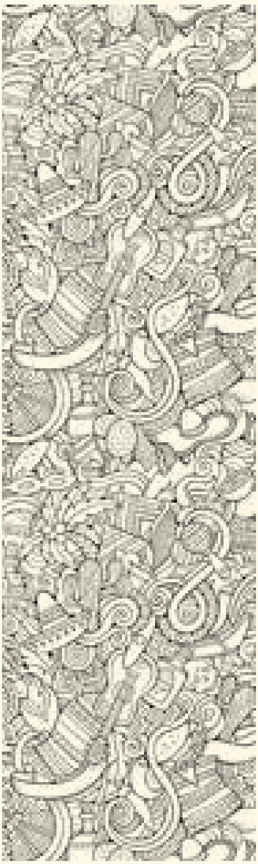
Hawaon pe likh do hawaon ke naam

Hum anjaan pardesiyon ka salaam...

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Contents

This annual report celebrates some memorable lines written by lyricists in Hindi cinema down the decades. These lines celebrate the power of the written word, emphasising the point that when you write something different, the echo of the lines resonate across the ages.

Kora Kaagaz Tha Ye Man Mera

Likh Liya Naam Is Pe Tera

Song: Kora kaagaz tha yeh mann mera. **Film:** Aradhana (1969)

Seven things
you need to
know about
Linc

1 **RICH EXPERIENCE:** Linc's journey started as a manufacturer and seller of ball point pens in India. Over the years, the Company has increased its reach and connect with consumers - Linc is referred to as the brand India writes with.

2 **WIDESPREAD PRESENCE:** Linc is headquartered in Kolkata with dedicated manufacturing facilities in Serakole, Falta SEZ and Umbergaon, in addition to two assembly units.

3 **GLOBAL FOOTPRINT**: Linc is a major exporter of writing instruments. The Company established a foothold in over 45 countries across the Middle East, North & South America, South East Asia, SAARC countries, Far East, Central Asia, Eastern Europe, CIS countries, Africa and UK. Exports accounted for 23.4% of the Company's revenues in FY2017-18.

4 **ROBUST NETWORK**: The Company's Indian distribution network is spread across 29 states, comprising >46,000 retailers and 2,555 distributors.

5 **PIONEERING IDENTITY**: Linc pioneered the introduction of smart pens in the Indian writing instruments industry by launching products like Linc Combi (pen with highlighter), Linc Twinn (pen with pencil) and Linc Touch (pen with stylus), amongst others.

6 **MARQUEE PARTNERS:** Linc is the exclusive distributor of Mitsubishi's Uni-ball brand for India. Mitsubishi Pencil Company Limited, Japan, holds a 13.53% stake in the Company.

7 **ETHICAL PEDIGREE:**

Vision: To establish Linc as a global brand known for its values, assertiveness and the acumen to adapt to an ever-changing environment.

Mission: To deliver innovative, user-friendly and better-quality products at best value to customers, keeping in mind the prosperity of the Company and its stakeholders.

Values: • Ethical business practices • Customer delight • Building relationships • Innovation

Milestones

1994 The Company embarked on its journey

1995 Announced initial public offering

2000 Launched Gel Pen at ₹10, when the prevailing price for gel pens were ₹15-20.

2003 Entered the global market through private label supplies to Wal-Mart

2005 Received the ICICI Bank – CNBC TV18 'Emerging India' Award in the FMCG category

2008 Roped in Bollywood superstar Shah Rukh Khan as the brand ambassador

2009 Commenced production at the manufacturing unit at Falta, SEZ.

2010

Associated with two IPL teams, Rajasthan Royals and Kolkata Knight Riders

Associated with the IIFA awards 2010 held in Sri Lanka as the 'Literacy Partner'

2011

Roped Katrina Kaif as the brand ambassador to promote Uni-ball products in India and associated with two more IPL teams

2012

Entered into an alliance with Mitsubishi Pencil Company Limited in which Mitsubishi picked up a 13.53% stake in the Company

2013

Launched 3 @20, innovative consumer packing

Launched Linc Twinn – the world's first ball pen plus pencil

2015

Got listed on NSE

Reached ₹200 in stock price

2016

Received the ISO 9001:2015 certification for the Serakole facility

2017

Commenced production at Umbergaon, Gujarat, facility.

Linc's integrated report

	Innovate and excel	Cost leadership
Strategic focus		
Key enablers	• Nurturing a culture of product innovation and excellence • Launching differentiated products • Commissioning a state-of-the-art integrated facility in Umbergaon • Using cutting-edge technologies and working in collaboration with top-notch global designers	• Reduced outsourcing percentage over the past five years from 75% to 45% • Graduated to value-added products
Material issues addressed	• Upped the technological quotient • Introduced aesthetically-appealing products • Differentiated itself from sectoral peers	• Reduced dependence on outside parties • Strengthened overall competitiveness
Capitals impacted	• Manufactured • Intellectual • Financial	• Financial • Manufactured • Intellectual • Natural

Supplier-of-choice	Robust people practices	Responsible corporate citizenship	Focus on value creation
• Enhanced consumer value through superior and differentiated offerings • Engaged ethically with the team of retailers, distributors and channel partners	• Grew from 10 workers to 1,000*+ and from one country to 40+ over the years (*including contract workers) • Built a robust business model marked by a culture that puts workplace safety above everything else • Undertook periodic learning and development initiatives for the benefit of employees	• Spent ₹39.80 lakhs in FY2017-18 on CSR initiatives in the fields of education, healthcare and sport	• Addressed the growing needs of consumers in the price-sensitive segment as well as the premium segment • Launched products that deliver superior value and unveiled new price points
• Introduced differentiated offerings • Enhanced sectoral credibility	• Laid a keen emphasis on health and safety • Rewarded and recognised talent	• Society • Education • Healthcare	• Consumer needs
• Manufactured • Intellectual • Social	• Intellectual • Human	• Social • Natural	• Manufactured • Intellectual • Social

How Linc is enhancing value

Resources

Value created

FINANCIAL CAPITAL
The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

MANUFACTURED CAPITAL
Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.

HUMAN CAPITAL
Our management, employees and contract workers form our workforce. Their experience and competence helps in enhancing the value of our organisation.

INTELLECTUAL CAPITAL
Our focus on cost optimisation and operational excellence as well as our repository of proprietary knowledge account for our intellectual resources.

NATURAL CAPITAL
We depend on raw materials sourced from nature, including polymers (derived from crude oil) and metals, indicating a moderate impact on the natural environment.

SOCIAL CAPITAL
Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

→ FINANCIAL CAPITAL
Turnover ₹**332 crore**
Earnings per share ₹ **5.38**
ROCE **9%**

→ MANUFACTURING CAPITAL
Writing instruments produced/ outsourced: **77 crore**
Writing instruments sold: **76 crore**

→ HUMAN CAPITAL
Employees: **784**
Remuneration paid: ₹ **25 cr**

→ INTELLECTUAL CAPITAL
Cumulative senior management experience: **334 person-years**
Linc's ranking in India's organised writing instruments segment: **Amongst top 3**

→ SOCIAL CAPITAL
Retailers: **46000**
Distributors: **2555**
Channel partners: **36**

Value shared

INVESTORS
Rewarded investors through incremental dividends and capital appreciation over the past 24 years

SUPPLIERS
Sourced ₹221 crore worth of materials from suppliers in 2017-18

EMPLOYEES
The Company provided remuneration worth ₹25 crore in 2017-18 and provided stable employment

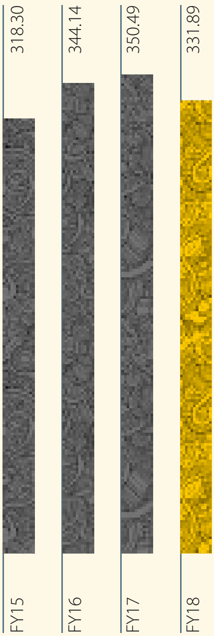
CUSTOMERS
Launched 10 writing instruments (among other stationery products) for customers in 2017-18

GOVERNMENTAL AND REGULATORY BODIES
Catalysed the local community through downstream economic benefits and paid ₹36 crore to the exchequer on 2017-18

DISTRIBUTORS AND SUPPLIERS
Enhanced value for distributors and retailers through sustained resource offtake over 24 years

Enhancing value over the years

Revenues (₹ crore)



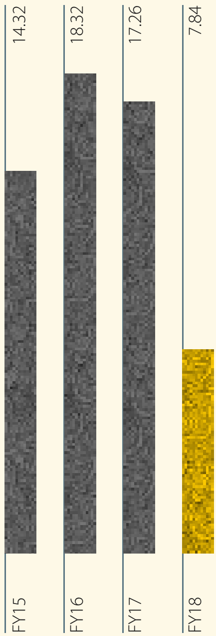
DEFINITION
Sales net of taxes and excise duties

WHY IS THIS MEASURED?
It highlights the service acceptance and reach of the Company in the marketplace

PERFORMANCE
Aggregate sales decreased by 5.31% to reach ₹331.89 in 2017-18 due to the effect of GST and fall in demand

VALUE IMPACT
Creates a robust growth engine on which to build profits

Profit after tax (₹ crore)



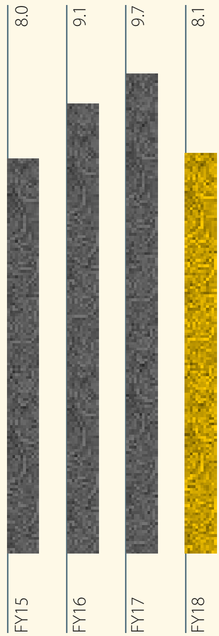
DEFINITION
Profit earned during the year after deducting all expenses and provisions

WHY IS THIS MEASURED?
It highlights the strength in the business model in generating value for its shareholders.

PERFORMANCE
The profit after tax of the Company for 2017-18 was pegged at ₹7.84 crore.

VALUE IMPACT
Ensures that adequate cash is available for reinvestment and allows the Company's growth engine to sustain growth

EBITDA margin (%)



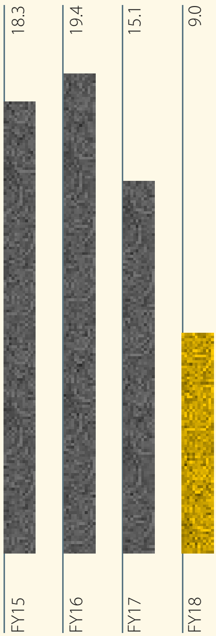
DEFINITION
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency

WHY IS THIS MEASURED?
The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sale

PERFORMANCE
The EBITDA margin for 2017-18 was pegged at 8.1%

VALUE IMPACT
Demonstrates adequate buffer in the business, which, when multiplied by scale, enhances the surplus

ROCE (%)



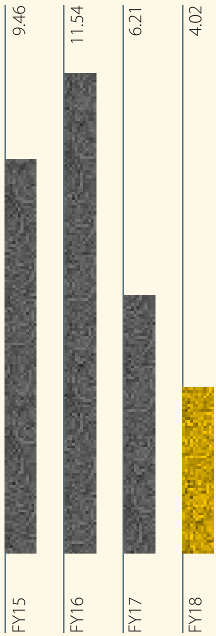
DEFINITION
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business

WHY IS THIS MEASURED?
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors

PERFORMANCE
A showcase of prudently investing every rupee in profitable spaces that generate higher returns for shareholders

VALUE IMPACT
Enhanced ROCE can potentially drive valuations and perception

Advertisement & promotion costs (₹ crore)



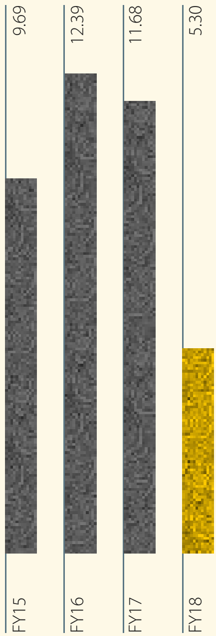
DEFINITION
This includes the entire cost a company bears to advertise and promote its products.

WHY IS THIS MEASURED?
This depicts how much focused the Company is on creating awareness about its products and build a brand among the people.

PERFORMANCE
The Company's promotional costs moderated from ₹6.21 crore in FY17 to ₹4.02 crore in FY18

VALUE IMPACT
Ensures top-of-the-mind recall among customers and raises awareness about key products

Earnings per share (₹)



DEFINITION
It is the portion of a company's profit allocated to each outstanding share of common stock.

WHY IS THIS MEASURED?
This figure depicts the actual value the Company has created for its shareholders.

PERFORMANCE
The Company's EPS was pegged at ₹5.30

VALUE IMPACT
Adds value at the hands of the shareholders through enhanced earnings per share

Afsaana likh rahi hoon
Dil-e-beqaraar ka
Aankhon mein rang bhar ke
tere intezaar ka

Song: Afsaana likh rahi hoon. Film: Dard (1947)

Some questions.

When you need to write something that you want the recipient to remember for years, are you likely to use the standard Times New Roman typeface sent through letter/ Whatsapp/email or are you likely to send a personalised scribble?

Chalo khat likhe jee me aataa to hoga
Magar ungaliya kap-kapaati to hogi
Kalam haath se chhoot jaataa to hoga
Umangein kalam phir uthaati to hogi
Mera naam apni kitabo pe likhkar
Woh daanto mein ungali dabaati to hogi
Kahin ek masoom naazuk si ladki
Bahut khoobsurat magar saanwali si
Bahut khoobsurat...

Song: Kahi ek masoom naazuk si ladki. Film: Shankar Hussain (1977)

In a world where the smartphone and computer are replacing the use of paper and pen, it would help to remember that there are some things that technology cannot replace.

A quick back of the envelope calculation.

The most touching notes sent to a loved one.

A dedication on the fly leaf of a book.

School and college examinations.

Children learning to write.

Travel diary.

Autographs.

Short-hand notes taken by a secretary.

Notes from an interview.

Entries in the appointments book.

Ticking announced numbers in a tambola game.

Scrabble scores.

Lecture notes.

Doctor's prescriptions.

Journalist's notes.

Cricket scores.

Architect's drawings.

Artist's neighbourhood sketches.

Writing addresses on envelopes.

Chithhi na koi sandesh, jaane woh kaun sa desh

Jahan tum chale gaye, iss dil pe laga ke thhes jaane woh kaun sa desh...

Song: Chithhi na koyi sandesh. Film: Dushman (1998)

Linc.

Not just making better looking pens,

But

Those writing better.

Those lasting longer.

And those priced more affordably

Humne Sanam ko khat likha

Khat mein likha

Aye dilruba, dil ki gali, Shehar-e-wafa

Humne Sanam ko khat likha

Song: Humne sanam ko khat likha. Film: Shakti (1982)

Managing Director's review

The launch of Pentonic was not only the highpoint of FY2017-18 but also the single biggest determinant of Linc's long term success

Deepak Jalan

Q Were you pleased with the Company's performance during FY2017-18?

A The management was quite disappointed with the performance of the Company during the year. We finished the year with revenues worth ₹331 crore. The result was that our bottomline declined by 55 % to ₹7.8 crore, which was way below our expectations.

Q What were the reasons behind topline under-performance?

A In domestic business, our performance in the first half of FY2017-18 was affected because of impact of GST implementation. On the export front, the performance got affected because of import restrictions in some of the Company's major markets in Middle East and Africa. Thereafter, even though our performance normalised September 2017 onwards, we ended up playing catch-up through the rest of the year.

Q What were main reasons behind a decline in profit?

A A visible increase in polymer prices following an increase in crude prices during the year under review had a decisive impact on our numbers. We were unable to pass on this cost increase and were compelled to largely absorb it ourselves. Even as sales volumes remained a little favourable during the H2, increased raw material costs resulted in a 45% decline in our post-tax profit.

Q What were the factors that affected the Company's export performance?

A We reported a ₹25 crore decline in exports following the imposition of tariff barriers by Egypt and Turkey on exported writing instruments from India and China. The US sanctions against Iran affected exports to that country while the ongoing military conflicts in Yemen affected our order book

Pyar ka pehla,
Khat likhne mein,
waqt to lagta hai

Naye parindo ko
udne mein, waqt
to lagta hai...

Jism ki baat nahi
thi, unke dil tak
jaana tha

Lambi doori, tay
karne mein, waqt
to lagta hai..

Song: Pyar ka pehla khat likhne mein. Album: Face to face (1996) in that country as well. As a result, the share of exports in our total revenues came down from 29.1% to 23.4% during the fiscal gone by.

Q What impact did the implementation of the GST have on the country's organised writing instruments sector?

A Earlier, writing instruments in India were levied a 2% excise duty (w/o CENVAT credit) followed by a 5% value-added tax, resulting in an impact of ~7%. The GST applicable on writing instruments effective July 2017 went up to 12%, which at first glance would make it appear that the tax burden on us was higher. However, the reality was that this came with an input tax credit that meant the overall impact for organised players virtually returned to status quo. Moreover, we believe that by plugging tax loopholes, the Central Government has made it increasingly difficult for unorganised manufacturers to evade the taxation net. Thus, we believe that the GST-induced change within India's writing instruments sector represents a structural shift with cascading implications that will continue to benefit organised players like us for years to come.

Q How did the Company strengthen its business model during the year?

A The key business-strengthening initiative that we undertook was the commissioning of the Umbergaon facility in Gujarat. The plant started commercial production in July 2017 with a predominant focus on the export markets. The plant (installed capacity of 1.40 crore writing instruments a month) produced 6.59 crore pens during the year. At full utilisation, this new facility will generate a larger throughput than our Falta facility and deliver a larger proportion of value-added writing instruments. We expect that this will result in the convergence of three realities: value-addition, volume growth and economies-of-scale derived from higher capacity utilisation.

Q How did the Company counter marketplace challenges ?

A We continued to launch products during the year with a singular resolve to enhance our presence in the value-added segment and with the objective of getting consumers to upgrade to a better product with superior aesthetic appeal as well as superior performance. We are optimistic of the prospects of these products on account of their cost-competitiveness coupled with value-added returns, vindicating the product's superior stylistic features and perceived value.

Q What was the highpoint of the Company's performance during the last financial year?

A The launch of Pentonic ball pen (MRP ₹10) was not only the highpoint of FY2017-18 but also the single-biggest determinant of Linc's long-term success. The product was test-marketed in the latter part of the year and formally launched during FY2018-19. The success that Pentonic has achieved in just few months of its launch in the current fiscal has been momentous enough for us to go ahead for a substantial enhancement in its capacity. Looking ahead, the full impact of this measure would start becoming visible during H2 of FY2018-19.

Song: Likha Hai Teri Aankhon Mein. Film: Teen Deviyan (1965)

5

Five ways Linc will add value in the hands of the shareholders

Increase proportion of revenues from pens priced ≥₹10

Enhanced margins

Increase output of the successful Pentonic brand

Improved profitability

Escalate brand spending

Superior awareness and offtake

Leverage the full value of Umbergaon plant

Increased output and value-addition

Boost value-added product in-sourcing

Moderate costs and bolster qualitative consistency

Likhe jo khat tujhe
Woh teri yaad mein
Hazaaron rang ke
Nazaare ban gaye...

Song: Likhe Jo Khat tujhe. Film: Kanyadan (1968)

Linc's distinctive business model

Sectoral context

RISING INCOMES: In the last decade, Indian economy has progressed rapidly. The GDP of the country is back on track and growth was pegged at 6.7% in 2017-18. Correspondingly, India's per capita GDP increased from ₹1,03,219 in 2016-17 to ₹1,11,782 in 2017-18, growing at a y-o-y growth rate of 8.3%. The growth in GDP increased the disposable income of the populace, driving the country's consumption. (Source: Economic Times)

IMPROVING LITERACY: India intends to improve its literacy rate from 70% levels to 90% across the foreseeable future. This growth is expected to accelerate the demand for writing instruments. (Source: Economic Times)

URBANISATION: Urbanisation is one of the major factors behind the growth of educational sector, which, in turn, acts as the biggest driver for the writing equipment industry in India. India's urbanisation is expected to grow from 33% to 36.2% by 2025. (Source: Worldometers).

Strategic response

BRAND: Over the past three decades, Linc has emerged as a household name when it comes to pens and stationery products, creating a distinctive recall.

SCALE: Linc is amongst the largest writing instrument companies in India. The Umbergaon plant in Gujarat helped Linc scale its capacity by 1.40 crore pieces per month.

FOOTPRINT: Linc markets products across >40 countries. The Umbergaon plant will enable the Company to deepen its presence across Western India and address export demand with ease (25% of revenues in FY2017-18).

INNOVATION: In a sector flooded by me-too products, Linc differentiated itself through consistent innovation and qualitative superiority.

