



31<sup>st</sup> July, 2024

The Listing Department, <b>The Calcutta Stock Exchange Ltd.</b> 7, Lyons Range, Kolkata – 700001  Scrip Code- 022035	The Manager Department of Corporate Services, <b>BSE Limited</b> P. J. Towers, Dalal Street, Mumbai - 400001  Script Code- 531241	The Manager, Listing Department, <b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051  Symbol- LINC
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Dear Sir / Madam,

**Sub:** Notice of 30<sup>th</sup> Annual General Meeting.

Please note that the 30<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, 28<sup>th</sup> August, 2024 at 11.00 A.M. (IST)

In terms of Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Annual Report 2023-24 and a copy of the Notice dated 2<sup>nd</sup> May, 2024 convening the 30<sup>th</sup> Annual General Meeting of the Company.

This is for your information and record.

Thanking You,

Yours faithfully,  
For LINC LIMITED

DIPANKAR DE  
*Company Secretary*

Just

**L I N C !**

Celebrating  
the art of  
writing

The kalaam extensively quoted around the word 'Likh' has been taken from the extensive work of prominent poet Javed Akhtar. We have used this work without any commercial interest.

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### 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.

**1**  
The Company crossed ₹500 crores in revenues for the first time

**2**  
The Company continued to premiumise offerings

**3**  
This helped the Company lift the overall realisations average

**4**  
The Company moderated its focus on the price-sensitive segment

**5**  
The Company increased the number of Pentonic products from 4 to 7

### 5 PRINCIPAL MESSAGES OF THIS ANNUAL REPORT



CORPORATE SNAPSHOT

# Linc.

More than a mere corporate identity. Embodies the spirit of innovation.

More than a mere pursuit of profits; it showcases enduring resilience over the years.

More than a manufacturer of writing instruments; it offers a complete stationery solution.

More than a conventional manufacturing company; it embraces digitalisation for forward-looking outcomes.

WHAT DRIVES US

## Vision

To empower people to express themselves better and create a happier world by providing innovative, quality and affordable solutions, conveniently.

## Mission

To become the top superbrand in the country, recognised worldwide and to be an attractive proposition for stakeholders and business partners to align with Linc.

## Core values

We take pride in our strong ethical principles and integrity and strive to consistently exceed customer expectations.

We are fully committed to every task at hand and constantly pushing the boundaries of innovation in our products and solutions.

Our core values include Customer Delight, Integrity, Dedication and Innovation (CID).



### Our Legacy

Established in 1976 by Mr. Soorajmal Jalan, Linc has evolved under the stewardship of Mr. Deepak Jalan to attain scale and status. Recognised as one of India's foremost branded writing instrument companies, Linc stands out for its manufacturing capacity, engagement with trade partners and revenue generation.

### Product portfolio

Linc offers an extensive range of products, including gel pens, ball pens, fountain pens, markers, mechanical pencils, files and folders, making it a comprehensive provider of stationery solutions for students and adults.

### Manufacturing facilities

Linc operates advanced integrated manufacturing facilities in Umbergaon (Gujarat) and Serakole (West Bengal). With a manufacturing capacity of 60 crores pens per annum, the Company ensures that it addresses a growing nation's requirements. Linc's nationwide distribution network includes 38 channel partners, 2,871 distributors and a dedicated sales team of 392 professionals. Serving over 2.56 lakh retailers, Linc has carried out a strong presence across India.

### Global footprint

Linc's products are globally recognised under the 'Linc' brand, reaching over 40 countries. With an expansive distribution network spanning South East Asia, the Middle East, the USA, the UK, Europe, South America, Africa, Russia and CIS countries, Linc maintains a strong international presence.

### Partners

Linc outsources world-class products from marquee international brands.

**Uni:** Global brand from Mitsubishi Pencil Co. Ltd, Japan. Uni enjoys a presence across all categories of writing instruments like roller pen, gel pen and ball pen.

**Deli:** Asia's largest stationery giant. Presence across all stationery categories with over 2,000 products

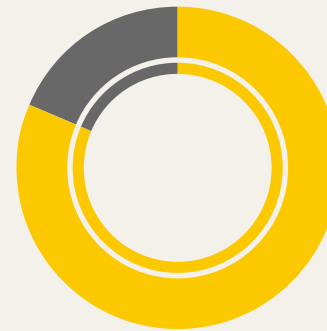
### Listing

The Company was listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) with a market capitalisation of ₹765 crores as on 31 March 2024.

