|----------------|---------------|------------------------------------|--------------------------------|
| | | -----NIL----- | | |
| | | | | |

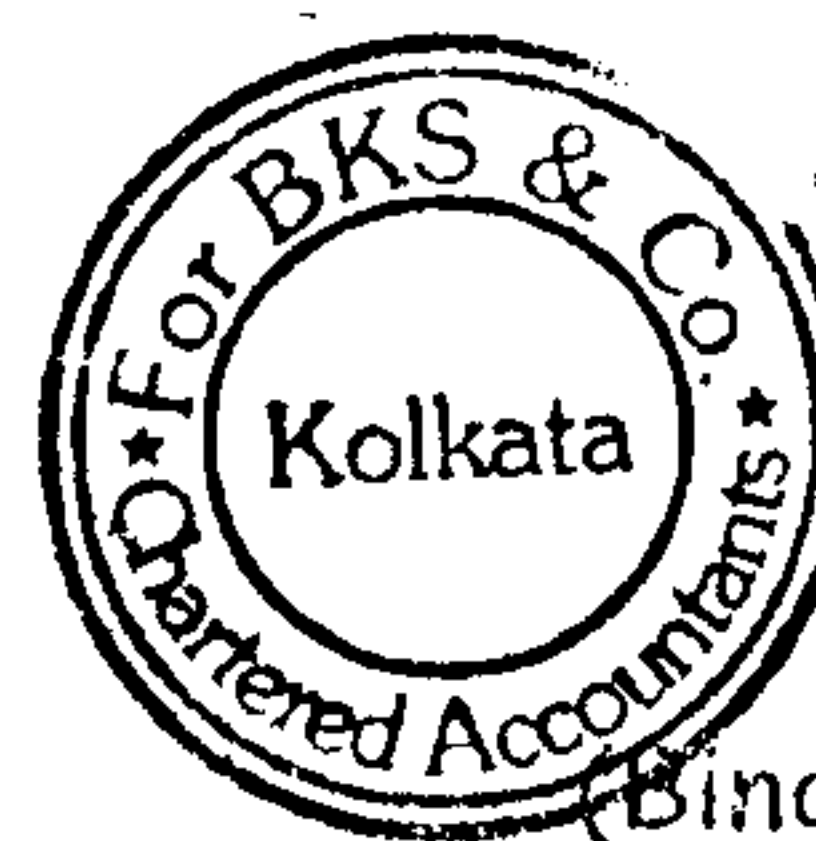
- 10) The company has no accumulated losses at the end of the financial year and has not incurred cash losses during financial year.





- 11) The company has maintained proper records of the transactions and contracts and timely entries have been made therein. There is no investment made by the company in shares, securities and therefore the clause is not applicable to the company.
- 12) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- 13) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- 14) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2001 is not applicable to the Company.
- 15) The Company has not given guarantees for loans taken by others from banks or financial institutions.
- 16) The Company has not raised any term loans during the year.
- 17) According to the information and explanation given to us and on an overall examination of the financial statements of the Company, we are of the opinion that the Company has not utilized fund from short term borrowings towards repayment of long-term borrowings and acquisition of fixed assets.
- 18) According to the information and explanations given to us and on an overall examination of the Books of Accounts the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- 19) No debentures has been issued by the company therefore creation of securities in respect thereof is not applicable.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

Place: Kolkata
Dated: 30/05/2013



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

B. Singhania

(Binay Kumar Singhania/Partner)

Membership No. 057889

LINCOLN INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Corporate Information

The company is mainly engaged in the business of Ginning, Pressing & Oil Mill at its operating plant at Bhuna, Haryana and the Registered & Head Office of the company is situated at P-36, India Exchange Place Extn, Room # 43, 2Nd Floor, Kolkata -700001

Note : 2 Significant Accounting Policies

Note 2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Note 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise

Note 2.3 Valuation of Inventory

Inventories are valued at the lower of cost (Using FIFO Method) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

Note 2.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Note 2.5 Depreciation