SUSTAINABILITY: Linc moderated borrowings to <75% of net worth. During the year, Linc had ₹65 crore of debt on its books vis-à-vis a net worth of ₹121 crore.

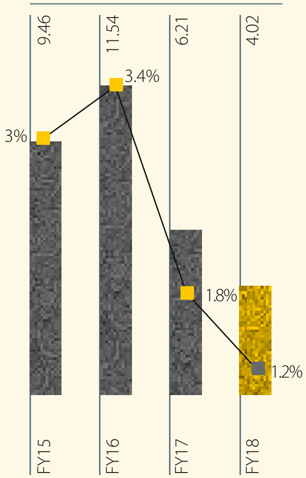
Song: Teri Khushboo Mein Base Khat. Film: Arth (1982)

Branding

Overview:

Linc enjoys a rich experience of more than four decades in the writing instruments industry. By striking a delicate balance between above-the-line and below-the-line activities, Linc enhanced its presence in India, Africa, South East Asia, the Middle East and CIS countries.

Brand spending (in ₹ Crore) and as a percentage of revenues earned (%)



STRENGTHS

- Linc's brand identity stands for high functional quality, superior design and innovation features
- The Company made proactive investments in value-added products

SECTORAL CHALLENGES

- In an industry populated by a number of players, it is difficult to differentiate
- The entry of more organised players increased competition

CHALLENGES FACED, FY2017-18

- Launching disruptive and innovative concepts to enhance recall
- Ensuring adequate retail brand visibility
- Executing cost-effective BTL activities
- Graduating consumers to a higher price point

CHALLENGES ADDRESSED, FY2017-18

- Launched Majesta series (price range of ₹65 to ₹100) to graduate customers and account for a large value of the customer's wallet
- Strengthened product design and packaging to enhance competitive
- Focused on producing single tone products
- Introduced pen dispensers that enhanced retail visibility

OUTLOOK, FY2018-19

- Develop power brands to enhance product differentiation
- Strengthen the proportion of high value products with enhanced visibility
- Launched the Pentonic ball pen at ₹10 each; migrate customers to Pentonic enjoying a ₹10 price point.

Meherbaan likhoon
haseena likhon ya
dilruba likhon
Hairaan hoon ke
aapko is khat mein
kya likhoon?
Yeh mera prem
patra padhkar
Ke tum naaraz na
hona
Ke tum meri
zindagi ho
Ke tum meri
bandagi ho...

Song: Yeh Mera Prem Patra. Film: Sangam (1964)

Manufacturing

Overview: Linc is one of the most respected manufacturers of writing instruments in India, working out of six locations in West Bengal and Gujarat

STRENGTHS

- Experienced personnel following standardised operating protocols
- Process consistency through ISO 9001:2015 certification in the Serakole factory; the Umbergaon facility is likely to be certified for SA8000
- The commissioning of the Umbergaon facility will increase the proportion of in-sourcing following rated capacity utilisation
- Access to raw materials at pocket-friendly rates

SECTORAL CHALLENGES

- Low proportion of automation leading to inconsistencies
- Manual assembly necessary as the success of a product in the marketplace is often difficult to estimate

CHALLENGES FACED, FY2017-18

- Manual assembling and packaging, affecting product evacuation and supply
- An increased in polymer costs following an increase in crude oil prices
- Initial scepticism related to the pricing of Pentonic at ₹10

CHALLENGES DEALT WITH, FY2017-18

- Invested in state-of-the art automation especially when it came to the fastest-selling brands
- Countered the increase in raw material costs through a planned moderation in inventory holding, strengthening working capital management
- Enhanced product output, ensured qualitative consistency and bolstered process efficiency

OUTLOOK, FY2018-19

- Increase in-sourcing and in turn increase the Company's self dependence.
- Expand the capacity at Umbergaon to address the incremental demand in Western India as well as the export markets in which Linc is present

Sales and marketing

Overview: In a business that is largely retail-driven, there is a need to sell wider and deeper by investing in a robust distribution network. Besides, there is an ongoing challenge to enhance brand visibility in a bid to boost offtake.

STRENGTHS

- One of the largest organised and brand-led writing instrument companies in India, respected for its ethical and forward-looking practices
- The Company's principal recall is that of a sectoral disruptor – introducing clutter-cutting products and discovering new price points
- Pan-India presence with Linc's products being available in 85-90% of the stationery outlets across the nation
- New and aesthetically-appealing designs (patented) in a sector marked by extensive imitation
- Sizeable number of value-added products in its portfolio that progressively strengthen brand equity, realisations and profitability

SECTORAL CHALLENGES

- Reluctance among distributors and dealers to keep high levels of inventory, emphasising the need for replenishing smaller quantities and warranting a higher standard of servicing
- Evolving consumer needs, have prioritised the reduction of product development cycles and lengthening of product pipelines

Challenges faced, FY2017-18

- Responding to the needs of trade partners and quicken delivery tenures
- A number of the Company's trade

partners were not GST-compatible when the tax reform was introduced, disrupting offtake in the first two quarters of the year under review

Challenges dealt with, FY2017-18

- Strengthened data aggregation and mining in order to take informed decisions
- Assisted trade partners when it came to being compliant with GST norms, shrinking the tenure of sales disruption
- Moderated transit delays following the commissioning of the Umbergaon facility, strengthening its recall as a market-responsive player
- Leveraged logistical efficiencies following GST implementation to deliver products quicker to consumption points, helping moderate working capital cycles
- Expanded the value-added range of products like the Majesta series

Outlook, FY2018-19

- Strengthen trade channel network by widening its footprint in under-represented areas and rationalising under-performers
- Lay a keen emphasis on product design, manufacture and marketing of products priced at ≥₹10
- Elevate consumers from the ₹5 to the ₹10 segment
- Generate a superior throughput from the distribution network and account for a larger market share
- Develop Pentonic as its flagship product

SEGMENT-WISE REVENUE SHARE

≥₹10 segment
32 %

<₹10 segment
68 %

ZONE-WISE REVENUE SHARE

North
31 %

South
14 %

East
41 %

West
14 %

SALES GROWTH/DECLINE

Domestic
3 % GROWTH

Exports
32 % DECLINE

TRADE CHANNEL STRENGTH

Channel Partners
36

Distributors
2,555

Retailers
46,000

Maine iss dil
pe likh diya
tera naam
Chandni o meri
Chandni
Rang bhare
baadal se
Tere naino ke
kaajal se
Maine iss dil
pe likh diya
tera naam
Chandni o meri
Chandni

Song: Chandni o meri chandni. Film: Chandni (1989)

Exports

Overview: Linc has created a formidable reputation in the international markets of its presence, from the time it started addressing the writing instrument needs of one of the world s largest branded retail conglomerates a decade ago to now when the Company exports its products under its proprietary brand across a number of countries.

STRENGTHS

- Linc's principal strength lies in its brand identity which stands for immaculate quality and distinctive innovation.
- Despite squeezed margins and pricing pressures, Linc managed to thwart the competition posed by its sectoral peers by leveraging the widespread distribution network it has built over the years.
- The respect that Linc has garnered over the years has lent it an advantage in terms of round-the-clock availability of raw materials at pocket-friendly prices.

CHALLENGES FACED, FY2017-18

- Revenues from exports declined by 32.1% in quantum terms to ₹79.7 crore
- Export restrictions and social unrest across five countries (Egypt, Turkey, Iran, Yemen and Syria) adversely impacted Linc's revenue-earning potential
- A stronger INR compared to the US$ affected Linc's export realisations and global competitiveness

CHALLENGES DEALT WITH, FY2017-18

- The Company moderated its global footprint, refocusing attention elsewhere
- The Company expanded its presence across two new countries
- The Company sustained its presence across 40+ countries
- Umbergaon facility has helped us reach out faster to our major export markets.

OUTLOOK, FY2018-19

- The Company expects to deepen its global presence through Pentonic, its new launch
- The Company intends to widen its presence across more countries
- The Company appointed a member of the promoter group to drive exports

Management discussion and analysis

INDIAN ECONOMIC OVERVIEW

After registering GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy headed for slower growth estimated at 6.7% in 2017-18. The year under review was marked by various structural reforms by the Government. In addition to GST introduction, the year witnessed significant resolution of problems associated with bank non-performing assets and FDI liberalisation. (Source: ET)

OUTLOOK

World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity.

INDIAN WRITING INSTRUMENTS INDUSTRY OVERVIEW

The Indian writing instruments industry is dynamic, marked by evolving products, designs, innovation, consumer choice, digitalisation and cost-efficiency. The Indian writing instruments market is still discovering new niches with ergonomically-designed products, addressing rural areas and luxury items. The industry is expected to grow sustainably in the coming years.

Though GST had an initial impact on the industry marked by offtake sluggishness, GST is likely to narrow the cost differential between the organised and unorganised players. The organised sector accounts for 75% of the sector.

The size of the Indian writing instrument industry in 2016-17 was an estimated ₹4,100 crore. Ball pens accounted for the major revenue and volume share, whereas gel pens are growing fastest. The export market of the writing instruments industry was pegged at ₹1,000 crore as of 2016-17. (Source: Business Standard, Euromonitor)

The biggest consumer of the Indian stationery industry is the educational sector. The various initiatives taken up by the Government to promote literacy across the country have helped catalyse offtake, in addition to rural penetration and rising literacy awareness.

CONSUMPTION CATALYSTS

Demographic mix: India is a young country, with half of its population under the age of 25 and two-thirds less than 35. As a recent Bloomberg News analysis discovered, India is likely to have the world's largest workforce by 2027, with a billion people between 15 and 64. A country with a majority population of youth is likely to be the highest consumer of writing instruments and stationery. India's positive demographic mix is one of the biggest demand drivers for the industry. (Source: Financial Express)

Rising incomes: Owing to the rise in disposable incomes and youth population, the writing instruments industry is expected to report favourable growth. (Source: Livemint)

Educational spending: The Central Government increased spending on educational sector should drive the demand of stationery and writing instruments. (Source: Times of India)

Increased literacy: The demand for writing instruments and stationery of the country has been constantly increasing, against the backdrop of improving economic condition of the country clubbed with the rise in literacy rate. The literacy rate of the country stands at 74% according to the 2011 Census compared to the last decade census which stood at 65%.

Rural market: The rural population of India accounts for 66.86%, which, in turn, provides a large untapped market with potential for sustained growth. (Source: Trading Economics)

OUTLOOK

The India stationery market revenues are projected to grow at a CAGR of 10.5% between 2018-24. The Indian stationery market holds growth potential as the country has ~24 crore students studying and requiring writing instruments and other stationery materials. Increasing number of schools and offices, improved standard of living as well as shift in focus from inexpensive to premium quality products on account of rapidly burgeoning economy are some of the crucial factors which would drive the demand for stationery products in India over the next six years.

RISK MANAGEMENT

Economic risk: A slowdown in the sectors which are the major demand drivers of the Company could result in sluggish growth.

Mitigation: The outlook for India remains largely positive, underpinned by robust private consumption and public investment as well as ongoing structural reforms. GDP growth is projected to accelerate from 6.7% in 2017-18 to 7.3% in 2018-19 and 7.5% in 2019-20. Linc aims to make the most of these macroeconomic developments by venturing into newer countries and aggressively pursuing growth opportunities in Western and Southern India.

Competition risk: Intense competition from organised and unorganised players may affect the Company's market share.

Mitigation: The implementation of the GST has strengthened the competitiveness of organised players like Linc. Furthermore, Linc has been successful in differentiating itself from its sectoral peers by coming up with innovative and design-led products.

Currency risk: Currency devaluations in the overseas territories where the Company is present, makes its product dearer. Similarly, an appreciation in the value of the rupee could lead to a decline in margins.

Mitigation: The Company can capitalise on the available opportunities. When rupee appreciated, the Company can benefit from the cheaper imports. During times of unfavourable market rate scenarios, the Company pro-actively reduces product costs, so that its exports are not adversely affected.

Digitisation risk: Digitisation can cause stagnation in demand for writing instruments and in turn impact the Company's profitability.

Mitigation: Linc has strategically migrated from the mass to the premium end of the value chain, enhancing value for stakeholders.

Raw material risk: 40% of the Company's raw materials are crude oil-based and increase in crude prices can drive raw material costs up.

Mitigation: Linc has concentrated on launching products with relatively lower raw material costs and higher margins.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Linc adopts a rigorous system of Internal Control to ensure that all assets are safeguarded and protected. In addition, the Company has a well-structured system of risk assessment and risk reporting. The Company's internal controls are supplemented by an extensive program of internal audits, review by management and documented policies, guidelines and procedures. The internal controls are designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

HUMAN RESOURCES

Linc believes that its competitive advantage lies within its people. The Company's people bring to the stage, a multi-sectoral experience, technological experience and domain knowledge. The Company's HR culture is rooted in its ability to subvert age-old norms in a bid to enhance competitiveness. The Company always takes decisions which are in alignment with the professional and personal goals of employees, thereby achieving an ideal work-life balance and enhancing pride association.

Sandese aate hain, hame tadpate
Toh chitthee aati hai, toh puchhe
Ke ghar kab aaoge, ke ghar kab
Likho kab aaoge, kee tum bin yeh ghar

Song: Sandese aate hain. Film: Border (1997)

CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 24th Annual Report together with the audited accounts of the Company for the year ended 31st March, 2018.

Financial Highlights

(₹ in Lakhs)

	2017 – 18	2016 – 17
Revenue from Operations	33189.15	35049.34
Other Income	116.28	42.59
Profit before depreciation, interest and taxation	2693.32	3404.14
Finance Cost	485.24	216.66
Depreciation	960.29	792.83
Profit before Tax	**1247.79**	**2394.65**
Provision for Taxation – Current	267.00	543.00
– Deferred	196.68	125.33
Profit after Tax	**784.11**	**1726.32**
Total Other comprehensive Income	(2.11)	(9.37)
Total Comprehensive Income of the Year	**782.00**	**1716.95**
Add: Credit Balance of the previous year	996.39	1013.32
Amount available for Appropriation	1778.39	2730.27
Transfer to General Reserve	500.00	1200.00
Dividend	443.58	443.58
Corporate Tax on Dividend	90.30	90.30
Balance carried to Balance Sheet	744.51	996.39

An amount ₹500 Lakhs is being transferred to the General Reserves of the Company as at 31st March, 2018

Dividend

Your Directors recommend a Dividend of ₹1.50 per equity share (previous year ₹3/- per equity share) for the year ended 31st March, 2018.

Financial Performance

During the year under review, the Company's Revenue from Operations decreased by 5.3% to ₹33189 Lakhs as compared to ₹35049 Lakhs during the preceding year. However, the Revenue from Operations were not strictly comparable, as in the post GST scenario the calculation is net of GST, while earlier it was gross of excise. The Profit after Tax during the year was ₹784 Lakhs as compared to ₹1726 Lakhs in the previous year, a drop of about 54.6%.

The profits were effected on account of lower export revenue, continued rise in polymer prices and higher Interest and Depreciation on account of commissioning of new production facility at Gujarat w.e.f.15th July, 2017.

The year-end debtors are 50 days of the sales for the year as compared to 41 days in the previous year. The inventory holding is for 86 days' sales as compared to 81 days in the previous year.

A full analysis and discussion on the performance of the Company as well business outlook is included in this Annual Report under the heading 'Management Discussion and Analysis' as Annexure to this Report.

New Facility at Umbergaon, Gujarat

The commercial production in the new manufacturing facility at Umbergaon was started on 15th July, 2017.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had 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 and loss of the company for that period;

(c) 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) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance

The Company had complied with the requirements of Corporate Governance in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report each on Corporate Governance (Annexure-B, along with Auditors' Certificate on its due compliance) and Management Discussion and Analysis is attached to this report.

Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Listing

The equity shares of the Company are listed on National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and The Calcutta Stock Exchange Limited (CSE).

Directors and Key Managerial Personnel

In accordance with the Articles of Association of the Company, Shri Aloke Jalan, Whole Time Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

The following persons were appointed as Key Managerial Personnel of the Company in Compliance with provisions of section 203 of the Companies Act, 2013:

Shri Deepak Jalan - Managing Director
Shri Aloke Jalan - Whole Time Director
Shri N. K. Dujari - Chief Financial Officer & Company Secretary

Dr. Ranjan Das, Independent, Non-Executive Director has resigned from the Board w.e.f. 13th February, 2018. The Directors have placed on record their sincere appreciation for the valuable contribution and guidance provided by Dr. Ranjan Das during his tenure as Director.

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

A statement pursuant to section 134 of the Companies Act, 2013, giving details of measures taken towards conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the Companies (Accounts) Rules, 2014 is annexed as Annexure - C.

Particulars of Employees and related disclosures

Disclosure as required Section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed as Annexure – D.

Policy on Directors' Appointment and Remuneration

Policy on Directors' Appointment is to follow the criteria as laid down under the Companies Act, 2013 and the Listing Regulations, 2015 and good corporate practices. Emphasis is given to persons from diverse fields or professions.

Policy on Remuneration - Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is –

- Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non Unionised) is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

Declaration by Independent Directors

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

Related Party Transactions

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company during the year. Thus, provisions of section 134(3)(h) and 188(1) of the Companies Act, 2013 are not applicable and therefore, Form No. AOC-2 has not been attached. Related Party Transactions Policy is available on weblink http://www.lincpen.com

Risk Management

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

Credit Rating

The Company's credit ratings ascribed by CRISIL are - Long Term – CRISIL A/Stable; and Short Term – CRISIL A1.

Annual Evaluation by Board

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

Whistle Blower Mechanism

Your Company has put in place Whistle Blower Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

Extract of Annual Return

Extract of Annual Return is annexed as Annexure – E.

Meeting of the Board of Directors

Five (5) meeting of the Board of Directors, including a meeting of independent Directors, without the attendance of the Non-Independent Directors and members of management, were held during the year. The details of the same are provided in the Corporate Governance Report.

Auditors

M/s Singhi & Co. (FRN: 302049E), Chartered Accountants were appointed as the Statutory Auditor of the Company in 23rd Annual General Meeting held on 1st September, 2017 for a period of 5 consecutive years commencing from the conclusion of the 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company.

In accordance with the Companies Amendment Act, 2017 enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Audit

The Company had appointed M/s D. C. Sahoo & Co., Practising Company Secretaries as the Secretarial Auditor of the Company for the financial year

2017-18. The report of the Secretarial Auditor is annexed as Annexure – F. The report does not contain any qualification.

Internal Finance Control

The Company has put in place adequate system of internal finance controls, commensurate with its size and nature of its operations. During the year no material weakness in its operating effectiveness was observed.

Corporate Social Responsibility

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by Ministry of Corporate Affairs, the Company has undertaken activities as per the CSR Policy and the details are contained in the Annual Report on CSR activities given in Annexure - G forming part of this report.

The amount required to be spent on CSR activities during the year under review in accordance with the provisions of Section 135 of the Companies Act, 2013 is ₹44.43 Lakhs and the company has spent ₹39.80 Lakhs during the current financial year. The spending was less as the Company wanted to utilize the funds in justifiable, sustainable and measurable activities. The shortfall in the spend during the year under review is intended to be utilized in future on projects within the Company's CSR Policy.

Further as a responsible corporate citizen, the Company had been involved in CSR activities since its inception. Some of these activities will not fall under 2% CSR spend as per Schedule VII read with Section 135 of the Companies Act, 2013. But the Company decided to continue with them, since those activities are integral to the business of the Company.

Prevention of Sexual Harassment at workplace

The Company has in place a Policy against Sexual Harassment of Women at Workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complain Committee (ICC) has been setup to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. No complaints were received by the Committee during the year under review.

General

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.
- Details relating to deposits covered under Chapter V of the Act.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

Acknowledgement

Your Directors express their appreciation to all the employees for their valuable contribution. Your directors also wish to express their gratitude for the continued co-operation, support and assistance provided by all the valued Channel Partners, Distributors, Suppliers, Bankers, Shareholders, the Central and State Governments.

For and on behalf of the Board

Place : Kolkata	**Deepak Jalan**	**K. N. Ranasaria**
	Managing Director	*Director*
Dated : 30th May, 2018	DIN: 00758600	DIN: 00201370

ANNEXURE - B

CORPORATE GOVERNANCE REPORT

1. **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

The Company firmly believes in and has consistently endeavoured to practice good Corporate Governance. A good corporate governance consists of a combination of business practices which result in enhancement of the value of the Company to shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, employees and financiers, and to the society in general. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavours to uphold and nurture these core values in all aspects of its operations.