### Certification

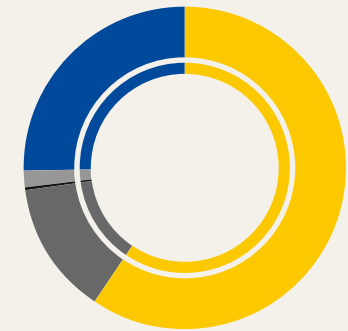
Linc has been accredited with the ISO 9001:2008 certification, validating the Company's compliance with stringent quality management norms.

### Our sales by geography, FY2023-24



■ India 81.66%  
■ Exports 18.34%

### Our shareholding pattern



■ Promoters 59.46%  
■ Mitsubishi Pencil Co. Ltd. 13.45%  
■ Investor Education and Protection Fund 0.24%  
■ NRIs, FIs etc. 1.75%  
■ Other Public 25.10%  
As on 31 March 2024

### How we performed across the four quarters of FY2023-24

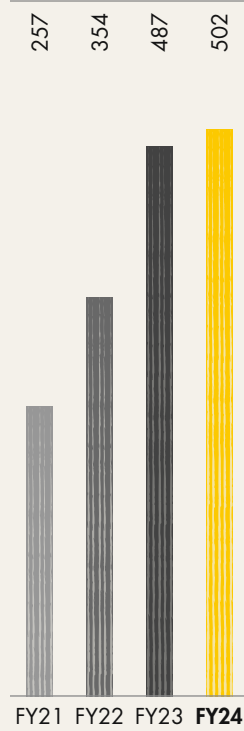
Year, FY2023-24	Quarter one	Quarter two	Quarter three	Quarter four
Revenues (₹ crores)	111.88	131.22	120.34	138.46
EBITDA (₹ crores)	14.49	14.52	14.17	19.40
Profit after tax (₹ crores)	7.38	7.71	7.57	11.45

### The financial hygiene of our business

Year, FY2023-24	Quarter one	Quarter two	Quarter three	Quarter four
EBIDTA margin %	13.0	11.1	11.8	14.0

## Our performance across the years

### Revenues (₹ crore)



#### Definition

Growth in sales net of taxes

#### Why this is measured

It highlights the acceptance of the Company's products by consumers, translating into revenues.

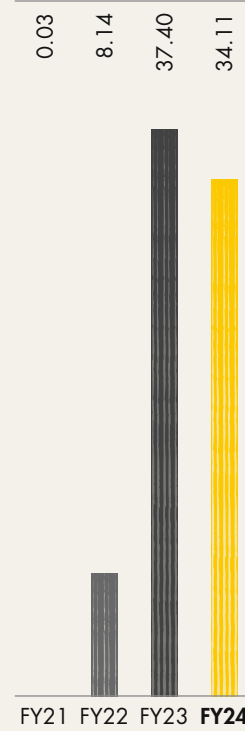
#### Performance

Aggregate sales increased by 3% to ₹502 crores in FY2023-24.

#### Value impact

The Company experienced a moderate increase in revenues in the FY2023-24.

### Profit after tax (₹ crore)



#### Definition

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

#### Why this is measured

It highlights the strength of the business model in enhancing shareholder value.

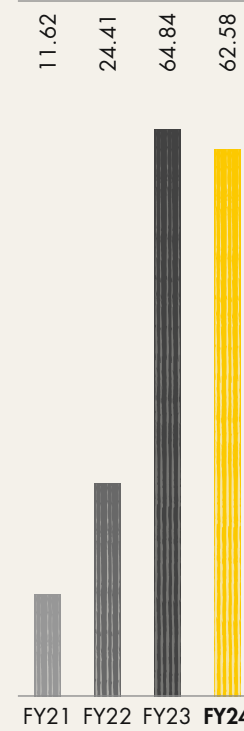
#### Performance

The Company's in profit after tax stood at ₹34.11 crores in FY2023-24

#### Value impact

The Company experienced a decline in its profit after tax (PAT) due to a need to absorb fixed costs.