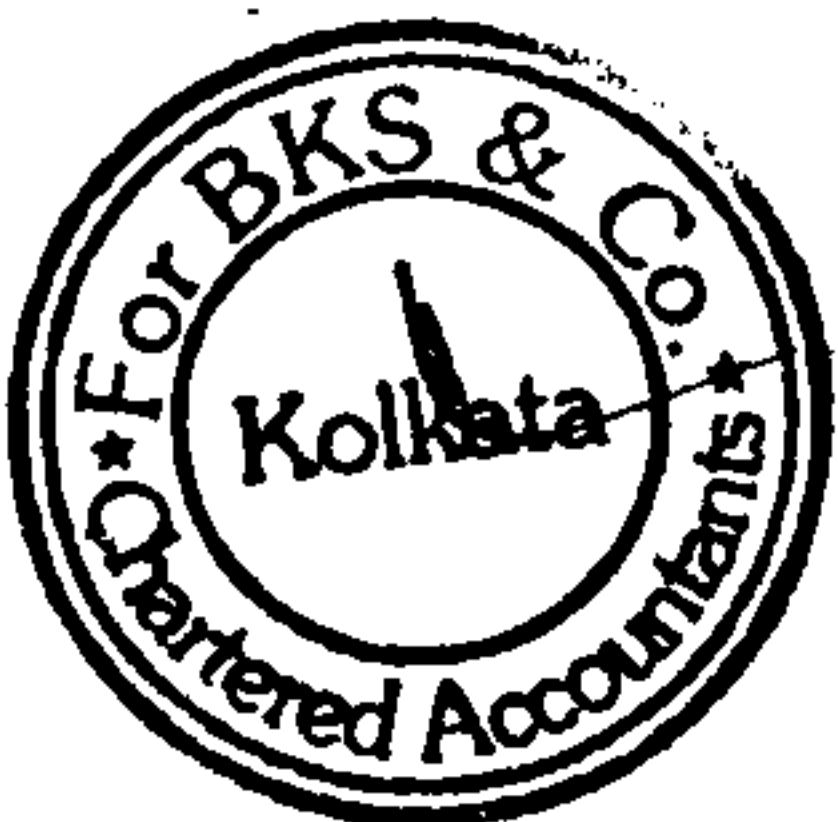
Depreciation on fixed assets has been provided on W.D.V method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956

Note 2.6 Recognition of Income & Expenditure

Item of Income and Expenditure are recognised on Accrual Basis.

Note 2.7 Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses relating to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to condition of its intended use.



Note 2.8 Government Grants & Subsidies

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

Note 2.9 Investments

Long Term & unquoted investment share are valued at cost.

Note 2.10 Retirement Benefits

Provision has not been made for gratuity as the company has no liability for gratuity.

Note 2.11 Taxes on Income

After off-setting the deferred tax assets on brought forward losses and unabsorbed depreciation against the deferred tax liabilities on timing difference of depreciation and brought forward losses, there remains net deferred tax liabilities as on 31.03.2013. The amount of such deferred tax liabilities has been recognised in the books of account on consideration of prudence as per said Accounting Standard - 22

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Note 2.12 Provisions & Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are generally not provided for in the Accounts and are shown separately in notes of accounts.

Note 2.13 Events Occuring after the Balance Sheet Date

No significant events which could materially affect the financial position of the Company for the relevant year have been reported by the management, after the Balance Sheet date till the signing date of report.

Note 2.14 Prior Period & Extraordinary Items

Expenses / Incomes pertaining to previous years are booked in current year under the natural heads of Accounts and disclosed by way of Notes to the Accounts.

Note 2.15 Preliminary Expenses

Preliminary Expenses are written off over a period of 5 years in equal proportion from the date of commencement of commercial activity.



LINCOLN INDUSTRIES LIMITED
P-36, INDIA EXCHANGE PLACE EXTN, ROOM # 43, 2ND FLOOR, KOLKATA -700001
BALANCE SHEET AS AT 31ST MARCH, 2013