2. **BOARD OF DIRECTORS:**

Composition and Category

The present strength of the Board of Directors is six, whose composition is given below:

– 2 Promoter, Executive Directors

– 4 Independent, Non-Executive Directors including one Woman Director

The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which he/she is a member/Chairperson are as under:

Name of the Director	DIN	Category	No. of Other Director-ship*	No. of Membership/ Chairmanship of other Board Committee
Shri Deepak Jalan	00758600	Promoter, Executive	1	Nil
Shri Aloke Jalan	00758762	Promoter, Executive	Nil	Nil
Shri Naresh Pachisia	00233768	Independent, Non- Executive	4	5 (as Member)
Shri K. N. Ranasaria	00201370	Independent, Non- Executive	Nil	Nil
Shri Anil Kochar	00943161	Independent, Non- Executive	2	1 (as Member)
Ms. Supriya Newar	07144076	Independent, Non- Executive	Nil	Nil

*Excludes membership of the managing committee of various chambers/bodies and directorship in private limited Companies, foreign companies, companies under Section 8 of the Companies Act, 2013 and alternate directorship.

+ Only covers membership / chairmanship of Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies have been considered.

*Excludes Linc Pen & Plastics Limited.

Dr. Ranjan Das, Independent, Non-Executive Director has resigned from the Board w.e.f. 13th February, 2018.

There is no permanent Chairman in the Board. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole time director in any listed company, such director is not serving as Independent Director in more than three listed companies. None of the Directors is a member of more than ten Committees or Chairman of more than five Committees across all Companies.

The Company has a familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. and the same has been posted on the website at www.lincpen.com.

The Board has devised proper system to ensure compliance with the provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in law and spirit.

Performance Evaluation and Criteria

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually.

Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations, corporate governance practices and stakeholders' interests. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as level of engagement and contribution, independence of judgment, meeting risk management & competition challenges, compliance & due diligence, financial control, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Non-Independent Directors were carried out by the Independent Directors. The Nomination & Remuneration Committee also carried out evaluation of every director's performance. The Directors expressed their satisfaction with the evaluation process.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

During the financial year ended March 31, 2018, five Board Meetings were held on 30th May, 2017, 8th September, 2017, 14th December, 2017, 13th February, 2018 and 17th March, 2018. The meeting held on 17th March, 2018 was for the Independent Directors, without the attendance of the Non-Independent Directors and members of management. The attendance of each

Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Directors	No. of Board meetings attended	Attendance at last AGM held on 01.09.2017
Shri Naresh Pachisia	5	Leave of Absence
Shri K. N. Ranasaria	5	Present
Shri Deepak Jalan	4	Present
Shri Aloke Jalan	3	Present
Shri Anil Kochar	3	Present
Ms. Supriya Newar	5	Present
Dr. Ranjan Das*	1	Leave of Absence

* Dr. Ranjan Das, Independent, Non-Executive Director has resigned from the Board w.e.f. 13th February, 2018.

3. CODE OF CONDUCT:

The Code of Conduct and ethics as adopted by the Board of Directors of the Company is applicable to its Directors and Senior Executives. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct. A declaration to this effect signed by the Managing Director is attached and forms part of the Annual Report of the Company. The Code of Conduct of the Company has been posted on the website at www.lincpen.com for general viewing.

4. AUDIT COMMITTEE:

The Audit Committee presently comprises of four Directors, three of whom are Independent and Non-Executive. All these Directors possess knowledge of corporate finance, accounts and law. During the financial year ended March 31, 2018, four Audit Committee Meetings were held on 30th May, 2017, 8th September, 2017, 14th December, 2017 and 13th February, 2018. The attendance of the Members were as under-

Members	No. of Meetings Attended
Shri K. N. Ranasaria, Chairman	4
Shri Deepak Jalan	4
Shri Naresh Pachisia	4
Shri Anil Kochar	2

The role, powers, duties and terms of reference of the Audit Committee cover the matter specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The Company Secretary acts as the Secretary to the Committee. The Statutory Auditor and the Internal Auditor of the Company is permanent invitee at the meetings of the Committee.

5. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprises of Shri Naresh Pachisia, Chairman, Shri K. N. Ranasaria and Shri Anil Kochar, all of whom are Independent and Non-Executive

Directors. The Committee was re-constituted with the induction of Shri Anil Kochar, Independent, Non- Executive Director w.e.f. 13th February, 2018 in lieu of Dr. Ranjan Das (resigned from the Board w.e.f. 13th February, 2018). The Company Secretary acts as the Secretary to the Committee.

During the year, the Nomination and Remuneration Committee met on 30th May, 2017.

The role, power and term of reference of the Nomination and Remuneration Committee covers the area as contemplated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role include formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Remuneration Policy : Non-executive directors are remunerated by way of sitting fees and are also entitled to a commission (to divided among them in such proportion as the Board may determine from time to time) not exceeding 1% of the net profits only. The Company pays remuneration by way of Salary, Perquisites, Allowances and Commission to Managing Director and Whole Time Director, as approved by the members and as permitted under Schedule V to the Companies Act, 2013. The Details of Remuneration paid to Directors are as under:

Name of the Director	Relation with other Directors	Salary ₹	Benefits ₹	Sitting Fees ₹	Commission ₹	Total ₹	Service contract/ Notice period/ Severance fees
Shri Deepak Jalan	Brother of Whole Time Director	75,00,000	10,95,000	-	-	85,95,000	Terms of office valid up to 30.09.2020. No notice period & severance fee.
Shri Aloke Jalan	Brother of Managing Director	60,00,000	8,79,000	-	-	68,79,000	-do-
Shri Naresh Pachisia	None	-	-	1,85,000	2,00,000	3,85,000	Appointed for a period of 5 years w.e.f. 29.08.14.
Shri K. N. Ranasaria	None	-	-	1,71,000	2,00,000	3,71,000	-do-
Shri Anil Kochar	None	-	-	90,000	2,00,000	2,90,000	-do-
Ms. Supriya Newar	None	-	-	1,00,000	2,00,000	3,00,000	Appointed for a period of 5 years w.e.f. 03.09.15.
Dr. Ranjan Das*	None	-	-	30,000	1,75,000	2,05,000	

* Dr. Ranjan Das, Independent, Non- Executive Director has resigned from the Board w.e.f. 13th February, 2018.

6. SHAREHOLDERS' COMMITTEE :

i) Share Transfer Committee :

The Share Transfer Committee comprises of Shri Deepak Jalan and Shri Naresh Pachisia. The Committee deal with various matters relating to share transmission, issue of duplicate share certificates, approving the split and consolidation requests and other matters relating to transfer and registration of shares. During the financial year ended 31st March, 2018, 15 (fifteen) Share Transfer Committee Meetings were held. Number of Shares pending for transfers as on 31st March, 2018 were Nil.

ii) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of Shri K. N. Ranasaria as the Chairman and Shri Deepak Jalan. The Committee is to oversee the redressal of the Shareholders' and Investors' grievances in relation to transfer of shares, non-receipt of Annual Report, non-receipt of dividend etc. The total number of complaints received and replied, to the satisfaction of the shareholders during the year were 2. There were no outstanding complaints as on 31st March, 2018.

iii) Compliance Officer:

The Board has designated Shri N. K. Dujari, Chief Financial Officer & Company Secretary as the compliance officer.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Corporate Social Responsibility Committee comprises of Shri Deepak Jalan as the Chairman, Shri Aloke Jalan and Ms. Supriya Newar. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of this Committee is to comply with the requirement of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which includes formulating and recommending to the Board, a Corporate Social Responsibility(CSR) Policy indicating the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013; recommending the amount of expenditure to be incurred and monitoring the CSR policy of the Company.

8. WHISTLE BLOWER POLICY :

With the rapid expansion of business in terms of volume, value and geography, various risk associated with the business have also increased considerably. One such risk identified is the risk of fraud and misconduct. The Audit Committee is committed to ensure risk/fraud free work environment and to this end the Committee has laid down a policy providing a platform to all the employee, vendors and customers to report any suspected or confirmed incident of fraud / risk / misconduct. The policy has been posted on the website at www.lincpen.com.

9. GENERAL BODY MEETING

Location and time, where last three Annual General Meetings were held is given below :

Financial Year	Date	Location of the Meeting	Time
2014 – 2015	03.09.15	Shripati Singhania Hall, 94/2, Chowringhee Road, Kolkata – 700 020	3.30 p.m.
2015 – 2016	29.08.16	Shripati Singhania Hall, 94/2, Chowringhee Road, Kolkata – 700 020	3.30 p.m.
2016 – 2017	01.09.17	Shripati Singhania Hall, 94/2, Chowringhee Road, Kolkata – 700 020	3.30 p.m.

One special resolutions were passed at 21st Annual General Meeting of the Company held on 03.09.2015 respectively. During the last year, no special resolution has been passed through postal ballot. No special resolution is proposed to be conducted through postal ballot at the forthcoming AGM to be held on 11th September, 2018.

10. DISCLOSURES :

i) Details of related party transactions during the year have been set out under Note No. 36 of Notes on Accounts of the Annual Accounts. However, the Company does not have any materially significant related party transactions, which may have potential conflict with the interests of the Company at large. The transactions with related parties are at prices which are reasonable having regard to the prevailing market prices for such goods / services. The policy on dealing with related party transactions has been uploaded on the Company's website: www.lincpen.com .

ii) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it during the last three years.

iii) The Company has established Vigil Mechanism to provide for the safeguards against victimisation of Directors and employees who follow such mechanism. The policy on the same has been uploaded on the Company's website: www.lincpen.com. As per policy, no person has been denied access to the Chairperson of the Audit Committee.

iv) The Company is regularly complying with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 regarding Board Composition, Code of conduct, Audit Committee, quarterly and annual disclosures etc.

v) The Non – executive Directors does not hold any shares of the Company as on 31st March, 2018.

vi) The particulars of directors seeking reappointment are given in the explanatory statement to the notice of Annual General Meeting.

vii) The Company had no subsidiary as on 31st March, 2018.

viii) The Company has laid down risk assessment and minimisation procedures and the same is periodically reviewed by the Board. Further, the Company has adequate internal control systems to identify the risk at appropriate time and to ensure that the executive management controls the risk in a properly defined framework.

11. MEANS OF COMMUNICATION:

Timely disclosure of relevant and reliable information on corporate financial performance is at the core of good governance. The Company informs to the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its opinion, are material and relevant for the shareholders.

Financial Results: Quarterly, half-yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered by the Board and are published in prominent English and Bengali newspapers usually in Business Standard and Kalantar. These results are also made available on the website of the Company www.lincpen.com.

Press Release on Results: Press release on results are sent to Stock Exchanges and are displayed on its website.

Presentations to institutional investors/ analysts: Time to time the Company interacts with institutional investors and financial analysts on the Company's financial performance. Information of such interaction are uploaded on the Company's website as well as sent to the Stock Exchanges. No unpublished price sensitive information is discussed in presentation made to institutional investors and financial analysts.

Company Website: The Company's website (www.lincpen.com) contains a separate dedicated section 'Investors' where information for the shareholders is available.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, etc are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, etc are also filed electronically on the Listing Centre.

Designated Email ID: The Company has designated the following Email-ID for investor servicing: investors@lincpen.com

12. GENERAL SHAREHOLDER INFORMATION :

Detailed information in this regard provided in the shareholder information section forms part of this Annual Report.

i)	Annual General Meeting	:	11th September, 2018 at 10.30 a.m.
	Date and Time	:	Shripati Singhania Hall, 94/2, Chowringhee Road, Kolkata – 700 020
ii)	Financial Calendar	:	
	Financial Year	:	1st April to 31st March
	Results	:	1st Qtr – 2nd week of August, 2018 2nd Qtr – 2nd week of November, 2018 3rd Qtr – 2nd week of February, 2019 4th Qtr – end May, 2019
iii)	Book closure date	:	05.09.2018 to 11.09.2018 on account of AGM and Dividend.
iv)	Dividend payment date	:	After 11th September, 2018
v)	Listing of Equity Shares on Stock Exchanges at	:	i) The Calcutta Stock Exchange Ltd Lyons Range, Kolkata – 700 001 ii) B S E Limited, P J Towers, Dalal Street, Fort, Mumbai – 400 001 iii) National Stock Exchange of India Ltd Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
vi)	Listing Fees	:	Listing fee for the year 2017 – 2018 has been paid to the above Stock Exchanges.
vii)	Stock Code	:	Bombay Stock Exchange - 531241 Calcutta Stock Exchange – 10022035 National Stock Exchange- LINCPEN Demat ISIN No. – INE 802B01019

viii) Market Price Data – High /Low during each month of the year ended 31st March, 2018, at the Bombay Stock Exchange and National Stock Exchange.

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2017	314.90	282.10	52,608	315.00	280.10	2,00,380
May, 2017	296.80	251.00	35,624	299.95	255.50	89,687
June, 2017	303.70	258.00	42,138	303.80	252.30	2,24,813
July, 2017	299.00	262.00	58,039	298.00	250.10	10,4443
August, 2017	268.45	231.20	15,749	269.80	236.10	46,894
September, 2017	248.45	220.00	36,753	247.35	220.00	1,87,218
October, 2017	264.90	225.00	13,840	269.70	222.00	1,56,291
November, 2017	315.00	239.65	2,05,937	317.00	240.20	4,41,713
December, 2017	381.80	290.00	1,74,813	385.10	290.45	11,49,734
January, 2018	530.00	364.45	3,12,964	532.50	361.65	19,26,583
February, 2018	483.50	385.25	76,433	480.00	375.00	7,34,234
March, 2018	460.00	397.00	26,722	460.00	395.55	2,30,424

ix) Share Price performance in 2017-18 in comparison to broad based indices – BSE Sensex and NSE Nifty

% Change in Linc's Share Price: 41.81 %	% Change in BSE Sensex: 11.30%
% Change in Linc's Share Price: 43.62 %	% Change in NSE Nifty: 10.25%

x) Registrar and Share Transfer Agent

M/s. Maheswari Datamatics Pvt. Ltd
23, R. N. Mukherjee Road, 5th Floor,
Kolkata – 700 001
Phone – 2243 5029/2248 2248,
Fax – 2248 4787, e-mail – mdpl@cal.vsnl.net.in

Share Transfer System:

Presently, the share transfers which are received in physical form are normally effected within a maximum period of 15 days from the date of receipt and Demat are confirmed within a maximum period of 14 days by Registrar and Share Transfer Agent – M/s. Maheshwari Datamatics Pvt. Ltd, 23, R. N. Mukherjee Road, Kolkata-700 001.

xi) Distribution of Shareholding:

Distribution of Shareholding by Ownership:

	Holding Pattern	No. of Shares	Shareholding %
1	Promoters & Associates	87,67,854	59.30
2	IEPF	22,517	0.15
3	NRI, FIIs, etc.	20,55,009	13.90
4	Private Corporate Bodies	7,32,329	4.95
5	Indian Public	32,08,251	21.70
	Total	**1,47,85,960**	**100.00**

Distribution of Shareholding by Size:

Range of Shares	Shareholders		Shares	
	Number	%	Nos.	%
1 to 500	5,330	89.87	4,24,566	2.87
501 to 1000	247	4.16	2,05,070	1.39
1001 to 5000	255	4.30	5,99,322	4.05
5001 to 10000	30	0.51	2,22,017	1.50
10001 & above	69	1.16	1,33,34,985	90.19
Total	**5,931**	**100.00**	**1,47,85,960**	**100.00**

xii) Dematerialisation of Shares:

Holding	No. of Holder	%	No. of Shares	%
Physical	519	8.75	1,64,884	1.12
Demat	5,412	91.25	1,46,21,076	98.88
Total	**5,931**	**100.00**	**1,47,85,960**	**100.00**

xiii)	Outstanding GDR/ADR or any convertible Instruments	:	Not Applicable
xiv)	The manufacturing facilities of the Company are located at:	a.	Linc Estate, Usthi Road, Serakole, 24 Paragans (South), West Bengal; and
		b.	Falta SEZ, Sector II, Shed No.2, Falta, 24 Paragans (South), West Bengal
		c.	OHM Industrial Infrastructure Park, Plot No.: 7/8/11/12, Umbergaon, Gujarat
xv)	Address for Correspondence	:	For Share Transfer and related queries - M/s. Maheswari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Phone – 2243 5029/2248 2248, Fax – 2248 4787 E-mail – mdpl@cal.vsnl.net.in
			For General Assistance Mr. N. K. Dujari, Chief Financial Officer & Company Secretary Linc Pen & Plastics Ltd. 3, Alipore Road, Kolkata – 700 027 Phone – 3041 2100 / 2479 0248, Fax – 2479 0253 E-mail – investors@lincpen.com

DECLARATION

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors and Senior Management have affirmed compliance with the Companies Code of Conduct during the financial year ended 31st March, 2018.

Deepak Jalan
Managing Director
Din: 00758600

Kolkata,
30th May, 2018

CEO / CFO CERTIFICATION

The Board of Directors
Linc Pen & Plastics Limited
Kolkata

Re: Financial Statements for the financial year 2017 –18 - Certification by MD and CFO

We, Deepak Jalan, Managing Director and N. K. Dujari, Chief Financial Officer & Company Secretary, of Linc Pen & Plastics Limited, on the review of financial statements and cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief, hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 which are fraudulent illegal or violative of Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls, for financial reporting, we have evaluated the effectiveness of the internal control systems of the company pertaining the financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the Auditors & the Audit Committee: -
   (i) there have been no significant changes in internal control over financial reporting during the period.
   (ii) there have been no significant changes in accounting policies during the period.
   (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

N. K. Dujari
Chief Financial Officer &
Company Secretary

Deepak Jalan
Managing Director
DIN: 00758600

Kolkata,
30th May, 2018

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of
Linc Pen and Plastics Limited

1. We have examined the compliance of conditions of Corporate Governance by Linc Pen & Plastics Limited("the Company"), for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Singhi & Co.
Chartered Accountants
(Firm's Registration No. 302049E)

A Singhi

(Aditya Singhi)
Partner
Membership No. 305161

Place : Kolkata
Date : 30th May, 2018.

ANNEXURE – C

A. CONSERVATION OF ENERGY

a) The following energy conservation measures are taken on continuing basis :--

   1. Scheduled preventive maintenance of machines and equipment for better efficiency.
   2. Systematic Study or power consummation certain machines.
   3. Improvement of electrical power load factor.
   4. Optimise the use of energy through improved operational method.

b) Additional investments and proposals being implemented for reduction of consumption of energy.

   The Company is however, carrying on continuous education and awareness programs for its employees for energy conservation. But no major specific investment proposals are envisaged.

c) Impact of measures undertaken under (a) and (b) above for reduction of energy consumption and its consequent impact on cost of production.

   The Company is not a major user of energy. However, the measures taken by the company will result in saving of energy.

B. TECHNOLOGY ABSORPTION

The Company has no separate R & D section. The Company is however, developing new products and upgrading existing products and also their packaging to meet the changing market taste / profile.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports; initiatives taken to increase exports:-
   Development of Innovative packaging and products for export markets along with improvement in quality, cost and lead time. Special emphasis on marketing Company's product in Africa and Central Asia.

b) Total Foreign Exchange used and earned:- The foreign exchange used and earned during the year by the Company are as under: -
   Foreign Exchange Used – Rs.4048.75 Lakhs
   Foreign Exchange Earned – Rs.8027.50 Lakhs

Deepak Jalan
Managing Director
DIN: 00758600

K. N. Ranasaria
Director
DIN: 00201370

Place : Kolkata
Dated : 30th May, 2018

ANNEXURE – D

Information pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Under Rule 5(1)

Name of the Director / Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration over Last Year
Shri Deepak Jalan	Managing director	56:1	(21.11)
Shri Aloke Jalan	Whole time director	44.5:1	(23.07)
Shri Naresh Pachisia	Independent, non- executive	2.5:1	(19.29)
Shri Kedar Nath Ranasaria	Independent, non- executive	2.4:1	(19.52)
Dr. Ranjan Das *	Independent, non- executive	1.3:1	(44.59)
Shri Anil Kochar	Independent, non- executive	1.9:1	(28.40)
Ms. Supriya Newar	Independent, non- executive	1.9:1	(25.00)
Shri N. K. Dujari	CFO & Company Secretary	13:1	30.15

* Dr. Ranjan Das, Independent Director has resigned from the Board w.e.f. 13th February, 2018

1. The number of permanent employees as on 31st March, 2018 was 784.
2. Compared to the previous year 2016-17, the figures for the current year 2017-18 reflects that:
   i) Median remuneration and average remuneration of all employees have increased by 8.46% and 2.2%
   ii) Average remuneration of employees excluding Key Managerial Personel has increased by 2.2%
   iii) Remuneration of Key Managerial Personnel has decreased by 18.07%
3. The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration Policy of the Company.