### EBITDA (₹ crore)



#### Definition

Earnings before the deduction of interest, depreciation, extraordinary items and tax

#### Why this is measured

It showcases the Company's ability to optimise operating costs, an index of its competitiveness.

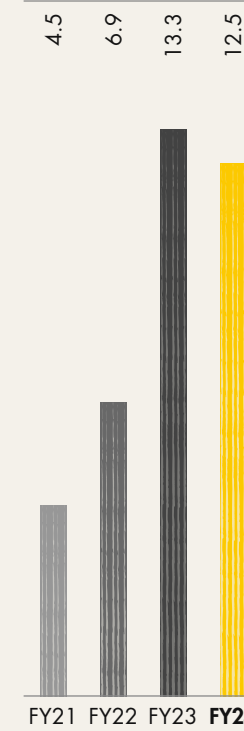
#### Performance

The Company's EBITDA for FY2023-24 was ₹62.58 crores, a 3.5% decrease over the previous financial year.

#### Value impact

Despite an increase in revenues, the Company reported a decline in EBITDA.

### EBITDA margin (%)



#### Definition

EBITDA margin is a profitability index used to measure the effectiveness of a Company's business model.

#### Why is this measured

The EBITDA margin gives an idea of how much a Company earns (before accounting for interest and taxes) on each rupee of sale (expressed as a percentage).

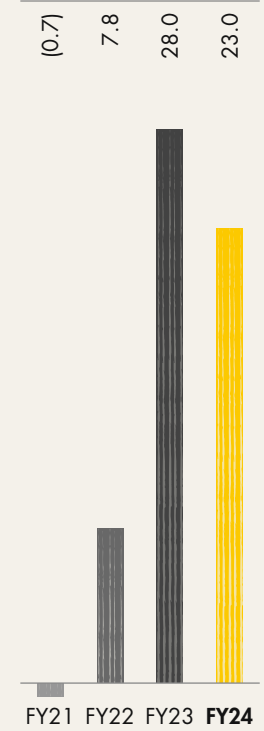
#### Performance

The Company reported a 80 bps decrease in EBITDA margin in FY2023-24.

#### Value impact

The Company reported a degrowth in EBITDA margin.

### ROCE (%)



#### Definition

It is a financial ratio that measures a Company's profitability and the effectiveness 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

The Company reported a 500 bps decrease in ROCE in FY2023-24.

#### Value impact

The Company expects to strengthen ROCE through various strategies.

## Our journey

**1976** ▷

Linc was registered on 9 February

**1978** ▷

India's first plastic ball point pen Linc Supreme was launched

**1984** ▷

In Serakole near Kolkata the first manufacturing facility was set up

**1992**

Uniball ball and roller pens were introduced with Mitsubishi (Japan).

**2006**

Office Linc, India's first branded retail stationery shop, was founded.

◁ **2005**

Linc Glycer, the Company's highest-selling pen, was launched.

◁ **2003**

Commenced exports to WalMart, USA.

◁ **1994**

The Company got listed on the Indian Stock Exchange.

**2008** ▷

Engaged prominent Indian actor Shah Rukh Khan as brand ambassador

**2009** ▷

Commenced production in Falta SEZ unit

**2012** ▷

Mitsubishi of Japan acquired a 13% stake in Linc

**2013**

Linc Twinn, a revolutionary pen and pencil combination, was launched.

**2020**

Launched Pentonic BRT @ ₹20 each

◁ **2019**

Launched Pentonic Ball Pen @ ₹10 each

◁ **2017**

Commenced production in Umbergaon, Gujarat

◁ **2015**

Listed as a Two Star Export House.

**2021** ▷

The Company's name was changed to Linc Ltd.

**2022** ▷

Registered office was relocated to Sector V, Salt Lake, Kolkata.

**2023** ▷

Acquired 60% stake in Gelx Industries Ltd., Kenya

Entered into JV with Morris Co., Ltd., Korea

**2024**

Launched Pentonic GRT@ ₹40, (a retractable gel pen)

**This Annual Report is dedicated to a fine art that we are in the danger of losing.**

The scribble. The doodle. The sketch. The calligraph. The handwritten note. The memo.