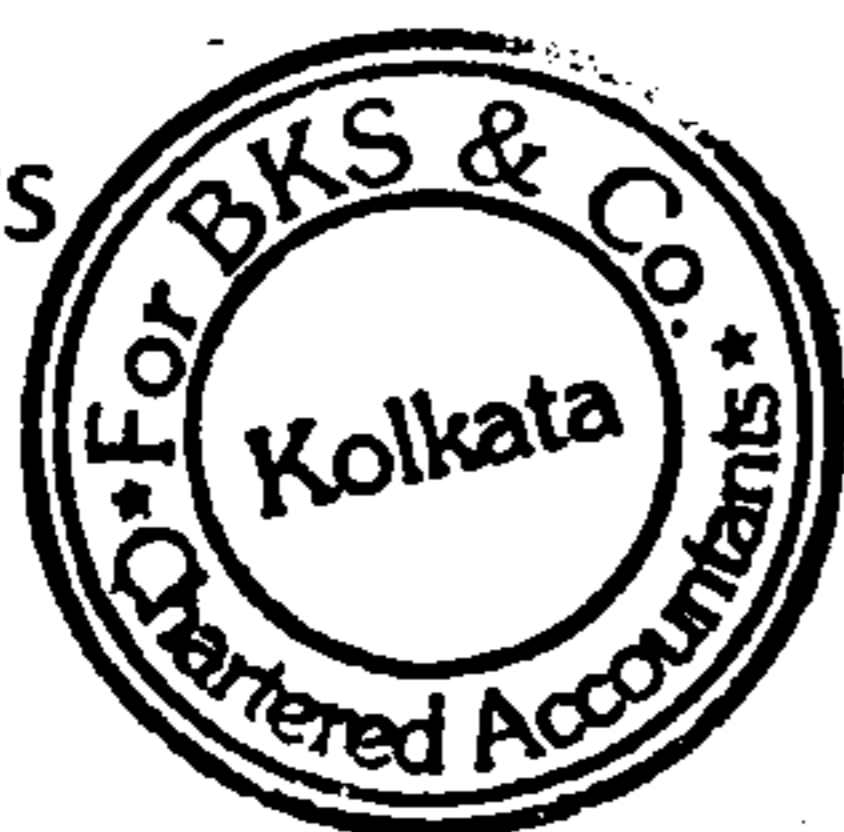
| Particulars | Note No. | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|--|----------|---|--|
| | | ₹ | ₹ |
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 3 | 52,450,000 | 52,450,000 |
| (b) Reserves and Surplus | 4 | 15,466,300 | 13,670,806 |
| (2) Share Application money pending allotment | | | |
| (3) Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 5 | 648,833 | 648,833 |
| (b) Deferred Tax Liabilities (Net) | | 1,855,455 | 783,969 |
| (4) Current Liabilities | | | |
| (a) Short-Term Borrowings | 6 | 40,775,460 | 56,074,864 |
| (b) Trade Payables | 7 | 170,463 | 28,550,696 |
| (c) Other Current Liabilities | 8 | 1,475,698 | 21,603,265 |
| (d) Short-Term Provisions | 9 | 422,000 | 80,362 |
| Total Equity & Liabilities | | 113,264,209 | 173,862,795 |
| II. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets | 10 | | |
| (i) Gross Block | | 64,784,798 | 61,256,511 |
| (ii) Depreciation | | 28,763,763 | 25,091,174 |
| (iii) Net Block | | 36,021,035 | 36,165,337 |
| (b) Non-current investments | 11 | 7,897,120 | 803,000 |
| (c) Deferred tax assets (net) | | | |
| (d) Long term loans and advances | 12 | 1,303,887 | 1,126,966 |
| (e) Other non-current assets | 13 | 10,000 | 20,000 |
| (2) Current Assets | | | |
| (a) Inventories | 14 | 18,484,862 | 85,852,432 |
| (b) Trade receivables | 15 | 10,146,772 | 24,310,055 |
| (c) Cash and cash equivalents | 16 | 16,242,691 | 22,421,735 |
| (d) Short-term loans and advances | 17 | 23,157,847 | 3,163,271 |
| (e) Other current assets | | | |
| Total Assets | | 113,264,209 | 173,862,795 |

NOTES TO ACCOUNTS

2

Notes referred to above and notes attached thereto form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

FOR BKS & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 325718E



B. Singhania

(CA. BINAY KUMAR SINGHANIA / PARTNER)

Membership No.: 057889

Place: Kolkata

Dated: 30/05/2013

For LINCOLN INDUSTRIES LIMITED

Pranay Chandra Ghosh
Director

For LINCOLN INDUSTRIES LIMITED

Pranay Chandra Ghosh
Director
(DIRECTOR) (DIRECTOR)

LINCOLN INDUSTRIES LIMITED
P-36, INDIA EXCHANGE PLACE EXTN, ROOM # 43, 2ND FLOOR, KOLKATA -700001
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31ST MARCH, 2013

| Sr. No | Particulars | Note No. | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|--------|---|------------|---|--|
| I | Revenue from operations | 18 | 804,256,702 | ₹ 525,933,128 |
| II | Other Income | 19 | 2,756,961 | 1,116,573 |
| III | III. Total Revenue (I +II) | | 807,013,663 | 527,049,701 |
| IV | Expenses: | | | |
| | Cost of Materials Consumed | 20 | 659,453,158 | 470,391,867 |
| | Purchase of Stock-in-Trade | 21 | 60,700,107 | 108,585,126 |
| | Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 22 | 66,579,342 | (67,838,202) |
| | Employee Benefit Expense | 23 | 2,507,807 | 2,104,223 |
| | Financial Costs | 24 | 3,367,721 | 4,570,607 |
| | Depreciation and Amortization Expense | 25 | 4,602,534 | 4,618,349 |
| | Other Administrative Expenses | 26 | 6,498,454 | 4,564,193 |
| | Total Expenses (IV) | | 803,709,124 | 526,996,164 |
| V | Profit before exceptional and extraordinary items and tax | (III - IV) | 3,304,539 | 53,538 |
| VI | Exceptional Items | | | |
| VII | Profit before extraordinary items and tax (V - VI) | | 3,304,539 | 53,538 |
| VIII | Extraordinary Items | | | |
| IX | Profit before tax (VII - VIII) | | 3,304,539 | 53,538 |
| X | Tax expense: | | | |
| | (1) Current tax | | 422,000 | |
| | (2) Deferred tax | | 1,071,486 | 81,989 |
| XI | Profit/(Loss) from the period from continuing operations | (IX - X) | 1,811,053 | (28,452) |
| XII | Profit/(Loss) from discontinuing operations | | | |
| XIII | Tax expense of discounting operations | | | |
| XIV | Profit/(Loss) from Discontinuing operations (XII - XIII) | | - | - |
| XV | Profit/(Loss) for the period (XI + XIV) | | 1,811,053 | (28,452) |
| XVI | Earning per equity share: | | | |
| | (1) Basic | | 7.39 | (0.12) |
| | (2) Diluted | | 7.39 | (0.12) |