B. Under Rule 5(2)

Name	Designation	Remuneration subject to tax (₹)	Qualification	Age / Experience (Years)	Date of Commencement of Employment	Details of last employment
Shri Deepak Jalan	Managing director	85,95,000	B. Com	56 / 32	01.04.1995	-
Shri Aloke Jalan	Whole time director	68,79,000	B. Com	49 / 27	01.05.2004	-
Shri Vinay Maheswari	President - International Business	28,36,116	B.E. (Electronics)	52 / 28	01.08.2000	ZAO Schefields, Moscow
Shri Debasish Pandit	Customer Development Manager	21,87,196	B.Sc., MBA	44 / 17	06.03.2017	Mondelez India Foods Pvt Ltd
Shri N. K. Dujari	CFO & Company Secretary	21,02,213	B. Com(H), FCA, FCS	51 / 31	01.12.2000	Globsyn Webel Ltd.
Shri G. N. Choudhury	Dy. Manager- Operation	19,73,027	ITI, DPMMT (CIPET)	39 / 21	01.08.2001	K S B Plastomec
Shri Biswajit Bose	Zonal Business Manager- East	19,33,331	BA, MBA	47 / 24	01.01.2017	Hindustan Coca Cola Beverages
Shri Rohit Deepak Jalan	Business Head- Premier Division	12,92,490	PGD in Business Economics (MKTG)	29/6	01.09.2012	-
Shri Deepak Ramgaria	Sr. Manager- Mfg. Operation(Exp.)	12,28,577	B. Com(H)	47 / 18	06.01.2010	-
Shri Manish Kr. Shroff	Sr. Manager- IBD	11,73,665	B. Com	47 / 21	13.11.1995	Indian Express

Notes:

1. The nature of employment of Managing Director and Whole Time Director is contractual and other terms and conditions are as per Company's rules.
2. Remuneration includes Company's contribution to provident fund, provision for medical treatment as per Company's rules, monetary value of perquisites calculated as per Income Tax Act / Rules, Commission and does not include provisions for leave encashment , premium for gratuity and group insurance.

Kolkata,
30th May, 2018

Deepak Jalan
Managing Director
DIN: 00758600

K. N. Ranasaria
Director
DIN: 00201370

ANNEXURE - E

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018
[Pursuant to 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:

1	CIN	L36991WB1994PLC065583
2	Registration Date	24.10.1994
3	Name of the Company	LINC PEN & PLASTICS LIMITED
4	Category/Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
5	Whether listed Company (Yes/No)	YES
6	Name, Address and Contact details of Registrar and Transfer Agent, if any	MAHESWARI DATAMATICS PVT. LTD. 6, MANGOE LANE, 2ND FLOOR, KOLKATA-700001 PHONE: (033) 2243 5029/2248 2248 FAX: (033) 2248 4787

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 Product / Services	NIC Code of the Product	% of total turnover of the Company
	Ball Point Pen	32901	82.65

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GIN	Holding / Subsidiary of the Company	% of shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

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				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian									
a. Individual / HUF	71,74,985	-	71,74,985	48.53%	71,74,379	-	71,74,379	48.52%	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	16,75,207	-	16,75,207	11.33%	15,93,475	-	15,93,475	10.78%	(0.55)%
e. Bank/FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total-A(1)	**88,50,192**	**-**	**88,50,192**	**59.86%**	**87,67,854**		**87,67,854**	**59.30%**	**(0.56)%**
2. Foreign	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank / FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub-Total-A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters A= A(1) +A(2)	88,50,192		88,50,192	59.86%	87,67,854		87,67,854	59.30%	(0.56)%
B. Public Shareholding									
1. Institution									
a. Mutual Funds	2,80,450	-	2,80,450	1.90%	-	-	-	-	(1.90)%
b. Bank/FI	1,317	-	1,317	0.01%	817	-	817	0.01%	-
c. Central Govt.	-								
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital.	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FIIs	9,000		9,000	0.06%	-		-	-	(0.06)%
h. Foreign Venture Capital	-	-	-	-	-	-	-	-	-
j. Others:	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	12,915	-	12,915	0.09%	5,050		5,050	0.03%	(0.05)%
Sub-Total-B(1)	**3,03,682**	**-**	**3,03,682**	**2.05%**	**5,867**	**-**	**5,867**	**0.04%**	**(2.01)%**
2. Non-Institution									
a. Body Corp.									
i) Indian	6,33,344	1,001	6,34,345	4.29%	7,31,329	1,000	7,32,329	4.95%	0.66%
ii) Overseas	20,00,000	-	20,00,000	13.53	20,00,000	-	20,00,000	13.53	-
b. Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	12,32,459	182363	14,14,822	9.57%	10,53,247	149384	12,02,631	8.13%	(1.44)%
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	14,31,370	14,500	14,45,870	9.78%	19,36,567	14500	19,51,067	13.20%	3.42%
c. Others (Specify)									
ii. Non Resident Individual	93,372	-	93,372	0.63%	49,959	-	49,959	0.34%	(0.29)%
iii. Clearing Members	43,677	-	43,677	0.30%	42,711	-	42,711	0.29%	(0.01)%
iv. NBFCs registered with RBI	-	-	-	-	11,025	-	11,025	0.07%	0.07%
Investors Education & Protection Fund Authority	-	-	-	-	22,517	-	22,517	0.15%	0.15%
Sub-Total-B(2)	**54,34,222**	**1,97,864**	**56,32,086**	**38.09%**	**58,47,355**	**164884**	**60,12,239**	**40.66%**	**2.57%**

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
"Total Public Shareholding B= B(1) + B(2)"	57,37,904	1,97,864	59,35,768	40.14%	58,53,222	164884	60,18,106	40.70%	0.56%
C. Shares held by Custodian for GDRs & ADRs									
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
"Grand Total (A+B+C)"	1,45,88,096	1,97,864	1,47,85,960	100.00%	1,46,21,076	1,64,884	1,47,85,960	100.00%	-

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change 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	Deepak Jalan	3,12,455	2.11%	NIL	3,20,955	2.17%	NIL	0.06%
2	Deepak Jalan HUF	4,75,966	3.22%	NIL	5,23,428	3.54%	NIL	0.32%
3	Prakash Jalan	100	0.00%	NIL	100	0.00%	NIL	-
4	Aloke Jalan	7,68,416	5.20%	NIL	7,68,416	5.20%	NIL	-
5	Aloke Jalan HUF	20,800	0.14%	NIL	20,800	0.14%	NIL	-
6	Suraj Mal Jalan	10,25,371	6.93%	NIL	10,30,871	6.97%	NIL	0.04%
7	Suraj Mal Jalan HUF	49,100	0.33%	NIL	51,100	0.35%	NIL	0.02%
8	Shobha Jalan	20,03,730	13.55%	NIL	20,03,730	13.55%	NIL	-
9	Bimla Devi Jalan	1,57,500	1.07%	NIL	1,60,368	1.08%	NIL	0.01%
10	Divya Jalan	2,000	0.01%	NIL	6,564	0.04%	NIL	0.03%
11	Rohit Deepak Jalan	59,900	0.41%	NIL	3,59,900	2.43%	NIL	2.02%
12	Aakash Aloke Jalan	22,100	0.15%	NIL	22,100	0.15%	NIL	-
13	Utkarsh Aloke Jalan	12,400	0.08%	NIL	12,400	0.08%	NIL	-
14	Devanshi Jalan	3,61,397	2.44%	NIL	3,66,397	2.48%	NIL	0.04%
15	Sarita Jalan	18,99,750	12.85%	NIL	12,19,750	8.25%	NIL	(4.60)%
16	Ekta Jalan	4,000	0.03%	NIL	3,07,500	2.08%	NIL	2.05%
17	Linc Writing Aids Pvt. Ltd.	16,75,207	11.33%	NIL	15,93,475	10.78%	NIL	(0.55)%
	Total	**88,50,192**	**59.86%**	**NIL**	**87,67,854**	**59.30%**	**NIL**	**(0.56)%**

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	**Deepak Jalan**				
	At the beginning of the year	3,12,455	2.11%		
	Increase / (Decrease) during the year				
	07/04/17	500	0.00%	3,12,955	2.12%
	28/04/17	500	0.00%	3,13,455	2.12%
	23/06/17	3,000	0.02%	3,16,455	2.14%
	15/09/17	1,000	0.01%	3,17,455	2.15%
	29/12/17	3,500	0.02%	3,20,955	2.17%
	At the end of the year			3,20,955	2.17%

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
2	**Deepak Jalan HUF**				
	At the beginning of the year	4,75,966	3.22%		
	Increase / (Decrease) during the year				
	23/06/17	3,000	0.02%	4,78,966	3.24%
	30/06/17	2,000	0.01%	4,80,966	3.25%
	15/09/17	9,000	0.06%	4,89,966	3.31%
	22/09/17	14,000	0.09%	5,03,966	3.41%
	30/09/17	5,500	0.04%	5,09,466	3.45%
	13/10/17	2,300	0.02%	5,11,766	3.46%
	20/10/17	5,117	0.03%	5,16,883	3.50%
	27/10/17	3,545	0.02%	5,20,428	3.52%
	03/11/17	3,000	0.02%	5,23,428	3.54%
	At the end of the year			5,23,428	3.54%
3	**Prakash Jalan**				
	At the beginning of the year	100	-		
	At the end of the year			100	-
4	**Aloke Jalan**				
	At the beginning of the year	7,68,416	5.20%		
	At the end of the year			7,68,416	5.20%
5	**Aloke Jalan HUF**				
	At the beginning of the year	20,800	0.14%		
	At the end of the year			20,800	0.14%
6	**Surajmal Jalan**				
	At the beginning of the year	10,25,371	6.93%		
	Increase / (Decrease) during the year				
	15/09/17	500	-	10,25,871	6.94%
	22/09/17	4,500	0.03%	10,30,371	6.97%
	30/09/17	253	-	10,30,624	6.97%
	06/10/17	247	-	10,30,871	6.97%
	At the end of the year			10,30,871	6.97%
7	**Surajmal Jalan HUF**				
	At the beginning of the year	49,100	0.33%		
	15/09/17	2,000	0.01%	51,100	0.35%
	At the end of the year			51,100	0.35%
8	**Shobha Jalan**				
	At the beginning of the year	20,03,730	13.55%		
	At the end of the year			20,03,730	13.55%
9	**Bimla Devi Jalan**				
	At the beginning of the year	1,57,500	1.07%		
	Increase / (Decrease) during the year				
	15/09/17	2,000	0.01%	1,59,500	1.08%
	17/11/17	566	-	1,60,066	1.08%
	24/11/17	302	-	1,60,368	1.08%
	At the end of the year			1,60,368	1.08%

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
10	Divya Jalan				
	At the beginning of the year	2,000	0.01%		
	Increase / (Decrease) during the year				
	07/04/17	1,300	0.01%	3,300	0.02%
	18/08/17	1,000	0.01%	4,300	0.03%
	20/10/17	1,764	0.01%	6,064	0.04%
	27/10/17	500	-	6,564	0.04%
	At the end of the year			6,564	0.04%
11	Rohit Deepak Jalan				
	At the beginning of the year	59,900	0.41%		
	Increase / (Decrease) during the year				
	28/04/17	3,00,000	2.03%	3,59,900	2.43%
	At the end of the year			3,59,900	2.43%
12	Aakash Aloke Jalan				
	At the beginning of the year	22,100	0.15%		
	At the end of the year			22,100	0.15%
13	Utkarsh Aloke Jalan				
	At the beginning of the year	12,400	0.08%		
	At the end of the year			12,400	0.08%
14	Devanshi Jalan				
	At the beginning of the year	3,61,397	2.44%		
	Increase / (Decrease) during the year				
	22/09/17	5,000	0.03%	3,66,397	2.48%
	At the end of the year			3,66,397	2.48%
15	Sarita Jalan				
	At the beginning of the year	18,99,750	12.85%		
	Increase / (Decrease) during the year				
	28/04/17	(6,00,000)	(4.06)%	12,99,750	8.79%
	17/11/17	(80,000)	0.68%	12,19,750	8.25%
	At the end of the year			12,19,750	8.25%
16	Ekta Jalan				
	At the beginning of the year	4,000	0.03%		
	Increase / (Decrease) during the year				
	07/04/17	500	-	4,500	0.03%
	28/04/17	3,00,500	2.03%	3,05,000	2.06%
	15/09/17	1,000	0.01%	3,06,000	2.07%
	17/11/17	1,500	0.01%	3,07,500	2.08%
	At the end of the year			3,07,500	2.08%
17	Linc Writing Aids Pvt. Ltd.				
	At the beginning of the year	16,75,207	11.33%		
	Increase / (Decrease) during the year				
	01/12/17	(81,732)	(0.55)%	15,93,475	10.78%
	At the end of the year			15,93,475	10.78%

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of Shares	No. of Shares	% of Total Shares of the Company
1	**Mitsubishi Pencil Co. Ltd.**			
	At the beginning of the year	20,00,000		13.53%
	At the end of the year		20,00,000	13.53%
2	**Ajanta Sales Private Limited**			
	At the beginning of the year	1,85,669		1.26%
	Increase / (Decrease) during the year			
	24/11/17	25,559	2,11,228	1.43%
	01/12/17	30,957	2,42,185	1.64%
	08/12/17	1,22,822	3,65,007	2.47%
	15/12/17	3	3,65,010	2.47%
	12/01/18	(20,014)	3,44,996	2.33%
	26/01/18	20,000	3,64,996	2.47%
	09/02/18	(500)	3,64,496	2.47%
	23/02/18	(48,673)	3,15,823	2.14%
	02/03/18	(11,000)	3,04,823	2.06%
	At the end of the year		3,04,823	2.06%
3	**S. Shyam**			
	At the beginning of the year	1,90,863		1.29%
	Increase / (Decrease) during the year			
	24/11/17	1,051	1,91,914	1.30%
	01/12/17	30,874	2,22,788	1.51%
	08/12/17	2,400	2,25,188	1.52%
	At the end of the year		2,25,188	1.52%
4	**Shree Balaji Sarees Pvt. Ltd.**			
	At the beginning of the year	1,40,000		0.95%
	Increase / (Decrease) during the year			
	22/12/17	(10,000)	1,30,000	0.88%
	02/03/18	5,173	1,35,173	0.91%
	At the end of the year		1,35,173	0.91%
5	**Nitin Chunilal Mehta**			
	At the beginning of the year	1,18,865		0.80%
	07/04/17	1,135	1,20,000	0.81%
	17/11/17	300	1,20,300	0.81%
	24/11/17	2,900	1,23,200	0.83%
	15/12/17	(700)	1,22,500	0.83%
	05/01/18	(1,500)	1,21,000	0.82%
	12/01/18	19,000	1,40,000	0.95%
	19/01/18	5,000	1,45,000	0.98%
	26/01/18	5,000	1,50,000	1.01%
	02/02/18	1,000	1,51,000	1.02%
	09/02/18	1,000	1,52,000	1.03%
	At the end of the year		1,52,000	1.03%

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of Shares	No. of Shares	% of Total Shares of the Company
6	**Jagadish Prasad Agarwal**			
	At the beginning of the year	-		-
	Increase / (Decrease) during the year			
	05/01/18	55,000	55,000	0.37%
	19/01/18	(8,000)	47,000	0.32%
	26/01/18	(9,000)	38,000	0.26%
	02/02/18	7,000	45,000	0.30%
	09/02/18	(8,252)	36,748	0.25%
	23/02/18	5,430	42,178	0.29%
	02/03/18	(7,252)	34,926	0.24%
	16/03/18	(2,000)	32,926	0.22%
	At the end of the year		32,926	0.22%
7	**Ashok Sureka**			
	At the beginning of the year	48,400		0.33%
	Increase / (Decrease) during the year			
	25/08/17	100	48,500	0.33%
	15/12/17	(500)	48,000	0.32%
	22/12/17	500	48,500	0.33%
	26/01/18	200	48,700	0.33%
	At the end of the year		48,700	0.33%
8	**Saket Todi**			
	At the beginning of the year	-		0.00%
	Increase / (Decrease) during the year			
	29/12/17	10,000	10,000	0.07%
	12/01/18	10,000	20,000	0.14%
	09/02/18	68,605	88,605	0.60%
	16/02/18	576	89,181	0.60%
	09/03/18	59,769	1,48,950	1.01%
	At the end of the year		1,48,950	1.01%
9	**Amit Sharaff**			
	At the beginning of the year	1,90,000		1.29%
	Increase / (Decrease) during the year			
	17/11/17	80,000	2,70,000	1.83%
	05/01/18	10,000	2,80,000	1.89%
	16/02/18	(7,305)	2,72,695	1.84%
	23/02/18	(14,868)	2,57,827	1.74%
	16/03/18	2,500	2,60,327	1.76%
	23/03/18	25	2,60,352	1.76%
	30/03/18	4,475	2,64,827	1.79%
	At the end of the year		2,64,827	1.79%
10	**Udit Todi**			
	At the beginning of the year	-		-
	Increase / (Decrease) during the year			
	29/12/17	10,000	10,000	0.07%
	12/01/18	15,000	25,000	0.17%
	19/01/18	20,458	45,458	0.31%
	26/01/18	13,580	59,038	0.40%

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of Shares	No. of Shares	% of Total Shares of the Company
	09/02/18	32,348	91,386	0.62%
	23/02/18	14,514	1,05,900	0.72%
	02/03/18	7,839	1,13,739	0.77%
	09/03/18	7,474	1,21,213	0.82%
	At the end of the year		1,21,213	0.82%
11	**Shobha Devi Todi**			
	At the beginning of the year	-		-
	Increase / (Decrease) during the year			
	15/12/17	10,000	10,000	0.07%
	12/01/18	10,703	20,703	0.14%
	26/01/18	10,000	30,703	0.21%
	09/02/18	36,894	67,597	0.46%
	16/02/18	3,500	71,097	0.48%
	23/02/18	13,356	84,453	0.57%
	09/03/18	25,885	1,10,338	0.75%
	At the end of the year		1,10,338	0.75%
12	**Nitin Tandon**			
	At the beginning of the year	96,000		0.65%
	At the end of the year		96,000	0.65%
13	**Vijaya S**			
	At the beginning of the year	97,306		0.66%
	At the end of the year		97,306	0.66%
14	**Cello Pens & Stationery Pvt. Ltd.**			
	At the beginning of the year	54,050		0.37%
	Increase / (Decrease) during the year			
	28/04/17	(367)	53,683	0.36%
	22/09/17	(8,198)	45,485	0.31%
	03/11/17	(10,485)	35,000	0.24%
	10/11/17	(9,181)	25,819	0.17%
	24/11/17	(7,131)	18,688	0.13%
	01/12/17	(4,435)	14,253	0.10%
	08/12/17	(14,253)	-	-
	At the end of the year		-	-
15	**IDFC Monthly Income Plan**			
	At the beginning of the year	2,80,450		1.90%
	Increase / (Decrease) during the year			
	01/12/17	(31,987)	2,48,463	1.68%
	08/12/17	(23,463)	2,25,000	1.52%
	15/12/17	(40,000)	1,85,000	1.25%
	22/12/17	(728)	1,84,272	1.25%
	29/12/17	(2,735)	1,81,537	1.23%
	05/01/18	(1,59,137)	22,400	0.15%
	12/01/18	(22,400)	-	-
	At the end of the year		-	-

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of Shares	No. of Shares	% of Total Shares of the Company
16	**Ashika Stock Broking Limited**			
	At the beginning of the year	-		-
	Increase / (Decrease) during the year			
	07/04/17	136	136	0.00%
	21/04/17	(15)	121	0.00%
	28/04/17	967	1,088	0.01%
	05/05/17	(509)	579	0.00%
	12/05/17	107	686	0.00%
	19/05/17	(300)	386	0.00%
	26/05/17	1,100	1,486	0.01%
	02/06/17	(786)	700	0.00%
	09/06/17	(398)	302	0.00%
	16/06/17	42	344	0.00%
	23/06/17	(43)	301	0.00%
	30/06/17	(200)	101	0.00%
	07/07/17	4	105	0.00%
	14/07/17	(44)	61	0.00%
	21/07/17	15	76	0.00%
	28/07/17	(25)	51	0.00%
	11/08/17	(1)	50	0.00%
	01/09/17	744	794	0.01%
	08/09/17	(744)	50	0.00%
	30/09/17	300	350	0.00%
	06/10/17	200	550	0.00%
	13/10/17	(500)	50	0.00%
	20/10/17	2	52	0.00%
	27/10/17	(1)	51	0.00%
	03/11/17	(51)	-	0.00%
	24/11/17	100	100	0.00%
	01/12/17	252	352	0.00%
	08/12/17	(252)	100	0.00%
	15/12/17	89,642	89,742	0.61%
	22/12/17	(13,279)	76,463	0.52%
	29/12/17	(29,063)	47,400	0.32%
	05/01/18	79,992	1,27,392	0.86%
	12/01/18	(25,598)	1,01,794	0.69%
	19/01/18	(28,549)	73,245	0.50%
	26/01/18	(18,064)	55,181	0.37%
	02/02/18	36,898	92,079	0.62%
	09/02/18	(63,845)	28,234	0.19%
	16/02/18	(926)	27,308	0.18%
	23/02/18	69,273	96,581	0.65%
	02/03/18	21,910	1,18,491	0.80%
	09/03/18	(89,960)	28,531	0.19%
	16/03/18	4,006	32,537	0.22%
	23/03/18	(26,152)	6,385	0.04%
	30/03/18	23,016	29,401	0.20%
	31/03/18	(15,913)	13,488	0.09%
	At the end of the year		13,488	0.09%