The handwritten represents an extension of ourselves.

To lose this skill developed and practiced across the centuries would be like losing an essential part of our personality.

To retain the capacity to express using a writing instrument is to retain a slice of ourselves as we were, are and likely to remain.

# The modern-day consumer is evolving...

And Linc is responding to this change with contemporary products

## Overview

The Indian writing instruments segment is transforming following evolving consumer preferences, digital influences, economic catalysts and innovative industry responsiveness. This transforming landscape is shaping the future of writing instruments like pens, pencils and other tools.

## Value for money

Consumers are more discerning, focusing on holistic 'value-for-money' over the prospect of paying the lowest price. There is a willingness to spend more on pens that offer an even better writing experience, presentability and durability. This trend indicates a visible shift towards the intangible over the tangible.

What used to be

*'Sabse sasta pen dikhaana.'*

What is now

*'Sabse achcha pen dikhaao.'*

## Brand

The importance of branding within the sector has never been more imperative. Consumers associate their pen choice as an extension of their personality. This shift is widening premium writing instrument opportunities. The functional is on its way out; the fashionable is in. This is putting a priority on writing instruments to be styled better.

What used to be

*'Mehenga pen khareed ke koi matlab nahi.'*

What is now

*'I would rather pay better but buy a peace of mind.'*

## Digital influence

Online shopping is influencing consumer behavior – a wider choice and home delivery – eating into the conventional over-the-counter offtake. The ability to compare prices, read reviews and discover new brands online is empowering consumers to make informed purchasing decisions.

What used to be

*'Dukaan se koi bhi pen khareed ke dejiye please !'*

What is now

*'I checked all writing instruments on the net; this one appears to provide superior value.'*



**Economic factors**

The increased use of digital payments is phasing out lower-denomination currency notes, encouraging consumers to consider higher priced writing instrument options.

What used to be

*I don't have change to pay for one pen.*

What is now

*You mean I can PayTM or GPay?  
Excellent!*

**Industry response**

Writing instrument brand owners and manufacturers are innovating to address evolving consumer needs – based on gel varieties, ergonomic design for comfort and eco-friendly materials. Marketing campaigns are being directed at building brand loyalty by emphasising value over mere price.

What used to be

*'Pen toh pen hi hota hain.'*

What is now

*This Pentonic is a style statement.*

# Writing instruments.

Building on the past.  
Positioned for today. Relevant for tomorrow.

**Demographic drivers**

India's young population and large student base are key demand drivers for writing instruments. Increasing literacy continuous to be a robust tailwind

**Co-existence**

Digital learning tools coexist with traditional pen-and-paper methods, crucial for cognitive development. Educators advocate a blended approach, ensuring the continued relevance of writing instruments.

**Environment footprint**

Pens have a lower environmental impact compared to digital devices associated with e-waste and rising energy consumption.