Notes referred to above and notes attached thereto form an integral part of Profit & Loss Statement.
This is the Statement of Profit & Loss referred to in our Report of even date.

FOR BKS & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 325718E



B. Singhania

(CA. BINAY KUMAR SINGHANIA / PARTNER)
Membership No.: 057889
Place: Kolkata
Dated: 30/05/2013

For LINCOLN INDUSTRIES LIMITED

Anu Chandra Dheethum

Director
For LINCOLN INDUSTRIES LIMITED

Praveen Kumar

(DIRECTOR) (DIRECTOR) **Director**

LINCOLN INDUSTRIES LTD.
CASH FLOW STATEMENT AS AT 31st MARCH, 2013

| DESCRIPTION | Figures as at the end of current reporting period | | Figures as at the end of previous reporting period | |
|--|---|---------------------|--|-------------------|
| | | | | |
| A. Cash Flow From Operating Activities. | | | | |
| Net Profit Before Tax | 3,304,539 | | 53,537 | |
| Add: Non cash Items | | | | |
| Depreciation | 4,592,534 | 7,897,073 | 4,608,349 | 4,661,886 |
| <u>Adjustment for</u> | | | | |
| Add: Loss on sale of Fixed Assets | | | | |
| Add: Interest Paid | | 3,228,667 | | 4,475,850 |
| Less: Interest Received | | (2,338,934) | | (1,098,033) |
| Add: Misc Expenditure | | 10,000 | | 10,000 |
| Less: Profit on Sale of Fixed Assets | | (418,027) | | |
| Operating Profit before working capital changes | | 8,378,779 | | 8,049,703 |
| <u>Adjustment for Working Capital changes</u> | | | | |
| Inventories | 67,367,570 | | (68,497,573) | |
| Trade Receivables | 14,163,283 | | 15,954,672 | |
| Loans & Advances | (19,545,594) | | 1,391,769 | |
| Provisions | (80,362) | | | |
| Trade Payables | (48,507,800) | 13,397,097 | 42,956,260 | (8,194,872) |
| Cash Generated from Operations | | 21,775,836 | | (145,160) |
| Add: Extraordinary Items | | | | |
| Subsidy from Government | | | | 773,777 |
| Less: Tax Paid | | (641,458) | | |
| Cash Flow before prior period adjustments | | 21,134,418 | | 628,558 |
| Less: Prior period adjustments | | | | |
| Net Cash Flow from operating activities | | 21,134,418 | | 628,558 |
| B. Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | (4,869,399) | | (1,206,655) | |
| Sale of Fixed Assets | 839,194 | | | |
| Interest Received | 2,338,934 | | 1,098,033 | |
| Purchase of Investment | (7,094,120) | | | |
| Net Cash from Investing Activities | | (8,785,391) | | (108,622) |
| C. Cash Flow from Financing Activities | | | | |
| Proceeds from issue of Share Capital | | | | |
| Decrease in Short Term Borrowing | (15,299,404) | | 24,671,150 | |
| Interest Paid | (3,228,667) | | (4,475,850) | |
| Net Cash from Financing Activities | | (18,528,071) | | 20,195,300 |
| <u>Summary Statements</u> | | | | |
| Cash and Cash equivalent as at 01.04.2012 | | 22,421,735 | | 1,706,498 |
| Net Change in Cash Flow during the year (A+B+C) | | (6,179,044) | | 20,715,236 |
| Cash and Cash equivalent as at 31.03.2013 | | 16,242,691 | | 22,421,735 |

Notes: 1) Figures in brackets are out flows/deductions

2) Previous year's figured have been regrouped wherever necessary

FOR BKS & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.: 325718E

B. Singhania



(CA. BINAY KUMAR SINGHANIA / PARTNER)