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Deepak Jalan	3,12,455	2.11%	3,20,955	2.17%
	Aloke Jalan	7,68,416	5.20%	7,68,416	5.20%
	N. K. Dujari	2,500	0.02%	500	-

V. INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	5,079.54	-	-	5,079.54
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	**5,079.54**	**-**	**-**	**5,079.54**
Change in Indebtedness during the financial year				
+ Addition	1,478.38	-	-	1,478.38
– Reduction	-	-	-	-
Net Change	1,478.38	-	-	1,478.38
Indebtedness at the end of the financial year				
I) Principal Amount	6,557.92	-	-	6,557.92
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	**6,557.92**	**-**	**-**	**6,557.92**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Deepak Jalan	Aloke Jalan	
1	Gross Salary			
	1961	75.00	60.00	135.00
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2	Stock Option / 3. Sweat Equity	-	-	-
3	Commission as % of profit	-	-	-
4	Others, please specify: Contribution to Provident Fund, Medical Reimbursement & LTC	10.95	8.79	19.74
	Total (A)	**85.95**	**68.79**	**154.74**
	Ceiling as per the Act	10% of the Net Profit of the Company		

B. Remuneration to other directors:

Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
	Dr. Ranjan* Das	Mr. Naresh Pachisia	Mr. K. N. Ranasaria	Mr. Anil Kochar	Ms. Supriya Newar	
Independent Directors						
• Fee for attending board committee meetings	0.30	1.85	1.71	0.90	1.00	5.76
• Commission	1.75	2.00	2.00	2.00	2.00	9.75
• Others, please specify						
Total	2.05	3.85	3.71	2.90	3.00	15.51
Total Managerial Remuneration						
Overall Ceiling as per the Act	1% of the Net Profit of the Company					

* Dr. Ranjan Das has resigned from the Board w.e.f. 13.02.2018

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Mr. N. K. Dujari CFO & Company Secretary
1	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19.86
1	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
1	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option / 3. Sweat Equity	-
4	Commission as % of profit	-
5	Others: Contribution to PF, Medical Reimbursement & LTC	1.16
	Total	**21.02**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: None

	Deepak Jalan	K. N. Ranasaria
Kolkata,	*Managing Director*	*Director*
30th May, 2018	*DIN: 00758600*	*DIN: 00201370*

ANNEXURE - F

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 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,
M/s Linc Pen & Plastics Limited
Satyam Towers, 1st Floor, 3, Alipore Road,
Kolkata- 700027

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Linc Pen & Plastics Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s Linc Pen & Plastics Limited's books, papers, minute books, forms and returns filed, registers 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period') 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.

We have examined the books, papers, minute books, forms and returns filed and other registers and records maintained by M/s Linc Pen and Plastics Limited ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under ;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 .

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);

(vi) The management has identified and confirmed the following laws as specifically applicable to the Company::

(i) The Legal Meteorology Act, 2009 and Rules made there under;

(ii) Water (Prevention & Control of Pollution) Act, 1974;

(iii) The Air (Prevention & Control of Pollution) Act, 1981;

(iv) The Hazardous Wastes (Management and Handling) Rules,1989 in compliance to the Environment (protection) Act, 1986;

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

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Ltd. read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board as the case may be.

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

We further report that during the audit period the Company has not entered into or taken any major decisions which have influential financial impact on the entire affairs of the Company.

For D. C. Sahoo & Co.
Company Secretaries

D. C. Sahoo
Proprietor
M. No.: ACS No: 14008
C P No.: 5508

Place : Kolkata
Date: 30th May, 2018

Note: This report is to be read with the letter of even date issued by the Secretarial Auditor(s) and forms an integral part of this report.

To,

The Members,

M/s Linc Pen & Plastics Limited

Satyam Towers, 1st Floor,

3, Alipore Road,

Kolkata- 700027

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurances 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of Laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For D. C. Sahoo & Co.
Company Secretaries

D. C. Sahoo
Proprietor

Place : Kolkata
Date: 30th May, 2018

M. No.: ACS No: 14008
C P No.: 5508

ANNEXURE - G

ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of projects or programmes propose to be undertaken and a reference to the weblink to the CSR policy and projects or programs	The Company has adopted a CSR Policy in compliance with the Companies Act, 2013, which is placed on the website of the Company - www.lincpen.com. The Company directly contributed in the field of Education, Health Care, Nationally Recognised Sports, etc.
2	The composition of the CSR Committee.	Shri Deepak Jalan (Chairman) Shri Aloke Jalan Ms. Supriya Newar
3	Average Net Profit of the company for last 3 financial years	₹2,222 Lakhs
4	Threshold Limit-(2% of this amount as in 3 above)	₹44.43 Lakhs
5	Details of CSR spent during the financial year	
	a. Total amount to be spent for the financial year	39.80 Lakhs
	b. Amount unspent, if any	4.63 Lakhs
	c. Manner in which the amount spent during the financial year is detailed below:	

1	2	3	4	5	6	7	8
Sl	CSR project/ activity identified	Sector in which the project is covered	Projects/ Programmes 1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project/programme was undertaken	Amount outlay (budget) project/ programme wise (₹ in Lakhs)	Amount spent on the project/ programme Subheads: 1. Direct expenditure on project, 2. Overheads: (₹ in Lakhs)	Cumulative spend up to the reporting period. (₹ in Lakhs)	Amount spent: Direct/ through implementing agency
1	Promoting, Education, Health Care, Nationally Recognised Sports	Education	Kolkata, West Bengal	15.00	15.00	15.00	Directly to Help Us Help Them
		Education	Kolkata, West Bengal	10.00	10.00	10.00	Directly to Suryodaya School
		Education	New Delhi	5.00	5.00	5.00	Directly to Kailash Satyarthi Children Foundation
		Education	Madurai, Tamil Nadu	2.52	2.52	2.52	Directly to Relief Projects India
		Education	Tribal / Rural areas all over the Country	2.00	2.00	2.00	Directly to Friends of Tribals Society
		Education	Kolkata, West Bengal	1.50	1.50	1.50	Directly to Parivaar Education Society
		Education	Kolkata, West Bengal	1.00	1.00	1.00	Directly to Friends of Kolkata
		Health	Kolkata, West Bengal	1.00	1.00	1.00	Directly to Ladies Study Group
		Nationally Recognised Sports	Kolkata, West Bengal	0.72	0.72	0.72	Directly to Japan Karate Association of India
		Safe Drinking Water	Umbergaon, Gujarat	0.55	0.55	0.55	Directly to Rotary Club of Umbergaon
		Education	Kolkata, West Bengal	0.51	0.51	0.51	Directly to Marwari Mahila Samity

Note : Administrative Overhead expenses is Nil

6. The spending was less as the Company wanted to utilize the funds in justifiable, sustainable and measurable activities. The shortfall in the spend during the year under review is intended to be utilized in future on projects within the Company's CSR Policy.

Further as a responsible corporate citizen, the Company had been involved in CSR activities since its inception. Some of these activities will not fall under 2% CSR spend as per Schedule VII read with Section 135 of the Companies Act, 2013. But the Company decided to continue with them, since those activities are integral to the business of the Company.

7. The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company

Kolkata
30th May, 2018

Supriya Newar
Director
Din:07144076

Deepak Jalan
Chairman- CSR Committee
Din:00758600

DIRECTOR'S PROFILE

Mr. Anil Kochar,
61, independent, non-executive director, a post graduate in commerce and LLB, is an eminent income tax advisor who brings a wide experience to the Board.

Ms. Supriya Newar
43, independent, non-executive director, a student of Arts with a Master's degree in International Relations, Supriya Newar has been keenly involved with the world of Brand and Communications for the last two decades. She has had the privilege of working with significant local as well as global brands, leading and training teams and has been writing for noted publications with several bylines to her name. Firmly retaining her Calcutta Chromosome, she is a long standing aficionado of Indian classical as well as folk music besides being an avid book worm, a traveller and a visiting lecturer at various institutes of repute.

Mr. Naresh Pachisia
55, independent, non-executive director. He is founder & MD, SKP Securities Ltd., Eastern India's leading investment banker, wealth manager and stock broker with 36 years' experience in capital markets.

Mr. Kedar Nath Ranasaria
84, independent, non-executive director. A post graduate who brings more than four decades of experience in finance, manufacturing and allied areas. Was associated with Balrampur Chini Mills Limited. Is also a social worker and member of various chambers of commerce.

Mr. Aloke Jalan
49, Whole-time director, a commerce graduate with 27 years of experience. Manages the Company's marketing operations with an emphasis on the Western and Southern regions.

Mr. Deepak Jalan
56, managing director, a commerce graduate with 32 years of experience, responsible for overall operations with a specialisation in international operations. Responsible for the Company's strategic direction.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Linc Pen & Plastics Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Linc Pen & Plastics 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.

Management's Responsibility 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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., read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. 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 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 Responsibility

Our responsibility is to express an opinion on these 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 there under. We conducted our audit of the 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 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 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.

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 including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1", 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) In our opinion, proper books of account 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 Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016;

   (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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" 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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33 to the Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made since they do not pertain to the financial year ended 31st March 2018.

Other Matter

The Comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1,2016, included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under, audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated 30th May, 2017 and 24th May, 2016 respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

(Aditya Singhi)
Partner
Membership No. 305161

Place: Kolkata
Date: 30th May, 2018

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF LINC PEN & PLASTICS LIMITED AS AT AND FOR THE YEAR ENDED MARCH 31, 2018

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to information and explanations given by the management, the title deeds of immovable properties included in Property, Plant & Equipment are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The provisions regarding maintenance of the cost records under Section 148(1) of the Act are not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding in respect of sales tax, income tax, custom duty, wealth tax, service tax, goods and service tax, excise duty, value added tax & cess on account of any dispute, are as follows :-

Sl. No.	Name of the Statute	Nature of dues	Period to which pertain	Amount (₹ in Lakhs)	(Status) Before the
1	The Income Tax Act,1961	Income Tax	A.Y. 2005-06	25.16	Appeal effect order of ITAT to be received from A.O.
2	The Income Tax Act,1961	Income Tax	A.Y. 2006-07	106.24	Do
3	The Income Tax Act,1961	Income Tax	A.Y. 2007-08	0.82	Do
4	The Income Tax Act,1961	Income Tax	A.Y. 2008-09	56.91	Do
5	The Income Tax Act,1961	Income Tax	A.Y. 2009-10	54.33	Do
6	The Income Tax Act,1961	Income Tax	A.Y. 2013-14	0.20	CIT Appeals
7	The Income Tax Act,1961	Income Tax	A.Y. 2014-15	2.14	Do
8	West Bengal Value Added Tax Act	Sales Tax/ Vat	F.Y. 2012-13	138.12	WBCTARB
9	West Bengal Entry Tax Act	Entry Tax	F.Y. 2012-13 to 16-17	117.56	High Court
		Total		**501.48**	

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The Company has not taken any loans or borrowings from financial institutions and Government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the Company is in the process of recovering the managerial remuneration which has been paid over and above approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, aggregating ₹27 lakhs as at March 31, 2018 and has been shown as recoverable from the Managing Director and Whole time Director as on the Balance Sheet date.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) According to 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 as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

(Aditya Singhi)
Partner
Membership No. 305161

Place: Kolkata
Date: 30th May, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF LINC PEN & PLASTICS LIMITED

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 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 **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

(Aditya Singhi)
Partner
Membership No. 305161

Place: Kolkata
Date: 30th May, 2018

BALANCE SHEET as at 31st March, 2018

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
1. Non-Current Assets				
a) Property, plant and equipment	2	6,683.14	4,699.34	4,194.61
b) Capital Work - in - progress		22.96	1,054.59	175.75
c) Intangible Assets	3	0.03	0.68	2.59
d) Financial Assets - i) Loans	4	107.25	109.71	84.56
ii) Others		0.61	1.15	0.57
e) Income Tax Assets(net)	5	251.40	283.78	102.43
f) Other Non - Current Assets	6	1,625.08	1,662.51	644.67
Total Non-Current Assets		**8,690.47**	**7,811.76**	**5,205.18**
2. Current Assets				
a) Inventories	7	7,888.10	7,853.08	7,729.30
b) Financial Assets				
i) Trade Receivables	8	4,586.03	3,992.90	4,772.61
ii) Cash & Cash Equivalents	9	11.28	7.96	13.67
iii) Bank Balances other than (ii) above	10	14.75	13.67	14.86
iv) Other Financial Assets	11	2.38	2.92	0.44
c) Other Current Assets	12	2,512.41	1,279.93	807.19
Total Current Assets		**15,014.95**	**13,150.46**	**13,338.07**
Total Assets		**23,705.42**	**20,962.22**	**18,543.25**
EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	13	1,478.60	1,478.60	1,478.60
b) Other Equity	14	10,598.04	10,349.92	9,166.85
Total Equity		**12,076.64**	**11,828.52**	**10,645.45**
Liabilities				
1. Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings	15	1,350.00	1,276.42	-
b) Provisions	16	97.08	184.85	143.78
c) Deferred Tax Liabilities (Net)	17	592.84	396.16	275.78
Total Non-Current Liabilities		**2,039.92**	**1,857.43**	**419.56**
2. Current Liabilities				
a) Financial Liabilities				
i) Borrowings	18	4,847.92	3,735.94	3,093.77
ii) Trade Payables	19	2,799.96	1,939.15	2,885.62
iii) Others	20	1,453.71	1,160.26	1,051.96
b) Other Current Liabilities	21	484.12	433.80	440.94
c) Provisions	22	3.15	7.12	5.95
Total Current Liabilities		**9,588.86**	**7,276.27**	**7,478.24**
Total Liabilities		**11,628.78**	**9,133.70**	**7,897.80**
TOTAL EQUITY AND LIABILITIES		**23,705.42**	**20,962.22**	**18,543.25**

Significant Accounting Policies and Key Estimates and Judgments 1

The accompanying notes 1 to 48 are an integral part of the Financial Statements.
As per our report of even date attached.

For **Singhi & Co.**
Chartered Accountants
F.R No. 302049E

For and on behalf of the Board

(Aditya Singhi)
Partner
Membership No. 305161

Deepak Jalan
Managing Director
DIN:00758600

K. N. Ranasaria
Director
DIN:00201370

N. K. Dujari
Chief Financial Officer & Company Secretary

Place of Signature: Kolkata
Dated: 30th May, 2018

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars		Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
Income				
I.	Revenue from operations	23	33,189.15	35,049.34
II.	Other income	24	116.28	42.59
III.	**Total revenue (I + II)**		**33,305.43**	**35,091.93**
IV.	**Expenses**			
	Cost of materials consumed	25	9,812.49	10,679.25
	Purchases of Stock-in-Trade	26	12,549.50	12,687.46
	Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade	27	(270.06)	(191.95)
	Employee benefits expense	28	2,546.07	2,067.32
	Finance costs	29	485.24	216.66
	Depreciation and amortization expense		960.29	792.83
	Other expenses	30	5,974.11	6,445.71
	Total expenses		**32,057.64**	**32,697.28**
V.	Profit before exceptional items and tax (III - IV)		**1,247.79**	**2,394.65**
VI.	Exceptional items		-	-
VII.	**Profit before tax (V - VI)**		1,247.79	2,394.65
VIII.	**Tax expense:**	38		
	Current tax		267.00	543.00
	Deferred tax		196.68	125.33
	Total Tax expenses:		**463.68**	**668.33**
IX.	**Profit for the year (VII-VIII)**		**784.11**	**1,726.32**
	Other Comprehensive Income not to be reclassified to profit and loss			
	in subsequent periods:			
	Re-Measurement gains/(losses) on defined benefit plans		(3.22)	(14.32)
	Income Tax Effect		1.11	4.95
	Total Other Comprehensive Income of the year		(2.11)	(9.37)
	Total Comprehensive Income of the year		**782.00**	**1,716.95**
X.	Earnings per equity share - Basic and diluted (₹)	43	5.30	11.68
	(Face value ₹10/- per equity share)			

Significant Accounting Policies and Key Estimates and Judgments — 1

The accompanying notes 1 to 48 are an integral part of the Financial Statements.
As per our report of even date attached.

For **Singhi & Co.**
Chartered Accountants
F.R No. 302049E

For and on behalf of the Board

(Aditya Singhi)
Partner
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N. K. Dujari
Chief Financial Officer & Company Secretary

Place of Signature: Kolkata
Dated: 30th May, 2018

CASH FLOW STATEMENT for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars		For the year ended 31st March, 2018		For the year ended 31st March, 2017	
A.	**Cash flow from operating activities :**				
	Net profit before tax as per Statement of Profit and Loss		1,247.79		2,394.65
	Adjustments for:				
	Depreciation and amortization expense	960.29		792.83	
	Profit on sale of Property, Plant and Equipment	(102.20)		5.61	
	Interest Income	(1.49)		(0.26)	
	Unrealised loss/(gain) on foreign exchange fluctuation (Net)	(125.90)		(116.37)	
	Finance cost	485.24	1,215.94	216.66	898.47
	Operating profit before working capital changes		2,463.73		3,293.12
	(Increase) / Decrease in Trade Receivables	(582.93)		805.22	
	(Increase) / Decrease in Inventories	(35.02)		(123.78)	
	(Increase) / Decrease in Other Non Current Assets	41.18		(1,046.05)	
	(Increase) / Decrease in Other Current Assets	(1,232.62)		(472.87)	
	Increase / (Decrease) in Long Term Provisions	(90.99)		26.75	
	Increase / (Decrease) in Trade Payables	977.25		(880.12)	
	Increase / (Decrease) in Other Current Liabilities	49.87		35.17	
	Increase / (Decrease) in Short Term Provisions	(3.97)	(877.23)	1.17	(1,654.51)
	Cash generated from operations		1,586.50		1,638.61
	Less: Direct taxes paid		233.75		724.32
	Net Cash Generated From Operating Activities		**1,352.75**		**914.29**
B.	**Cash flow from investing activities :**				
	Addition to Property, Plant and Equipment (Including Intangibles)	(1,960.39)		(2,227.49)	
	Sale of Property, Plant and Equipment	150.80		47.40	
	Interest Received	1.62	(1,807.97)	0.34	(2,179.75)
	Net Cash Used in Investing Activities		**(1,807.97)**		**(2,179.75)**
C.	**Cash flow from financing activities :**				
	Proceeds of Long term borrowings	366.40		1,343.60	
	Proceeds /(Repayment) of Short term borrowings (Net)	1,111.26		666.69	
	Interest Paid	(482.14)		(200.02)	
	Other borrowing cost	(3.10)		(16.64)	
	Dividend Paid	(443.58)		(443.58)	

CASH FLOW STATEMENT for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
Dividend Tax Paid	(90.30)	458.54	(90.30)	1,259.75
Net Cash Used in Financing Activities		**458.54**		**1,259.75**
Net increase in cash and cash equivalents (A+B+C)		3.32		(5.71)
Cash and cash equivalents - Opening balance		7.96		13.67
		11.28		**7.96**
Cash and cash equivalents - Closing balance (Refer note no. 9)		**11.28**		**7.96**

Notes :

1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.
2) Figures in bracket represent cash outflow from respective activities.
3) Additions to Property, Plant and Equipment include movement of Capital Work-in-Progress during the year.
4) Cash and cash equivalent at the end of the year consist of :

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
a) Cash in hand	9.56	7.22
b) Balances with Scheduled Banks in Current Accounts	1.72	0.74
	11.28	**7.96**

5) Cash and cash equivalent do not include any amount which is not available to the company for its use.
6) Change in Liability arising from financing activities

(₹ in Lakhs)

Particulars	As at 1st April, 2017	Cash Flow	Foreign Exchange Movement	As at 31st March, 2018
a) Long Term Borrowings (Note 15)	1,343.60	366.40	-	1,710.00
b) Short Term Borrowings (Note 18)	3,735.94	1,111.26	0.72	4,847.92

This is the Cash Flow Statement referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
F.R No. 302049E

For and on behalf of the Board

(Aditya Singhi)
Partner
Membership No. 305161

Deepak Jalan
Managing Director
DIN:00758600

K. N. Ranasaria
Director
DIN:00201370

N. K. Dujari
Chief Financial Officer & Company Secretary

Place of Signature: Kolkata
Dated: 30th May, 2018

STATEMENT OF CHANGES IN EQUITY as at and for the year ended 31st March, 2018

A. Equity Share Capital

(₹ in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balances at the beginning of the year	1,47,85,960	1,478.60	1,47,85,960	1,478.60	1,47,85,960	1,478.60
Allotment of equity share capital during the year	-	-	-	-	-	-
Balance at the end of the year	1,47,85,960	1,478.60	1,47,85,960	1,478.60	1,47,85,960	1,478.60

B. Reserves and Surplus

(₹ in Lakhs)

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance As on 1st April, 2016	2,096.94	6,056.59	1,013.32	9,166.85
Profit for the year			1,726.32	1,726.32
Other Comprehensive Income for the year, net of tax:				
Re-measurement gain/(loss) on Defined Benefit Plans			(9.37)	(9.37)
Total Comprehensive Income for the year			1,716.95	1,716.95
Transfer to General Reserves from Retained Earnings		1,200.00	(1,200.00)	-
Payment of Dividend and Tax thereon			(533.88)	(533.88)
Balance As at 31st March, 2017	**2,096.94**	**7,256.59**	**996.39**	**10,349.92**
Balance As on 1st April, 2017	2,096.94	7,256.59	996.39	10,349.92
Profit for the year			784.11	784.11
Other Comprehensive Income for the year, net of tax:				
Re-measurement gain/(loss) on Defined Benefit Plans			(2.11)	(2.11)
Total Comprehensive Income for the year			782.00	782.00
Transfer to General Reserves from Retained Earnings		500.00	(500.00)	-
Payment of Dividend and Tax thereon			(533.88)	(533.88)
Balance As at 31st March, 2018	**2,096.94**	**7,756.59**	**744.51**	**10,598.04**

The accompanying notes 1 to 48 are an integral part of the Financial Statements.
As per our report of even date attached.