**Rural potential**

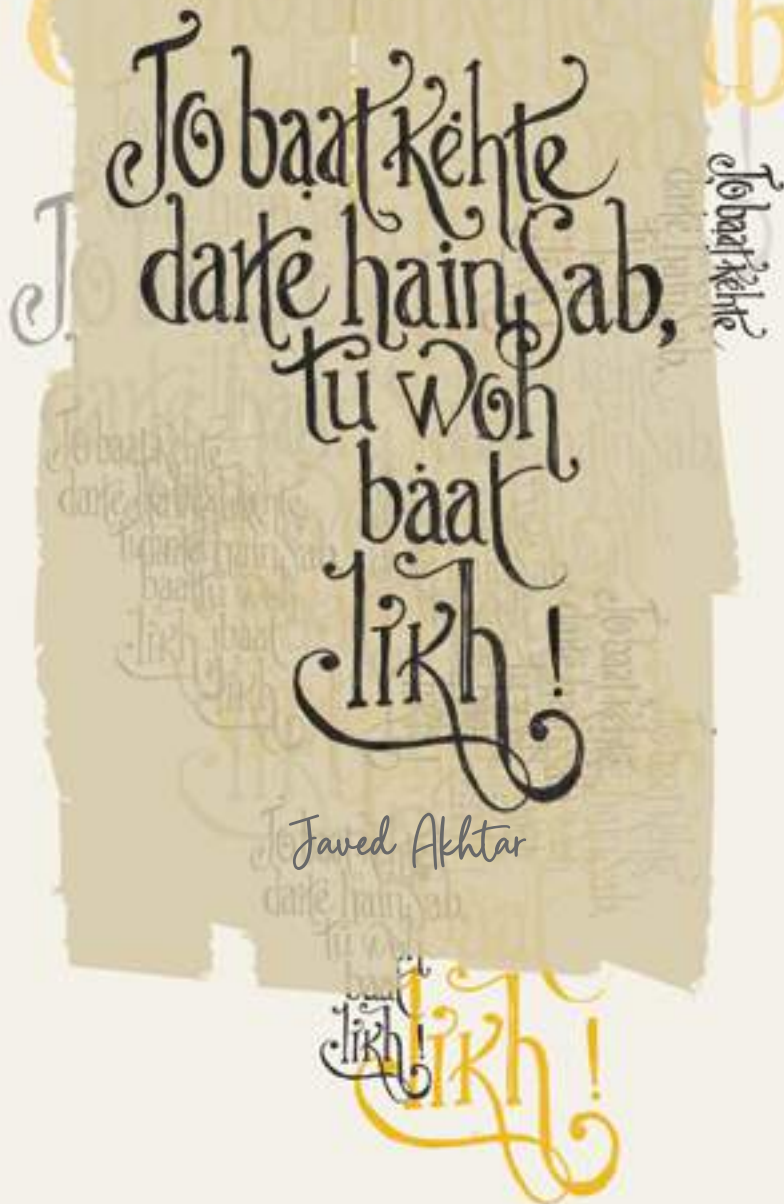
In rural India, where digital tools are limited, writing instruments remain essential for education and communication.

**Incomes**

Rising disposable incomes are driving the offtake of premium writing instruments.

**Exports**

India's manufacturing base positions it well for the export of writing instruments.



## Pentonic has transformed the industry perspective that the cheapest pens will sell most

In the writing instruments sector, there was an established mindset: make the cheapest products, distribute widest and sell most.

At Linc, we took a contrary position.

We said that there was a change transpiring all around us that was unmissable.

People were buying larger cars; people were taking expensive holidays; people were wearing expensive clothes; people were investing in premium homes.

We believed that this premiumisation would extend to writing instruments as well.

With a difference.

*The writing instrument would need to be crafted differently. Would need to be positioned differently. Would need to be priced differently.*

When trade observers heard about this, they were skeptical. Their pronouncement: 'Nice try, but ahead of its time.'

At Linc, we proceeded regardless. We said this was an idea whose time had come.

We made a leap of faith.

The result is that we are selling an increasing number of our premium writing instrument brand – Pentonic – each year. We are generating our largest income from this single brand. We are progressively moderating the proportion of revenues derived from price-sensitive brands. Proving conclusively that the good sells as well.

The writing, as the cliché goes, is on the wall.

Jinse Qafedee  
likhe the  
toon phaink  
se Qalam  
Phir Khoon-e-dil  
se Sachche  
Qalam ki  
Sifaat likh!

Javed Akhtar

## Pentonic has not just been a breath of fresh air for the Company; it has transformed the industry mindset.

Until as recently as a half a decade ago, most people felt that the Indian writing instruments would remain much the same as it had been in the past.

It would be price-sensitive; the lowest priced product would sell the most; those who invested in brand building beyond the usual would fail.

If there has been singular evidence that the shelf life of this conventional perspective is over, it has been Pentonic.

Pentonic was styled by an international designer; it was styled in black without the usual metal clip; it was launched without packaging; it was launched at a price point considerably higher than the prevailing average.

*Pentonic was at the right place at the right time. The product took off. More than a sharp rise in preference and offtake, if there is one thing that Pentonic demonstrated it was this: that there is an emerging market for differentiated products.*

The result is that following the successful launch of Linc, a number of wannabes have emerged. While this may have created temporary competition for Pentonic, it has done something more important: it has widened the acceptability of a completely new product segment - a new frontier in the conventional business.