Membership No.: 057889

Place: Kolkata

Dated: 30/05/2013

For LINCOLN INDUSTRIES LIMITED

Manoj Chandra
Director

(DIRECTOR) (DIRECTOR)

For LINCOLN INDUSTRIES LIMITED

Pranav

LINCOLN INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 3 Share Capital

| | | ₹ | ₹ |
|--------|---|-------------------|-------------------|
| Sr. No | Particulars | Current Year | Previous Year |
| 1 | AUTHORIZED CAPITAL | | |
| | 10,00,000 Equity Shares of Rs. 10/- each. | 10,000,000 | 10,000,000 |
| | 5,00,000 6% Non-Cumulative Redeemable Preference shares of Rs. 100/- each | 50,000,000 | 50,000,000 |
| | | 60,000,000 | 60,000,000 |
| 2 | ISSUED CAPITAL | | |
| | 245000 Equity Shares of Rs.10/- each | 2,450,000 | 2,450,000 |
| | 500000 6% Non-Cumulative Redeemable Preference shares of Rs. 100/- each | 50,000,000 | 50,000,000 |
| | | 52,450,000 | 52,450,000 |
| 3 | SUBSCRIBED & FULLY PAID UP CAPITAL | | |
| | 245000 Equity Shares of Rs.10/- each | 2,450,000 | 2,450,000 |
| | 500000 6% Non-Cumulative Redeemable Preference shares of Rs. 100/ each | 50,000,000 | 50,000,000 |
| | | | |
| | Total in ₹ | 52,450,000 | 52,450,000 |

(i) Details of shares held by each shareholder holding more than 5% shares:

| | | Current Year | Previous Year |
|----------|--|--------------|---------------|
| Sr. No | Class of shares / Name of shareholder / % of Holding | Year | Year |
| | | Number | Number |
| A | Equity Shares | | |
| 1 | Mukul Dhandhanian 6.73% | 16,500 | 16,500 |
| 2 | Master Prateet Dhandhanian 8.65% | 21,200 | 21,200 |
| 3 | Praveen Chand Dhandhanian 7.98% | 19,550 | 19,550 |
| 4 | Dhancot Fibres Pvt Ltd 40.82% | 100,000 | 100,000 |
| 5 | Prem Chand Dhandhanian (HUF) 9.39% | 23,000 | 23,000 |
| 6 | Prasidh Avarna Family Welfare Trust 9.80% | 24,000 | 24,000 |
| 7 | Premlata Dhandhanian 6.49% | 15,900 | 15,900 |
| 8 | Seema Dhandhanian 7.37% | 18,050 | 18,050 |
| B | Preference Shares | | |
| 1 | Anklt Dealers Pvt. Ltd. 10.00% | 50,000 | 50,000 |
| 2 | Drake Commercial Pvt. Ltd. 7.00% | 35,000 | 35,000 |
| 3 | Dhancot Fibres (P) Ltd 30.00% | 200,000 | 200,000 |



LINCOLN INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 4 Reserve & Surplus

| | | ₹ | ₹ |
|--------|---|-------------------|-------------------|
| Sr. No | Particulars | Current Year | Previous Year |
| 1 | Capital Reserve | 4,866,056 | 4,866,056 |
| | Balance brought forward from previous year | 4,866,056 | 4,092,329 |
| | Add: Subsidy Received | | 773,727 |
| 2 | Export Profit Reserve | 240,000 | 240,000 |
| 3 | Surplus / (Deficit) in Statement of Profit & Loss | 10,360,244 | 8,564,750 |
| | Balance brought forward from previous year | 8,564,750 | 8,593,202 |
| | Less: Tax on Regular Assessment Paid | (15,559) | - |
| | Add: Profit / (Loss) for the period | 1,811,053 | (28,452) |
| | Total in ₹ | 15,466,300 | 13,670,806 |