For **Singhi & Co.**
Chartered Accountants
F.R No. 302049E

For and on behalf of the Board

(Aditya Singhi)
Partner
Membership No. 305161

Deepak Jalan
Managing Director
DIN:00758600

K. N. Ranasaria
Director
DIN:00201370

N. K. Dujari
Chief Financial Officer & Company Secretary

Place of Signature: Kolkata
Dated: 30th May, 2018

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. 1. Significant Accounting Policies and Key Estimates and Judgments

1.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 [Indian GAAP].

These financial statements for the year ended 31st March, 2018 are the first financial statements, the Company has prepared in accordance with Indian Accounting Standards ("Ind AS") consequent to the notification of The Companies (Indian Accounting Standards) Rules, 2015 (the Rules) issued by the MCA. Further, in accordance with the Rules, the Company has restated its Balance Sheet as at 1st April, 2016 and financial statements for the year ended and as at 31st March, 2017 also as per Ind AS. For preparation of opening balance sheet under Ind AS as at 1st April, 2016, the Company has availed exemptions and first time adoption policies in accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards", the details of which have been explained thereof in Note 31.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30th May 2018.

Details of the Company's accounting policies are included in Note 1.4

1.2 Functional and Presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

1.3 Basis of Measurement

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

	Items	Measurement basis
(i)	Certain financial assets and financial liabilities	Fair value
(ii)	Employee's defined benefit plan	As per actuarial valuation
(iii)	Assets held for sale	Lower of its carrying amount and fair value costs to sale

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.

1.4 Summary of Significant Accounting Policies

a. Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

• Expected to be realised or intended to be sold or consumed in Company's normal operating cycle

• Held primarily for the purpose of trading

• Expected to be realised within twelve months after the reporting period, or

• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

• expected to be settled in Company's normal operating cycle

• held primarily for the purpose of trading

• due to be settled within twelve months after the reporting period, or

• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Revenue Recognition

Revenue is recognised to the extent that 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, taking into account contractually defined terms of payment.

Sale of Goods

Revenue from the sale of goods is recognised on transfer of significant risks and rewards of ownership to customers based on the contract with the customers for delivery. Revenue includes excise duty and are net of returns and allowances, trade discounts, volume rebates and sales tax/goods and service tax.

Interest Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Insurance Claims

Insurance and other claims are accounted for on the basis claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

c. Taxes

Tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current tax & deferred tax.

Current Tax

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

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit Entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

d. Property, Plant and Equipment

The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016.

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an asset includes the purchase cost of materials , including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of commercial production. Administrative, general overheads and other indirect expenditure incurred during the project period which are not related to the project nor are incidental thereto, are charged to Statement of Profit and Loss.

Depreciation is provided under the straight line method at the rates determined based on useful lives of the respective assets and residual values which is in line with those indicated in Schedule II of The Companies Act, 2013. The estimated useful life of the Property Plant and Equipment is given below:-

Factory Building -30

Non-factory Building -60

Plant & Equipment- 8-15

Electrical Installation- 10

Furniture & Fixtures -10

Office Equipment and Vehicle- 5-8

Computers- 3

The cost and related accumulated depreciation are eliminated from the Financial Statements upon de-recognition of the asset and the resultant gains or losses are recognized in the Statement of Profit & Loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year end.

e. **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss, if any. The Company has intangible assets with finite useful lives.

Intangible assets (Computer Software) are amortised on a Straight Line Basis over a period of five years.

f. **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g. **Inventories**

i) Inventories (Other than Scrap) are valued at lower of cost and net realisable value, after providing for obsolescence, if any. Cost of inventory comprises of purchase price, cost of conversion and other cost incurred in bringing the Inventories to their respective present location and condition .Additionally, in case of Finished goods and work in progress a proportion of manufacturing overheads based on the normal operating capacity is also added. The cost of Inventories is computed on weighted average basis except for Raw Materials and Components which is computed on Moving Weighted average basis.

ii) Scrap are valued at Net Realisable Value.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h. **Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or class of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

i. **Employee Benefits**

i) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

ii) Defined Benefit plans

The Company operates a defined benefit gratuity plan in India, comprising of Gratuity fund with Life Insurance Corporation of India. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 – Employee Benefits. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in the Statement of Profit & Loss.

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Statement of Profit & Loss.

j. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under 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. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

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 recognised 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.

(iii) Lease payments

Payments made under operating leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

k. Foreign Currency Translation

i) Functional and presentation currency

The items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the function currency").

The financial statements are presented in Indian Rupee (INR), which is the Company's functional as well as presentation currency.

ii) Transactions and balances

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

l. 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) Initial Recognition and Measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) De-recognition of financial instruments

The company de-recognises 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 de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or canceled or expires.

iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

n. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Dividend to Equity Holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

p. Earning Per Share

Earning per share is calculated by dividing the net profit or loss before OCI for the year 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 before OCI 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.

q. Provisions and Contingent Liabilities

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. When the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that an outflow of resources embodying economic benefits will not be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions and Contingent Liabilities are revalued at each Balance Sheet Date.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

1.3 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a) Defined Benefit Plans

The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. 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.

b) Estimated useful life of Property, plant and equipment

PPE represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as change in technology.

c) Claims, Provisions and Contingent Liabilities:

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. 2. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	1st April, 2017	Additions / adjustments	Deductions	31st March, 2018	1st April, 2017	For the year	Deductions	31st March, 2018	31st March, 2018	31st March, 2017
Freehold Land	131.80	-	-	131.80	-	-	-	-	131.80	131.80
Buildings	360.77	1,030.71	0.35	1,391.13	12.55	35.87	-	48.42	1,342.71	348.22
Plant and Equipment	1,672.22	1,265.39	6.20	2,931.41	288.11	377.41	0.47	665.05	2,266.36	1,384.11
Furniture and Fixtures	203.23	106.80	7.90	302.13	37.25	41.99	1.40	77.84	224.29	165.98
Vehicles	182.44	49.68	16.43	215.69	26.79	30.22	2.27	54.74	160.95	155.65
Office Equipment	46.74	23.45	1.56	68.63	13.66	15.08	0.19	28.55	40.08	33.09
Other Equipment	2,762.83	408.19	19.02	3,152.00	379.44	430.67	2.53	807.58	2,344.42	2,383.39
Electrical Installation & Equipment	99.18	100.23	4.05	195.36	17.67	22.04	0.19	39.52	155.84	81.51
Computers & Data Processing Units	20.96	7.58	0.28	28.26	5.37	6.36	0.16	11.57	16.69	15.59
TOTAL	**5,480.17**	**2,992.03**	**55.79**	**8,416.41**	**780.84**	**959.64**	**7.21**	**1,733.27**	**6,683.14**	**4,699.34**

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. 2. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	1st April, 2016	Additions / adjustments	Deductions	31st March, 2017	1st April, 2016	For the year	Deductions	31st March, 2017	31st March, 2017	1st April, 2016
Freehold Land	131.80	-	-	131.80	-	-	-	-	131.80	131.80
Buildings	359.22	1.55	-	360.77	-	12.55	-	12.55	348.22	359.22
Plant and Equipment	1,387.23	287.73	2.74	1,672.22	-	288.60	0.49	288.11	1,384.11	1,387.23
Furniture and Fixtures	188.84	14.39	-	203.23	-	37.25	-	37.25	165.98	188.84
Vehicles	147.56	56.85	21.97	182.44	-	28.50	1.71	26.79	155.65	147.56
Office Equipment	34.22	12.86	0.34	46.74	-	13.68	0.03	13.66	33.09	34.22
Other Equipment	1,850.66	946.34	34.17	2,762.83	-	387.09	7.65	379.44	2,383.39	1,850.66
Electrical Installation & Equipment	79.64	23.17	3.63	99.18	-	17.88	0.21	17.67	81.51	79.64
Computers & Data Processing Units	15.44	5.76	0.24	20.96	-	5.37	-	5.37	15.59	15.44
TOTAL	**4,194.61**	**1,348.65**	**63.09**	**5,480.17**	**-**	**790.92**	**10.09**	**780.84**	**4,699.34**	**4,194.61**

Notes:

1) Gross block as on 1st April, 2016 represents deemed cost on the date of transition to Ind AS

2) Property, Plant and Equipment given as security for borrowings (Refer Note No 15 and 18)

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. 3. Intangible Assets

(₹ in Lakhs)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	1st April, 2017	Additions / adjustments	Deductions	31st March, 2018	1st April, 2017	For the year	Deductions	31st March, 2018	31st March, 2018	31st March, 2017
Computer Software	2.59	-	-	2.59	1.91	0.65	-	2.56	0.03	0.68
TOTAL	2.59	-	-	2.59	1.91	0.65	-	2.56	0.03	0.68

(₹ in Lakhs)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	1st April, 2016	Additions / adjustments	Deductions	31st March, 2017	1st April, 2016	For the year	Deductions	31st March, 2017	31st March, 2017	1st April, 2016
Computer Software	2.59	-	-	2.59	-	1.91	-	1.91	0.68	2.59
TOTAL	2.59	-	-	2.59	-	1.91	-	1.91	0.68	2.59

Notes:

Gross block as on 1st April, 2016 represents deemed cost on the date of transition to Ind AS.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 4. Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial Assets-Loans			
(Unsecured, considered good)			
Security Deposits	107.25	109.71	84.56
Financial Assets-Others			
(Unsecured, considered good)			
Fixed deposits with banks	-	0.55	-
(Non current portion with original maturity period of more than 12 months)			
Fixed deposits with statutory authorities	0.57	0.57	0.45
(Non current portion with original maturity period of more than 12 months)			
Interest accrued but not due on fixed deposits	0.04	0.03	0.12
	0.61	**1.15**	**0.57**

Note No. : 5. Income Tax Assets(Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
- Advance income tax	2,139.40		2,455.28		1,730.93	
Less: Provision for taxation	1,888.00	251.40	2,171.50	283.78	1,628.50	102.43
		251.40		**283.78**		**102.43**

Note No. : 6. Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Unsecured, considered good)			
Capital advances	1,623.61	1,659.28	643.35
Other advances			
- Prepaid expenses	1.47	3.23	1.32
	1,625.08	**1,662.51**	**644.67**

Note No. : 7. Inventories *

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
(At lower of cost and net realisable value)						
Raw materials		3,901.64		4,136.68		4,204.85
Work-in-progress		67.06		46.38		44.49
Finished goods	1,437.06		1,233.95		1,079.79	
Add: Goods in transit	130.68	1,567.74	37.86	1,271.81	2.12	1,081.91
Stock-in-trade		2,351.66		2,398.21		2,398.05
* Includes materials lying with other parties		**7,888.10**		**7,853.08**		**7,729.30**

Inventories are hypothecated/pledged against borrowings (refer note 18)

Note No. : 8. Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good			
Non -Current	-	-	-
Current	4,586.03	3,992.90	4,772.61
	4,586.03	**3,992.90**	**4,772.61**

(a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(b) Trade Receivables are hypothecated against borrowings (refer note 18)

Note No. : 9. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance with banks			
In current accounts	1.72	0.74	1.12
Cash on hand	9.56	7.22	12.55
	11.28	**7.96**	**13.67**

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 10. Other bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Earmarked balances	14.75	13.67	14.86
- Unpaid dividend accounts	**14.75**	**13.67**	**14.86**

Note No. : 11. Other Current Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Unsecured, considered good)			
- Security Deposit	2.38	2.92	0.44
	2.38	**2.92**	**0.44**

Note No. : 12. Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(Unsecured, considered good)			
- Advances to suppliers and others	407.94	548.99	470.95
- Prepaid expenses	13.67	16.97	25.12
Interest accrued but not due on fixed deposits	-	0.14	0.13
Claims receivable	519.55	33.79	-
Taxes and duties refundable	9.42	15.33	20.08
Export Benefit Receivable	294.32	440.62	140.80
Balance with government authorities	1,267.51	224.09	150.11
	2,512.41	**1,279.93**	**807.19**

Note No. : 13. Share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised						
Equity shares of ₹10/- each	1,50,00,000	1,500.00	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Issued, subscribed and fully paid up						
Equity shares of ₹10/- each	1,47,85,960	1,478.60	1,47,85,960	1,478.60	1,47,85,960	1,478.60
		1,478.60		**1,478.60**		**1,478.60**

Reconciliation of number and amount of equity shares outstanding: (₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	1,47,85,960	1,478.60	1,47,85,960	1,478.60	1,47,85,960	1,478.60
Add: Shares Issued for cash	-	-	-	-	-	-
At the end of the year	**1,47,85,960**	**1,478.60**	**1,47,85,960**	**1,478.60**	**1,47,85,960**	**1,478.60**

Terms & rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding more than 5% shares in the Company : (₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Shobha Jalan	20,03,730	13.55	20,03,730	13.55	20,03,730	13.55
M/s. Mitsubishi Pencil Co. Ltd.	20,00,000	13.53	20,00,000	13.53	20,00,000	13.53
Mrs. Sarita Jalan	12,19,750	8.25	18,99,750	12.85	18,99,750	13.52
M/s. Linc Writing Aids Pvt. Ltd.	15,93,475	10.78	16,75,207	11.33	16,75,207	11.33
Mr. Suraj Mal Jalan	10,30,871	6.97	10,25,371	6.93	10,25,371	6.89
Mr. Aloke Jalan	7,68,416	5.20	7,68,416	5.20	7,68,416	5.20

After the Reporting date, the Board of Directors has proposed a dividend of ₹1.50/- per equity share (31st March, 2017 ₹3/- per equity share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and if approved it will lead to cash outflow amounting to ₹267.38 lakhs including corporate dividend tax of ₹45.59 lakhs.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 14. Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Securities premium account						
Balance as per last account		**2,096.94**		**2,096.94**		**2,096.94**
General Reserve						
Balance as per last account	7,256.59		6,056.59			
Add: Transfer from Retained Earnings	500.00	**7,756.59**	1,200.00	**7,256.59**		**6,056.59**
Retained Earnings						
Balance as per last statement	996.39		1,013.32			
Add: Net profit for the year	784.11		1,726.32			
Add: Re-measurement of Defined Benefit Plans	(2.11)		(9.37)			
Less: Dividend	443.58		443.58			
Less: Tax on Dividend	90.30		90.30			
Less: Transfer to General Reserve	500.00		1,200.00			
Closing balance		**744.51**		**996.39**		**1,013.32**
		10,598.04		**10,349.92**		**9,166.85**

Description of nature and purpose of each reserve :-

a. Securities Premium

Securities Premium represents the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

b. General Reserve

General Reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other Comprehensive income.

Note No. : 15. Long-term borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Term loan (Secured)			
- From bank	1,710.00	1,343.60	-
Less: Current maturities of Long Term Loans disclosed under the head other current financial liabilities	360.00	67.18	-
	1,350.00	**1,276.42**	**-**

a. Nature of securities :

Term Loan from Bank is secured against exclusive charge on the fixed assets (movable & immovable) of the plant located in Umbergaon, Gujarat, second charge on current assets of the Company and personal guarantee of some of the directors of the Company.

b. Terms of Repayment of Loans:

Repayable in 20 quarterly installments of ₹90.00 lakhs as per terms of the agreement. The last installment is due in the month of October, 2022.

c. Interest

1.1% over base rate which presently is 9.40% p.a. at monthly rests.

Note No. : 16. Provisions- Non Current

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
Leave Encashment	67.92	170.58	135.81
Gratuity (Refer Note No. 32)	29.16	14.27	7.97
	97.08	**184.85**	**143.78**

Note No. : 17. Deferred tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred tax liabilities :			
Depreciation	699.19	462.92	327.93
Less : Deferred tax asset :			
Expenses allowable for tax purpose when paid	33.45	66.76	52.15
Mat Credit Entitlement	72.90	-	-
Deferred tax liabilities (Net)	**592.84**	**396.16**	**275.78**

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 18. Short-term borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Loan Repayable On Demand			
- From banks (Secured)	4,847.92	2,535.94	2,759.92
Other loans and advances			
- From bank (Secured)	-	1,200.00	-
Foreign currency loan	-	-	333.85
	4,847.92	**3,735.94**	**3,093.77**

Loan from Banks are secured by first charge on current assets and second charge on movable fixed assets of the Company and also guaranteed by Managing Director and Whole Time Director. Loan repayable on demand carries interest@ 9.00% to 9.40% (31st March, 2017 9.30 % to 10.75%)

Note No. : 19. Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 34)	46.87	81.70	87.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,753.09	1,857.45	2,798.29
	2,799.96	**1,939.15**	**2,885.62**

Trade Payables are non - interest bearing and are normally settled in 0 to 45 days.

Note No. : 20. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long-term loans	360.00	67.18	-
Unpaid dividends *	14.75	13.67	14.86
Trade deposits	241.39	296.15	208.56
Unpaid salaries and other payroll dues	255.62	129.39	115.88
Accrued Expenses	581.95	638.99	616.98
Payable to supplier of capital goods	-	14.88	95.68
	1,453.71	**1,160.26**	**1,051.96**

* There are no amount due and outstanding as at Balance Sheet date to be credited to the Investor Education and Protection Fund

Note No. : 21. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance from customers	103.49	38.91	130.69
Advance against sale of Property, Plant and Equipment	10.28	-	-
Statutory liabilities	370.35	394.89	310.25
	484.12	**433.80**	**440.94**

Note No. :22. Provisions-Current

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits			
-Leave Encashment	3.15	7.12	5.95
	3.15	**7.12**	**5.95**

Note No. : 23. Revenue From operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018		Year ended 31st March, 2017	
Sale of goods				
Pens	27,752.98		29,362.96	
Refills	1,247.63		1,445.78	
Others	4,580.33		4,339.34	
	33,580.94		35,148.08	
Less: Discounts,Rebates, Incentives etc.	986.42		1,217.55	
		32,594.52		33,930.53
Other operating revenues				
- Scrap sales	6.80		8.14	
- Export Incentive	461.93		994.30	
- Gain on exchange fluctuation (net)	125.90	594.63	116.37	1,118.81
Revenue from operations		**33,189.15**		**35,049.34**

Note No. : 24. Other incomes

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest income		
- Fixed deposits with banks	0.10	0.06
- Others	6.51	5.03
Other non operating income		
Insurance claim	0.06	34.65
Net gain/ (loss) on sale/discard of Property, Plant and Equipment	102.20	-
Miscellaneous Income	7.41	2.85
	116.28	**42.59**

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 25. Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Plastic powder	3,661.16	3,179.68
Ink	820.00	1,012.95
Tips	1,450.80	1,543.78
Others	3,880.53	4,942.84
	9,812.49	**10,679.25**

Note No. : 26. Purchase of stock in trade

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Pens	9,402.93	9,578.00
Refills	368.57	181.28
Others	2,778.00	2,928.18
	12,549.50	**12,687.46**

Note No. : 27. Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018		Year ended 31st March, 2017	
Finished goods				
Opening stock	1271.81		1,081.91	
Less: Closing stock	1567.74	(295.93)	1,271.81	(189.90)
Work-in-Progress				
Opening stock	46.38		44.49	
Less: Closing stock	67.06	(20.68)	46.38	(1.89)
Stock-in-Trade				
Opening stock	2,398.21		2,398.05	
Less: Closing stock	2,351.66	46.55	2,398.21	(0.16)
		(270.06)		**(191.95)**

Note No. : 28. Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries and wages	2,296.72	1,847.49
Contribution to provident and other funds	169.75	136.02
Staff welfare expenses	79.60	83.81
	2,546.07	**2,067.32**

Note No. : 29. Finance costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018		Year ended 31st March, 2017	
Interest				
- On borrowings	461.71		181.82	
- On others	20.43	482.14	18.20	200.02
Other borrowing costs		3.10		16.64
		485.24		**216.66**

* Net of Interest Capitalised during the year ₹45.11 lacs (Previous Year ₹80.53 lacs)

Note No. : 30. Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018		Year ended 31st March, 2017	
Consumption of stores and spares		85.54		105.72
Power and fuel		466.31		439.46
Excise Duty on sale of goods		50.19		174.39
Excise Duty and cess on change in stock		(20.65)		0.73
Processing charges		2,522.76		2,586.91
Rent		270.19		293.50
Repairs				
Building	3.61		13.20	
Machinery	29.98		31.50	
Others	63.84	97.43	27.61	72.31
Insurance		80.72		98.62
Rates and taxes		42.44		35.90
Payment to auditor				
- For statutory audit	4.25		3.44	
- For tax audit	1.50		0.80	
- For other services (limited review, certification etc.)	2.88	8.63	3.71	7.95
Director sitting fees		5.76		6.13
Traveling & conveyance		438.07		412.14
Postage,telegram & telephone		70.61		71.94
Freight & transportation		566.79		596.13
Advertisement expenses		177.08		453.67
Commission on Sales		58.15		82.42
Rebate, claim & other expenses		477.20		427.54
Corporate social responsibility expense (Note No. 35)		39.80		22.83
Loss on sale of Property, Plant and Equipment		-		5.61
Miscellaneous expenses		537.09		551.81
		5,974.11		**6,445.71**

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 31. First Time Adoption of Ind AS

A. Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2016 (₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Adjustments	Ind AS
ASSETS				
1. Non-Current Assets				
a) Property, Plant and Equipment	(g) (A) (a)	4,194.61	-	4,194.61
b) Capital Work - in - progress		175.75	-	175.75
c) Intangible Assets		2.59	-	2.59
d) Financial Assets - Others	(b) (i)	86.11	(0.98)	85.13
e) Income Tax Assets(net)		102.43	-	102.43
f) Other Non - Current Assets		644.67	-	644.67
Total Non-Current Assets		**5,206.16**	**(0.98)**	**5,205.18**
2. Current Assets				
a) Inventories		7,729.30	-	7,729.30
b) Financial Assets				
i) Trade Receivables		4,772.61	-	4,772.61
ii) Cash & Cash Equivalents		13.67	-	13.67
iii) Other Bank Balances	(b) (iii)	14.86	-	14.86
iv) Others		0.44	-	0.44
c) Other Current Assets		807.19	-	807.19
Total Current Assets		**13,338.07**	**-**	**13,338.07**
Total Assets		**18,544.23**	**(0.98)**	**18,543.25**
EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital		1,478.60	-	1,478.60
b) Other Equity	Equity Reco	8,633.61	533.24	9,166.85
Total Equity		**10,112.21**	**533.24**	**10,645.45**
Liabilities				
1. Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings		-	-	-
b) Provisions		143.78	-	143.78
c) Deferred Tax Liabilities (Net)	(a)	276.12	(0.34)	275.78
Total Non-Current Liabilities		**419.90**	**(0.34)**	**419.56**
2. Current Liabilities				
a) Financial Liabilities				
i) Borrowings		3,093.77	-	3,093.77
ii) Trade Payables		2,885.62	-	2,885.62
iii) Others		1,051.96	-	1,051.96

Note No. : 31. First Time Adoption of Ind AS

A. Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2016 (₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Adjustments	Ind AS
b) Other Current Liabilities		440.94	-	440.94
c) Provisions	(c)	539.83	(533.88)	5.95
Total Current Liabilities		**8,012.12**	**(533.88)**	**7478.24**
Total Liabilities		**8,432.02**	**(534.22)**	**7,897.80**
TOTAL EQUITY AND LIABILITIES		**18,544.23**	**(0.98)**	**18,543.25**

A. Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017 (₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Adjustments	Ind AS
ASSETS				
1. Non-Current Assets				
a) Property, Plant and Equipment	(g) (A) (a)	4,699.34	-	4,699.34
b) Capital Work - in - progress		1,054.59	-	1,054.59
c) Intangible Assets		0.68	-	0.68
d) Financial Assets - Others	(b) (i)	110.84	0.02	110.86
e) Income Tax Assets(net)		283.78	-	283.78
f) Other Non - Current Assets		1,662.51	-	1,662.51
Total Non-Current Assets		**7,811.74**	**0.02**	**7,811.76**
2. Current Assets				
a) Inventories		7,853.08	-	7,853.08
b) Financial Assets				
i) Trade Receivables		3,992.90	-	3,992.90
ii) Cash & Cash Equivalents		7.96	-	7.96
iii) Other Bank Balances	(b) (iii)	13.67	-	13.67
iv) Others		2.92	-	2.92
c) Other Current Assets		1,279.93	-	1,279.93
Total Current Assets		**13,150.46**	**-**	**13,150.46**
Total Assets		**20,962.20**	**0.02**	**20,962.22**
EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital		1,478.60	-	1,478.60
b) Other Equity	Equity Reco	10,349.91	0.01	10,349.92
Total Equity		**11,828.51**	**0.01**	**11,828.52**

A. Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017 (₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Adjustments	Ind AS
Liabilities				
1. Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings		1,276.42	-	1,276.42
b) Provisions		184.85	-	184.85
c) Deferred Tax Liabilities (Net)	(a)	396.15	0.01	396.16
Total Non-Current Liabilities		**1,857.42**	**0.01**	**1,857.43**
2. Current Liabilities				
a) Financial Liabilities				
i) Borrowings		3,735.94	-	3,735.94
ii) Trade Payables		1,939.15	-	1,939.15
iii) Others		1,160.26	-	1,160.26
b) Other Current Liabilities		433.80	-	433.80
c) Provisions	(c)	7.12	-	7.12
Total Current Liabilities		**7,276.27**	**-**	**7,276.27**
Total Liabilities		**9,133.69**	**-**	**9,133.70**
TOTAL EQUITY AND LIABILITIES		**20,962.20**	**0.02**	**20,962.22**

B. Effect of Ind AS adoption on the Statement of Profit & Loss for the year ended 31st March, 2017 (₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Effect of Transition to Ind AS	Ind AS
Income				
i. Revenue from operations	b(iv),(v)	36,091.11	(1,041.77)	35,049.34
ii. Other income		37.76	4.83	42.59
iii. Total revenue (I + II)		**36,128.87**	**(1,036.94)**	**35,091.93**
iv. Expenses				
Cost of materials consumed		10,679.25	-	10,679.25
Purchases of Stock-in-Trade		12,687.46	-	12,687.46
Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade		(191.95)	-	(191.95)
Employee benefits expense	b(ii)	2,081.64	(14.32)	2,067.32

B. Effect of Ind AS adoption on the Statement of Profit & Loss for the year ended 31st March, 2017

(₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Effect of Transition to Ind AS	Ind AS
Finance costs		216.66	-	216.66
Depreciation and amortization expense		792.83	-	792.83
Other expenses		7,482.67	(1,036.96)	6,445.71
Total expenses		**33,748.56**	**(1,051.28)**	**32,697.28**
v. Profit before exceptional items and tax (III - IV)		2,380.31	14.34	2,394.65
vi. Exceptional items		-	-	-
vii. **Profit before tax (V - VI)**		**2,380.31**	**14.34**	**2,394.65**
viii. Tax expense:				
Current tax		543.00	-	543.00
Deferred tax		120.37	4.96	125.33
		663.37	**4.96**	**668.33**
ix. **Profit/(Loss) from Operations (VII-VIII)**		**1,716.94**	**9.38**	**1,726.32**
Other Comprehensive Income / (Expenses)	b(ii)	-	(14.32)	(14.32)
Income Tax effect		-	4.95	4.95
Total Other Comprehensive Income for the year		-	(9.37)	(9.37)
Total Comprehensive Income for the year		**1,716.94**	**0.01**	**1,716.95**

C. Effect of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March, 2017

(₹ in Lakhs)

Particulars	Footnote Reference	Previous GAAP	Effect of Transition to Ind AS	2016-17
Net cash flows from operating activities		914.29	-	914.29
Net cash flows from investing activities		(2,179.75)	-	(2,179.75)
Net cash flows from financing activities		1,259.75	-	1,259.75
Net Increase in Cash and Cash Equivalents		(5.71)	-	(5.71)
Cash & Cash Equivalents - Opening Balance		13.67	-	13.67
Cash & Cash Equivalents - Closing Balance		7.96	-	7.96

D. Reconciliation of Total Equity as on 31st March, 2017 and 1st April, 2016

(₹ in Lakhs)

Particulars	Footnote Reference	31st March, 2017 (End of Last Period presented under previous GAAP)	1st April, 2016 (Date of Transition)
Total Equity (Shareholders' funds) under Indian GAAP :			
Shareholder's Funds		**11,829.15**	**10,112.21**
Proposed Dividend and Tax on Proposed Dividend	(c)	**-**	**533.88**
Other Adjustments :			
Tax Impact of Ind AS adjustments	(a)	(0.63)	(0.64)
Total Adjustment to Equity		**(0.63)**	**(0.64)**
Total Equity under Ind AS		**11,828.52**	**10,645.45**

E. Footnotes to the above reconciliation

a. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

b. Re-Classifications

The Company has done the following reclassifications as per the requirements of Ind AS:

i) Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.

ii) Re-Measurement gain/loss on employee defined benefit plans are re-classified from statement of profit and loss to OCI.

iii) The Company has re-classified unpaid dividend balance from cash and cash equivalents to other bank balances.

iv) Excise duty on sales was earlier netted off with Sales, has now been re-classified to other expenses.

v) Sales related expenses was earlier included in Other Expenses, has now been netted off with Sales.

vi) Trade deposits where there is no unconditional right to defer the payment has been disclosed under current financial liability.

c. Dividend

Under Indian GAAP, proposed dividends including Dividend Distribution Taxes (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the Company (usually when approved by shareholders in a general meeting) or paid.

"In case of the Company, the declaration of dividend occurs after period end. Therefore, the liability recorded for dividend has been de-recognised against retained earnings on 1st April, 2016 and recognised in year ended 31st March, 2017."

d. Other Comprehensive Income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

e. Interest Income

The previous GAAP required the recognition of revenue from interest on time proportion basis. However, Ind AS requires interest on financial assets to be recognized using the effective interest rate method.

f. Security Deposit

Initially under IGAAP, security deposit paid against Rent is valued at its carrying amount. Pursuant to adoption of Ind AS, Security deposit paid to the lessor at fair value and subsequently at amortised cost as per Ind AS 109.

g. Ind AS 101 Exemptions Applied

A. Optional exemptions availed

(a) Property, plant and equipment and intangible assets

As per Ind AS 101 an entity may elect to:

(i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.

(ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of revaluation, provided the revaluation was, at the date of revaluation, broadly comparable to:

- fair value;

- or cost or depreciated cost under Ind AS adjusted to reflect.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with carrying value as recognized in its Indian GAAP Financial Statements as deemed cost at the transition date, viz., 1st April, 2016. The Company has elected to continue with carrying value for intangible assets (computer softwares) as recognized under the previous GAAP as deemed cost as at the transition date. . There is no decommissioning liabilities to be incurred by the Company relating to property, plant and equipment.

The Company has elected to avail of above exemption.

(b) **The Company has no equity investments on the date of transition i.e. 1st April 2016.**

(c) **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

(a) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error.

However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement.

(b) De-recognition of financial assets and liabilities

As per para B2 of Ind AS 101, an entity should apply the de-recognition requirements in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para B3 gives an option to the entity to apply the de-recognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transactions was obtained at the initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) 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.

Note No. : 32. Gratuity and Other Post Employment Benefit Plans

a) Defined Contribution Plan :

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are considered as defined contribution plan and the contributions are made in accordance with the relevant statute and are recognized as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognized as expense for the year is as under:

(₹ in Lakhs)

Defined Contribution Plan	2017-18	2016-17
Employers' Contribution to Provident Fund	124.42	103.64
Employers' Contribution to Employee State Insurance Scheme	40.60	30.43
Total	**165.02**	**134.07**

b) Defined Benefit Plan :

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

I. Expenses Recognised in the Statement of Profit & Loss (₹ in Lakhs)

		2017-18	2016-17
		Gratuity (Funded)	Gratuity (Funded)
1.	Current Service Cost	25.82	18.71
2.	Past Service Cost	14.60	-
3.	Interest Cost	(0.01)	(0.42)
4.	Settlement Cost	-	-
5.	Re-measurement -Due to Financial Assumptions	-	-
6.	Re-measurement - Due to Experience Adjustments	-	-

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

I. Expenses Recognised in the Statement of Profit & Loss *(Contd.)* (₹ in Lakhs)

		2017-18	2016-17
		Gratuity (Funded)	Gratuity (Funded)
	Components of defined benefit cost recognised in P/L	**40.41**	**18.29**
7.	Re-measurement - Due to Financial Assumptions	(2.91)	10.01
8.	Re-measurement - Due to Experience Adjustments	5.83	3.78
9.	Expected Return on Plan Asset	0.30	0.53
Components of defined benefit cost recognised in OCI		**3.22**	**14.32**
Total Expense		**43.63**	**32.61**

II. Change in Obligation during the year (₹ in Lakhs)

		2017-18	2016-17
		Gratuity (Funded)	Gratuity (Funded)
1.	Present Value of Defined Benefit Obligation at the Beginning of the year	**200.01**	**164.37**
2.	Interest Cost	14.40	12.76
3.	Current Service Cost	25.82	18.71
4.	Settlement Cost	-	-
5.	Plan Amendments Cost/(Credit)	14.60	-
6.	Benefits Paid	(21.01)	(9.62)
7.	Re-measurement - Due to Financial Assumptions	(2.91)	10.01
8.	Re-measurement - Due to Experience Adjustments	5.83	3.78
9.	Present Value of Defined Benefit Obligation at the End of the year	**236.74**	**200.01**

III. Change in the Fair Value of Plan Assets during the year (₹ in Lakhs)

		2017-18	2016-17
		Gratuity (Funded)	Gratuity (Funded)
1.	Plan Assets at the Beginning of the year	**185.74**	**156.40**
2.	Interest Income	14.41	13.18
3.	Contribution by Employer	28.74	26.31
4.	Re-measurement - Return on Assets (Excluding Interest Income)	(0.30)	(0.53)
5.	Benefits Paid	(21.01)	(9.62)
6.	Plan Assets at the end of the year	**207.58**	**185.74**

IV. Net Asset/(Liability) recognised in the Balance Sheet

(₹ in Lakhs)

		2017-18	2016-17
		Gratuity (Funded)	Gratuity (Funded)
1.	Present value of Defined Benefit Obligation	236.74	200.01
2.	Fair Value of Plan Assets	207.58	185.74
3.	Funded Status (Surplus/(deficit)	(29.16)	(14.27)
4.	Net Asset/(Liability) recognized in Balance Sheet	(29.16)	(14.27)

V. Actuarial Assumptions

		2017-18	2016-17
		Gratuity (Funded)	Gratuity (Funded)
1.	Discount Rate (per annum)	7.70%	7.60%
2.	Expected rate of return on Plan Assets	7.70%	7.60%
3.	Salary Increase	5.50%	5.50%
4.	Retirement/Superannuation Age	58	58
5.	Mortality Rate	Indian Assured Lives Mortality (2006 - 08)	Indian Assured Lives Mortality (2006 - 08)

VI. Basis used to determine the Expected Rate of Return on Plan Assets:

The basis used to determine overall expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.

VII. Basis of estimates of rate of escalation in salary

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by LIC.

VIII. Major category of plan assets as a % of the total plan assets as at the year end for Gratuity :

	2018	2017
Others (including assets under Schemes of Insurance)	100%	100%

IX. A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

	31st March, 2018		31st March, 2017	
Assumptions	Discount Rate		Discount Rate	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on Gratuity	(26.57)	31.57	(23.78)	28.37

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

IX. A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

Assumptions	31st March, 2018		31st March, 2017	
	Future Salary Increase		Future Salary Increase	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on Gratuity	30.62	(26.06)	26.90	(23.21)

Sensitivities due to mortality and withdrawals rate are not material and hence impact of changes is not calculated.

Sensitivity analysis above have been determine based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

X. Maturity Profile of Expected Benefit Payments:

(₹ in Lakhs)

		As at 31st March, 2018	As at 31st March, 2017
1.	Year 1	9.02	6.54
2.	Year 2	2.86	4.18
3.	Year 3	4.08	2.80
4.	Year 4	23.78	3.83
5.	Year 5	5.07	13.96
6.	Next 5 Years	130.59	88.51

XI. Other Disclosures

1. The Gratuity and Provident Fund Expenses have been recognized under "Contribution to provident and other funds" under Note no. 28.
2. Expected employers' contribution for next year is not available and therefore, not disclosed.