Note : 5 Long Term Borrowings

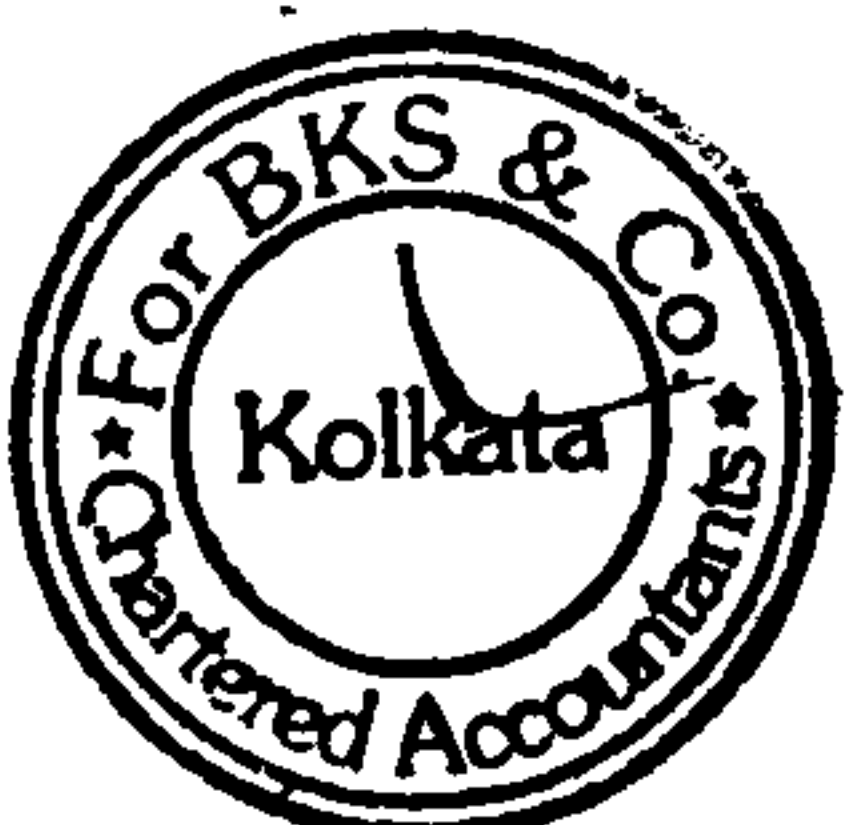
| | | ₹ | ₹ |
|--------|------------------------|----------------|----------------|
| Sr. No | Particulars | Current Year | Previous Year |
| 1 | Other Loans & Advances | 648,833 | 648,833 |
| | Total in ₹ | 648,833 | 648,833 |

Note : 6 Short Term Borrowings

| | | ₹ | ₹ |
|--------|---|-------------------|-------------------|
| Sr. No | Particulars | Current Year | Previous Year |
| 1 | <u>Loan Repayable on Demand</u> | | |
| | - From Bank | 40,775,460 | 56,074,864 |
| | Note :- Working Capital Facility from Bank is Secured by hypothecation on 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 further secured by equitable mortgage of property standing in the name of the Director and also by his personal guarantee. | | |
| | Total in ₹ | 40,775,460 | 56,074,864 |

Note : 7 Trades Payable

| | | ₹ | ₹ |
|--------|-------------------------|----------------|-------------------|
| Sr. No | Particulars | Current Year | Previous Year |
| 1 | Trade Payable for Goods | 170,463 | 28,550,696 |
| | Total in ₹ | 170,463 | 28,550,696 |