Note No. : 33. Commitments and Contingencies

(₹ in Lakhs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a)	**Capital and Other Commitments:**			
i)	Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	2,330.20	2,509.70	1,146.54
ii)	Advance paid against above	1,623.61	1,659.28	643.35
b)	**Contingent Liabilities:**			
	Demand/Claims by various Government Authorities and others not acknowledged as debts:			
	Income Tax	245.80	246.31	243.46
	Vat/ Sales Tax	138.12	-	-
	Entry Tax	117.56	117.56	117.56

The amounts shown in (b) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome of appeals.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note No. : 34. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

(₹ in Lakhs)

Sl. No.	Description	2017-18	2016-17
i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	46.87	81.70
ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	Nil	Nil
iii)	The amount of interest paid in terms of section 16, along with the amount of payment made to the suppliers beyond the appointed day during the year	Nil	Nil
iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil
vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	Nil	Nil

*Shown as line item "Total outstanding dues of Micro and Small Enterprises" under Note No. 19

Note No. : 35. Expenditure on Corporate Social Responsibilities (CSR) Activities

(₹ in Lakhs)

Description	2017-18	2016-17
Amount required to be spent by the Company during the year.	44.43	38.38

The various heads under which the CSR expenditure was incurred during the year is detailed as follows:

(₹ in Lakhs)

Sl. No.	Relevant clause of Schedule VII to the Companies Act, 2013	Description of CSR Activities	2017-18	2016-17
a)	Clause (i)	Promoting healthcare including preventive healthcare	1.55	0.60
b)	Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects socially and economically backward groups	37.53	21.51
c)	Clause (iv)	Animal welfare	-	-
d)	Clause (vii)	Promoting rural sports & nationally recognised sports	0.72	0.72
e)		Expenditure on administrative overheads	-	-
			39.80	**22.83**

Note No. : 36. Related Party Disclosure:

I) Names and description of relationship of related parties:

Related Party	Relationship
Key Managerial Personnel (KMP)	
Mr. Deepak Jalan	Managing Director (MD)
Mr. Naresh Pachisia	Independent / Non-Executive Director
Mr. K. N. Ranasaria	Independent / Non-Executive Director
Mr. Anil Kochar	Independent / Non-Executive Director
Ms. Supriya Newar	Independent / Non-Executive Director
Mr. Dr. Ranjan Das	Independent / Non-Executive Director
Mr. Aloke Jalan	Whole Time Director (WTD)
Mr. N.K. Dujari	Chief Financial Officer & Company Secretary

Note No. : 36. Related Party Disclosure: *(Contd.)*

I) Names and description of relationship of related parties:

Related Party	Relationship
Enterprises in which KMP and their relatives have control/ substantial interest :	
Linc Writing Aids Pvt. Ltd.	Substantial interest of the relatives of MD and WTD
Linc Retail Ltd.	
Relatives of KMP :	
Deepak Jalan (HUF)	Mr. Deepak Jalan is Karta of HUF
Mr. S.M. Jalan	Father of Mr. Deepak Jalan
Ms. Divya Jalan	Daughter of Mr. Deepak Jalan
Mr. Rohit Deepak Jalan	Son of Mr. Deepak Jalan
Aloke Jalan (HUF)	Mr. Aloke Jalan is Karta of HUF
Mrs. Shobha Jalan	Wife of Mr. Aloke Jalan
Mr. Aakash Aloke Jalan	Son of Mr. Aloke Jalan
Mr. Utkarsh Aloke Jalan	Son of Mr. Aloke Jalan
Mr. S.M. Jalan	Father of Mr. Aloke Jalan

II) Details of transactions with Related Parties: (₹ in Lakhs)

Description	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP (R)	Total
Purchase of Goods				
Linc Writing Aids Pvt. Ltd.	-	4.58	-	4.58
	(-)	(4.18)	(-)	(4.18)
Linc Retail Ltd.	-	1.66	-	1.66
	(-)	(0.82)	(-)	(0.82)
Sale of Goods				
Linc Retail Ltd.	-	34.06	-	34.06
	(-)	(60.75)	(-)	(60.75)
Linc Writing Aids Pvt. Ltd.	-	233.23	-	233.23
	(-)	(247.44)	(-)	(247.44)
Receiving of Services (Remuneration)				
Mr. Deepak Jalan	85.95	-	-	85.95
	(108.95)	(-)	(-)	(108.95)
Mr. Aloke Jalan	68.79	-	-	68.79
	(89.42)	(-)	(-)	(89.42)
Mr. N. K. Dujari	21.02	-	-	21.02
	(16.15)	(-)	(-)	(16.15)

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 36. Related Party Disclosure: *(Contd.)*

Director's sitting fees / commission (₹ in Lakhs)

	Year ended	Director's sitting fees	Director's commission	Amount owed to related parties
Mr. Naresh Pachisia	31st March, 2018	1.85	2.00	2.00
	31st March, 2017	(1.77)	(3.00)	(3.00)
Mr. K. N. Ranasaria	31st March, 2018	1.71	2.00	2.00
	31st March, 2017	(1.61)	(3.00)	(3.00)
Mr. Anil Kochar	31st March, 2018	0.90	2.00	2.00
	31st March, 2017	(1.05)	(3.00)	(3.00)
Ms. Supriya Newar	31st March, 2018	1.00	2.00	2.00
	31st March, 2017	(1.00)	(3.00)	(3.00)
Dr. Ranjan Das	31st March, 2018	0.30	1.75	1.75
	31st March, 2017	(0.70)	(3.00)	(3.00)

Receiving of Services (Others) (₹ in Lakhs)

Description	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP (R)	Total
Linc Writing Aids Pvt. Ltd.	-	12.72	-	12.72
	(-)	(12.72)	(-)	(12.72)
Mr. Rohit Deepak Jalan	-	-	12.92	12.92
	(-)	(-)	(7.16)	(7.16)
Ms. Divya Jalan	-	-	5.59	5.59
	(-)	(-)	(4.10)	(4.10)
Mrs. Shobha Jalan	-	-	9.73	9.73
	(-)	(-)	(10.24)	(10.24)
Mr. Aakash Aloke Jalan	-	-	9.44	9.44
	(-)	(-)	(8.44)	(8.44)
Mr. Utkarsh Aloke Jalan	-	-	9.78	9.78
	(-)	(-)	(8.89)	(8.89)
Aloke Jalan (HUF)	-	-	9.78	9.78
	(-)	(-)	(8.89)	(8.89)

Note No. : 36. Related Party Disclosure: *(Contd.)*

Dividend Paid to Shareholders

(₹ in Lakhs)

Description	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP (R)	Total
Mr. Deepak Jalan	9.49	-	-	9.49
	(9.32)	(-)	(-)	(9.32)
Deepak Jalan (HUF)	-	14.43	-	14.43
	(-)	(14.26)	(-)	(14.26)
Mr. Aloke Jalan	23.05	-	-	23.05
	(23.05)	(-)	(-)	(23.05)
Aloke Jalan (HUF)	-	0.62	-	0.62
	(-)	(0.62)	(-)	(0.62)
Linc Writing Aids Pvt. Ltd.	-	50.26	-	50.26
	(-)	(50.26)	(-)	(50.26)
Mrs. Sarita Jalan	-	-	38.99	38.99
	(-)	(-)	(59.97)	(59.97)
Mr. S. M. Jalan	-	-	30.76	30.76
	(-)	(-)	(30.56)	(30.56)
S. M. Jalan (HUF)	-	1.47	-	1.47
	(-)	(1.47)	(-)	(1.47)
Mrs. Shobha Jalan	-	-	60.11	60.11
	(-)	(-)	(60.11)	(60.11)
Others	-	-	36.68	36.68
	(-)	(-)	(7.56)	(7.56)
Balance Outstanding **a) Accounts Receivable**				
Linc Retail Ltd.	-	87.76	-	87.76
	(-)	(113.01)	(-)	(113.01)
Linc Writing Aids Pvt. Ltd.	-	99.14	-	99.14
	(-)	(71.91)	(-)	(71.91)
b) Amount outstanding against Guarantees given for Loans taken by the Company				
Mr. Deepak Jalan	6,557.92	-	-	6,557.92
	(5,079.54)	(-)	(-)	(5,079.54)
Mr. Aloke Jalan	5,018.10	-	-	5,018.10
	(3,143.85)	(-)	(-)	(3,143.85)

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 36. Related Party Disclosure: *(Contd.)*

III) No amount has been written back / written off during the year in respect of due to / from related parties.

IV) The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.

V) The transactions with related parties have been entered at an amount, which are not materially different from that on normal commercial terms.

VI) Figure in brackets pertains to previous year.

Note No. : 37. Fair Value Measurement of Financial Assets & Liabilities:

(₹ in Lakhs)

Particulars	Carrying Amount		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non Current Financial Assets	107.87	110.86	85.13
Current Financial Assets			
i) Trade Receivables	4,586.03	3,992.90	4,772.61
ii) Cash & Cash Equivalents	11.28	7.96	13.67
iii) Other Bank Balances	14.75	13.67	14.86
iv) Others	2.38	2.92	0.44
Total Financial Assets	**4,722.31**	**4,128.31**	**4,886.71**
Non-Current Financial Liabilities			
Borrowings	1,350.00	1,276.42	-
Current Financial Liabilities			
i) Borrowings	4,847.92	3,735.94	3,093.77
ii) Trade Payables	2,799.96	1,939.15	2,885.62
iii) Other current financial liabilities	1,453.71	1,160.26	1,495.54
Total Financial Assets	**10,451.59**	**8,111.77**	**7,474.93**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Note No. : 38. Income Tax

(₹ in Lakhs)

	31st March, 2018	31st March, 2017
Current income tax	267.00	543.00
Deferred Tax:		
Relating to organisation and reversal of temporary differences	269.58	125.33
Mat Credit Entitlement	(72.90)	-
	196.68	125.33
Income tax expense reported in the statement of profit or loss	**463.68**	**668.33**
OCI Section		
Deferred Tax related to items recognised in OCI during the year		
Net loss/ (gain) on re-measurement of defined benefit plans	1.11	4.95
Income tax charged to OCI	**1.11**	**4.95**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2017 and 31st March,2018:

	31st March, 2018	31st March, 2017
Accounting profit before income tax	1,247.79	2,394.65
At India's statutory income tax rate of 34.61% (31st March, 2017: 34.61%)	431.84	828.74
Tax effect of Non deductible expenses	13.79	8.33
Permanent difference: Tax free income	(50.76)	(180.48)
Reversal of depreciation- Tax holiday period	67.20	10.86
Others	1.61	0.88
Income tax expense reported in the statement of profit and loss	**463.68**	**668.33**

Note No. : 39. Movement in Deferred Tax (Assets) / Liabilities

(₹ in Lakhs)

	As at 31st March, 2017	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2018
Deferred tax liabilities				
Property, plant and equipments including intangible assets	462.92	236.27	-	699.19
	462.92	236.27	-	699.19

Note No. : 39. Movement in Deferred Tax (Assets) / Liabilities *(Contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2018
Deferred tax assets				
MAT credit entitlement	-	72.90	-	72.90
Provisions - employee benefits	66.76	(33.31)	-	33.45
	66.76	39.59	-	106.35
Less : Deferred tax asset not recognised	-	-	-	-
	66.76	39.59	-	106.35
Net deferred tax liabilities / (assets)	396.16	196.68	-	592.84

(₹ in Lakhs)

	As at 1st April, 2016	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2017
Deferred tax liabilities				
Property, plant and equipments including intangible assets	327.93	134.99	-	462.92
	327.93	134.99	-	462.92
Deferred tax assets				
MAT credit entitlement	-	-	-	-
Provisions - employee benefits and Security Deposit	52.15	9.66	4.95	66.76
	52.15	9.66	4.95	66.76
Less : Deferred tax asset not recognised	-	-	-	-
	52.15	9.66	4.95	66.76
Net deferred tax liabilities / (assets)	275.78	125.33	(4.95)	396.16

Note No. : 40. Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents and deposits.

The Company is exposed to market risk and credit risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Company. The audit committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, etc.

a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Un-hedged Foreign Currency Exposure

The Company’s exposure to foreign currency in US$ at the end of the reporting period expressed in INR is as follows :

(₹ in Lakhs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Financial Assets			
Trade Receivables	2,781.02	2,677.19	2,549.10
Financial Liabilities			
Trade Payables	426.01	289.72	498.56
Net Exposure	**2,355.01**	**2,387.47**	**2,050.54**

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of assets and liabilities.

(₹ in Lakhs)

Change in foreign Currency Rates	Effect on profit before tax			Effect on Equity, net of tax		
	31st March, 2018	31st March, 2017	As at 1st April, 2016	31st March, 2018	31st March, 2017	As at 1st April, 2016
+5%	117.75	119.37	102.53	77.00	78.06	67.04
-5%	(117.75)	(119.37)	(102.53)	(77.00)	(78.06)	(67.04)

b. 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.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

	Increase/ decrease in basis points	Effect on profit before tax	Effect on Equity, net of tax
31st March, 2018	+50	(29.97)	(19.60)
	-50	29.97	19.60
31st March, 2017	+50	(17.07)	(11.16)
	-50	17.07	11.16

(ii) Credit Risks

Credit risk is the risk that counter-party will 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).

Trade Receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and reconciled. Based on historical trend, industry practice and the business environment in which the company operates, an impairment analysis is performed at each reporting date for trade receivables. Based on above, the company does not expect any credit loss.

Other Financial Assets

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

(iii) Liquidity Risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March, 2018						
Borrowings	4,847.92	360.00	360.00	630.00	-	6,197.92
Other financial liabilities	1,453.71	-	-	-	-	1,453.71
Trade payables	2,799.96	-	-	-	-	2,799.96
	9,101.59	**360.00**	**360.00**	**630.00**	**-**	**10,451.59**
Year ended 31st March, 2017						
Borrowings	3,735.94	268.72	268.72	537.44	201.54	5,012.36
Other financial liabilities	1,160.26	-	-	-	-	1,160.26
Trade payables	1,939.15	-	-	-	-	1,939.15
	6,835.35	**268.72**	**268.72**	**537.44**	**201.54**	**8,111.77**
As at 1st April, 2016						
Borrowings	3,093.77	-	-	-	-	3,093.77
Other financial liabilities	1,051.96	-	-	-	-	1,051.96
Trade payables	2,885.62	-	-	-	-	2,885.62
	7,031.35	**-**	**-**	**-**	**-**	**7,031.35**

Note No. : 41. Segment reporting

There is only one primary business segment i.e. "Writing Instrument and Stationary" and hence no separate segment information is disclosed in this financial.

Geographical segments

The Company primarily operates in India and therefore analysis of geographical segment is demonstrated into Indian and overseas operation as under:

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018			For the year ended March 31, 2017		
	India	Overseas	Total	India	Overseas	Total
Revenue from operations	25,161.65	8,027.50	33,189.15	24,719.81	10,329.53	35,049.34
Carrying Amount						
Segment assets	20,924.40	2,781.02	23,705.42	18,285.03	2,677.19	20,962.22
Segment Liabilities	11,202.77	426.01	11,628.78	8,843.98	289.72	9,133.70
Additions						
Tangible assets	2,992.03	-	2,992.03	1,348.65	-	1,348.65
Intangibles Assets	-	-	-	-	-	-

(₹ in Lakhs)

Particulars	As at April 01, 2016		
	India	Overseas	Total
Carrying Amount			
Segment assets	15,994.15	2,549.10	18,543.25
Segment Liabilities	7,399.24	498.56	7,897.80

Note No. : 42. Events occurring after the Balance Sheet date

Proposed Dividend

The Board of Directors at its meeting held on 30th May, 2018 have recommended a payment of final dividend of ₹1.50/- per equity share of face value of ₹10/- each for the financial year ended 31st March, 2018. The same amounts to ₹267.38 Lakhs (including dividend distribution tax of ₹45.59 Lakhs).

The above is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

Note No. : 43. Earnings Per Share:

		2017-18	2016-17
The numerator and denominator used to calculate Basic/ Diluted Earnings Per Share			
a)	Amount used as the numerator Profit after tax (₹ in Lakhs)	784.11	1726.32
b)	Basic/ Diluted weighted average number of Equity Shares used as the denominator (Nos. in Lakhs)	147.86	147.86
c)	Nominal value of Equity Shares (₹)	10	10
d)	Basic / Diluted Earnings Per Share (a/b) (₹)	5.30	11.68

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31st March, 2018

Note No. : 44. The financial statements are reviewed by the audit committee at its meeting held on 30th May, 2018 and approved by the Board of Directors on the same date.

Note No. : 45. Insurance Claim

Inventory of ₹546.89 Lacs was impacted by fire at the company's Falta unit during the quarter ended 31st March 2018. The Company has lodged insurance claim for the same, which is presently under process. The above insurance claim has been accounted for and adjusted under the head "Cost of material consumed".

Note No. : 46. Leases - Operating lease commitments - Company as lessee

Certain office premises, godowns, etc. are held on operating lease. The leases range up to 3 years and are renewable for further year either mutually or at the option of the Company. The leases are cancellable.

(₹ in Lakhs)

Particulars	31st March, 2018	31st March, 2017
Lease Payments made during the year	270.19	293.50

Note No. : 47. Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Net debt (total borrowings less cash & cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March, 2018	31st March, 2017
Debt Equity Ratio	0.54	0.43

Note No. : 48. The previous year's figures as at the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

The accompanying notes 1 to 48 are an integral part of the Financial Statements.
As per our report of even date attached.

For **Singhi & Co.**
Chartered Accountants
F.R No. 302049E

(Aditya Singhi)
Partner
Membership No. 305161

Place of Signature: Kolkata
Dated: 30th May, 2018

For and on behalf of the Board

Deepak Jalan
Managing Director
DIN:00758600

K. N. Ranasaria
Director
DIN:00201370

N. K. Dujari
Chief Financial Officer & Company Secretary

10 YEAR FINANCIAL HIGHLIGHTS

(₹ in Cr.)

Year	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Source of Funds										
Share Capital	14.79	14.79	14.79	14.79	14.79	14.79	12.79	12.79	12.79	12.79
Reserves & Surplus	105.98	103.50	86.34	73.35	63.84	55.79	34.79	34.58	28.87	23.16
Net worth	**120.77**	**118.29**	**101.13**	**88.14**	**78.63**	**70.58**	**47.58**	**47.37**	**41.66**	**35.95**
Borrowings	65.58	50.80	30.94	17.78	32.72	30.30	41.67	40.23	20.65	27.22
Deferred Tax Liability	5.93	3.96	2.76	1.85	2.19	2.02	1.89	1.86	1.64	1.58
Funds Employed	**192.28**	**173.05**	**134.83**	**107.77**	**113.54**	**102.90**	**91.14**	**89.46**	**63.95**	**64.75**
Operating Results										
Domestic Revenue	252.18	245.85	247.12	231.13	223.02	228.24	207.82	198.14	173.27	151.33
Exports	79.71	104.64	97.02	87.17	91.08	77.02	67.23	55.50	52.18	39.43
Total Revenue	**331.89**	**350.49**	**344.14**	**318.30**	**314.10**	**305.26**	**275.05**	**253.64**	**225.45**	**190.76**
E B I D T A	**26.93**	**34.05**	**32.13**	**25.55**	**22.15**	**13.99**	**10.27**	**16.52**	**16.32**	**12.79**
Finance Cost	4.85	2.17	1.53	1.48	2.37	2.48	3.78	2.08	1.70	2.86
Depreciation	9.60	7.93	5.96	5.86	5.05	4.47	4.30	3.62	3.07	3.09
Profit before tax	12.48	23.95	24.64	18.21	14.73	7.04	2.19	10.82	11.55	6.84
Profit after tax (P A T)	**7.84**	**17.26**	**18.32**	**14.32**	**11.51**	**5.41**	**1.70**	**8.40**	**8.40**	**5.04**
E B I D T A Margin (%)	8.1%	9.7%	9.1%	8.0%	7.1%	4.6%	3.7%	6.5%	7.2%	6.7%
P A T / Total Sales (%)	2.4%	4.9%	5.3%	4.5%	3.7%	1.8%	0.6%	3.3%	3.7%	2.6%
EPS	5.30	11.68	12.39	9.69	7.78	3.91	1.33	6.57	6.57	3.94
Dividend %	15%	30%	30%	25%	20%	15%	10%	18%	18%	15%
Dividend Payout %	34%	31%	29%	31%	30%	45%	88%	32%	32%	45%
Net worth per Share (₹)	81.68	80.00	68.39	59.61	53.18	47.73	37.21	37.05	32.58	28.12
Return on Capital Employed %	9.0%	15.1%	19.4%	18.3%	15.1%	9.3%	6.6%	14.4%	20.7%	15.0%
Return on Equity %	6.5%	14.6%	18.1%	16.3%	14.6%	7.7%	3.6%	17.7%	20.2%	14.0%
Debt Equity Ratio	0.54	0.43	0.31	0.20	0.42	0.43	0.88	0.85	0.50	0.76
Average Realisation/pen (₹)	3.65	3.90	3.90	3.86	3.78	3.17	3.49	3.29	3.05	2.94

CORPORATE INFORMATION

BOARD OF DIRECTORS	Category
Mr. Anil Kochar	Independent, Non-executive
Ms. Supriya Newar	Independent, Non-executive
Mr. Naresh Pachisia	Independent, Non-executive
Mr. Kedar Nath Ranasaria	Independent, Non-executive
Mr. Aloke Jalan	Whole Time Director
Mr. Deepak Jalan	Managing Director

CFO & COMPANY SECRETARY
N. K. Dujari

REGISTERED OFFICE
Satyam Towers,
3, Alipore Road, Kolkata - 700 027
Phone: (033) 3041 2100, 2479 0248
Fax: (033) 2479 0253
CIN: L36991WB1994PLC065583
E-mail: investors@lincpen.com
Website: www.lincpen.com

WORKS
Linc Estate
Usthi Road, Serakole, 24 Pgns.(S),
Pin - 743 513, West Bengal
Phone: 09051280300
Fax: (033) 2420 4441

Falta SEZ, Sector-II, Shed No.2
Falta, 24 Pgns(S), Pin - 743 504
West Bengal
Phone: (03174) 222 925

OHM Industrial Infrastructure Park
Plot no.7/8/11/12, Umbergaon
District: Valsad, Pin - 396 155, Gujarat

AUDITORS
Singhi & Co.
Chartered Accountants
161, Sarat Bose Road,
Kolkata - 700 026

BRANCH OFFICES
MUMBAI - 403-404 Tanishka Bldg.
Off Western Express Highway
Kandivali (East), Mumbai - 400 101
Phone: (022) 6692 4155 / 4255
Fax: (022) 6694 2963
E-mail: lincmumbai@lincpen.com

PATNA - C/o, Shanker Logistics Pvt. Ltd.
Mehdigunj, Ward No. 61, Holding No. 34/22,
Jhauganj, Patna - 800 007, Bihar

RANCHI - Rahul Complex
North Market Road, Upper Bazar
Ranchi - 834 001, Jharkand

REGISTRAR & SHARE TRANSFER AGENT
Maheshwari Datamatics Pvt. Ltd.
23, R.N. Mukherjee Road, 5th Floor
Kolkata - 700 001

BANKERS
HDFC Bank Ltd.
Yes Bank Ltd.
IDBI Bank Ltd.

NOTES

NOTES


pentonic™
Write
the
future
pentonic
born
of
black
Begin a statement that moves the nation.
Gift tomorrow's generation a new set
of words to remember.
Start an idea that inspires and
challenges the future.
Emerge with the boldness of black.
LINC
Think it. Linc it.

LINC

Think it. Linc it.

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