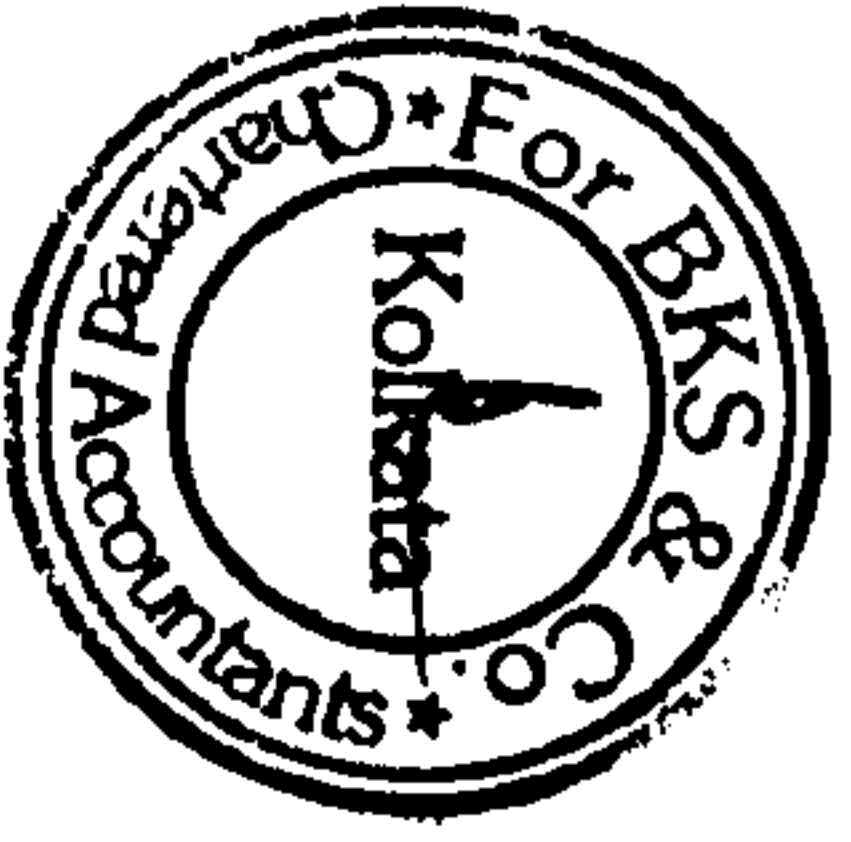


LINCOLN INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 10 Fixed Asset

| Sr. No | Particulars | Rate | Gross Block | | | | Depreciation | | | | Net Block | | |
|--------|------------------------------|-------|------------------------|--------------------------|---------------------------|-------------------|------------------------|--------------------------|---------------------------|-------------------|----------------------|----------------------|-------------------|
| | | | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | WDV as on 31.03.2013 | WDV as on 31.03.2012 | |
| | Tangible Assets | | | | | | | | | | | | |
| | Assets under Lease | | | | | | | | | | | | |
| | Land | - | 24,620 | - | - | 24,620 | - | - | - | - | - | 24,620 | 24,620 |
| | Owned Tangible Assets | | | | | | | | | | | | |
| | Factory Building | 10.00 | 977,180 | - | - | 977,180 | 647,421 | 32,976 | - | 680,397 | 296,783 | 329,759 | 329,759 |
| | Office Building | 5.00 | 753,904 | - | - | 753,904 | 331,487 | 21,121 | - | 352,608 | 401,296 | 422,417 | 422,417 |
| | Building | 5.00 | 15,086,557 | - | - | 15,086,557 | 3,903,653 | 559,145 | - | 4,462,798 | 10,623,759 | 11,182,904 | 11,182,904 |
| | Plant & Machinery | 13.91 | 42,314,524 | 3,328,781 | 240,000 | 44,903,305 | 8,74,603 | 3,536,438 | 418,346 | 21,992,695 | 22,910,610 | 23,439,921 | 23,439,921 |
| | Vehicles | 25.89 | 1,217,847 | 805,018 | 50,112 | 1,421,753 | 564,504 | 262,254 | 501,599 | 425,159 | 996,594 | 553,343 | 553,343 |
| | Tractor | 30.00 | - | 687,000 | - | 687,000 | - | 129,871 | - | 129,871 | 557,129 | 1,154 | 1,443 |
| | Cycle | 20.00 | 7,150 | - | - | 7,150 | 5,707 | 289 | - | 5,996 | 1,154 | 1,443 | 1,443 |
| | Computer | 40.00 | 255,767 | 48,600 | - | 304,367 | 244,038 | 14,385 | - | 258,423 | 45,944 | 11,729 | 11,729 |
| | Furniture & Fixture | 18.10 | 618,962 | - | - | 618,962 | 419,762 | 36,055 | - | 455,817 | 163,146 | 199,201 | 199,201 |
| | Total (Current Year) | | 61,256,511 | 4,869,399 | 1,341,112 | 64,784,798 | 25,091,174 | 4,592,534 | 919,945 | 28,763,763 | 36,021,035 | 36,165,337 | 36,165,337 |
| | (Previous Year) | | 60,049,856 | 1,206,655 | - | 61,256,511 | 20,482,825 | 4,608,349 | - | 25,091,174 | 36,165,337 | 39,567,031 | 39,567,031 |



LINCOLN INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 11 Non Current Investment

| Sr. No | Particulars | ₹ | ₹ |
|--------|--|------------------|----------------|
| | | Current Year | Previous Year |
| 1 | Investment in Equity Instrument | 7,894,120 | 800,000 |
| 2 | Investment in Government or Trust Securities | 3,000 | 3,000 |
| | Total in ₹ | 7,897,120 | 803,000 |

Note : 12 Long Term Loans and Advances

| Sr. No | Particulars | ₹ | ₹ |
|--------|--|------------------|------------------|
| | | Current Year | Previous Year |
| | Security Deposit Unsecured, Considered Good | 1,303,882 | 1,126,966 |
| | Total in ₹ | 1,303,882 | 1,126,966 |

Note : 13 Other Non Current Assets

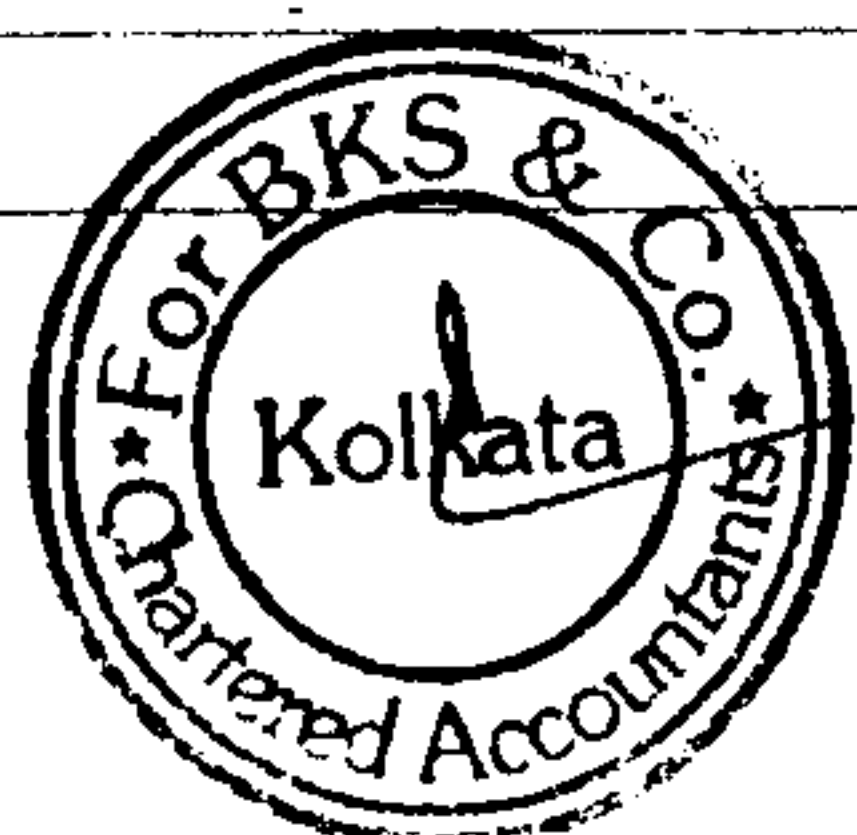
| Sr. No | Particulars | ₹ | ₹ |
|--------|---------------------------|---------------|---------------|
| | | Current Year | Previous Year |
| 1 | Miscellaneous Expenditure | 10,000 | 20,000 |
| | Total in ₹ | 10,000 | 20,000 |

Note : 14 Inventories

| Sr. No | Particulars | ₹ | ₹ |
|--------|-------------------|-------------------|-------------------|
| | | Current Year | Previous Year |
| 1 | Raw Materials | 1,033,905 | 64,121,185 |
| 2 | Finished Goods | 17,086,357 | 16,153,090 |
| 3 | Trading Goods | 8,875 | 4,434,204 |
| 4 | Packing Materials | 355,725 | 647,351 |
| 5 | Store | - | 496,602 |
| | Total in ₹ | 18,484,862 | 85,852,432 |

Note : 15 Trade Recievables

| Sr. No | Particulars | ₹ | ₹ |
|--------|--------------------------------------|-------------------|-------------------|
| | | Current Year | Previous Year |
| 1 | Outstanding for more than six months | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | - | - |
| | c) Doubtful | - | - |
| 2 | Others | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | 10,146,772 | 24,310,055 |
| | c) Doubtful | - | - |
| | Total in ₹ | 10,146,772 | 24,310,055 |



LINCOLN INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 16 Cash & Cash Equivalent

| Sr. No | Particulars | ₹ | ₹ |
|--------|---|-------------------|-------------------|
| | | Current Year | Previous Year |
| 1 | Cash-in-Hand Cash Balance | 779,571 | 1,735,555 |
| | Sub Total (A) | 779,571 | 1,735,555 |
| 2 | Bank Balance Bank Balance (with scheduled bank) | | |
| | TMB LTD. | 303,479 | 446,517 |
| | PNB LTD. | 44,121 | 44,121 |
| | SBBJ | 70,623 | 141,076 |
| | PNB LTD. | 10,207 | 10,407 |
| | SBOP | 15,011,841 | 20,012,391 |
| | ICICI BANK | 22,848 | 31,667 |
| | Sub Total (B) | 15,463,119 | 20,686,179 |
| | Total [A + B] | 16,242,691 | 22,421,735 |

Note :17 Short Terms Loans and Advances

| Sr. No | Particulars | ₹ | ₹ |
|--------|---|-------------------|------------------|
| | | Current Year | Previous Year |
| 1 | Others <i>Advance Recoverable in cash or in kind or for value to be considered good</i> | | |
| | Advances | 14,671,556 | 213,841 |
| | Balance With Revenue Authorities (Indirect Taxes) | 7,574,594 | 2,676,484 |
| | Advance Income Tax/Refund Due | 891,585 | 258,026 |
| | Prepaid Expenses | 20,112 | 14,920 |
| | Total in ₹ | 23,157,847 | 3,163,271 |