*Pentonic made it happen.*

Jo Roznaamo  
me kahin paati  
nahin jagah

Jo Roz har  
Jagah ki hai  
Woh  
Vaarnaat likh

Javed Akhtar

**At Linc, the Pentonic range of pens has not only been a revenue driver; it has been a culture transformer.**

The Linc of the past believed that the incremental would work; the Linc of today is convinced that the radical must be attempted.

The Linc of the past was manufacturing-driven; the Linc of today is driven by the power of design.

*The Linc of the past was content marketing products from India; the Linc of today is driven by the prospect of an international marketing presence.*

This transformation in personality is the result of the Pentonic brand.

The success of this game-changing brand has validated what the Company was increasingly convinced about: that the legacy consumer has transformed; that the conventional customer is willing to pay more for a better product; that the customer is no longer sheepish about carrying a trendy pen that visible in the breast pocket.

*Pentonic started it all.*



Javed Akhtar

## Pentonic ceased to be product within a couple of years of launch – thankfully so

When we launched Pentonic a few years ago, we were, for all practical purposes, launching a product.

Something interesting transpired thereafter.

Sales took off; retailers demanded quicker inventory replenishment; brief delivery backlogs emerged; the cost of investment was covered quicker than anticipated.

This provided the Linc management the confidence and cash flows to launch a second product.

This presented a dilemma: should we launch more Pentonic products or should we diversify the product mix.

*We arrived at a practical hybrid. We launched Pentonic - and we didn't launch Pentonic.*

We created a different product, but we used the Pentonic name.

In doing so, we broadbanded the portfolio but leveraged a recall that had proved successful for us in the past.

The second product – branded around Pentonic – also performed creditably.

That is when Linc virtually rebranded its market offerings. Anything stylised and premium would be marketed under the Pentonic brand. All the disaggregated brand promotion budgets would be pooled under the Pentonic head.

In doing so, we graduated Pentonic from a product to a platform.

We are pleased to report that this platform performed creditably during the year under review: platform revenues increased 20.9%; the Pentonic platform effectiveness increased from 29.7% of overall revenues to 34.3%.

*The word now being used to address Pentonic at Linc is 'family'.*

Jo vaaqiyaat  
 ho gaye unka  
 to zikr hai  
 Lekin jo hone  
 Chaahiye  
 Woh vaaqiyaat  
 likh!

Javed Akhtar

## We started by pitching Pentonic at an Indian audience; that focus has since widened. Linc has been a consistent exporter of writing instruments.

The segment that Pentonic addressed was the volume end, leveraging the large available capacity within its Indian manufacturing facilities.

This approach was justified around the 'marginal cost' theory after the variable cost had been covered and a part of the overheads could be neutralised.

Pentonic changed everything.

The product appealed to a global audience on the grounds that it looked 'international enough to come out of any developed country.'

The product generated realisations higher than the prevailing export average.

The product moved quicker off retail shelves even when placed alongside prominent global brands.

The product had international wholesalers placing indents for progressively larger quantities.

This Pentonic-inspired reality prompted a decisive strategic decision at Linc.

*The Company intends to launch its international manufacturing presence in East Africa; this will empower the Company to market products across South, Central and West Africa at the lowest logistics cost.*

Besides, it will widen the Company's global perspective, transforming it from an only-India focus into a global player.

Starting with one product that transformed the mindset.

*Pentonic.*

Is baag mein jo  
 dekhane hai  
 (ujh ko phir bahaar  
 tu daal-daal  
 se sada  
 tu paat-paat  
 likh!

Javed Akhtar

PERFORMANCE REVIEW

**The Company expects to grow revenues 17-20% during the current financial year around superior margins, strengthening a virtuous cycle**

Managing Director **Deepak Jalan** reviews the Company's FY2023-24 performance and looks ahead

**Q: Was the management pleased with the performance of the Company during the year under review?**

**A:** The answer is 'no' and 'yes'. We were not entirely pleased because we felt that we under-performed the vast sectorial potential during the year under review. On the other hand, we crossed ₹500 crores in revenues for the first time, a milestone in the history of our Company.

**Q: What were some positives that emerged from the Company's performance?**

**A:** During the last few years, the Company made a decisive directional call: it would increase the proportion of writing instruments priced above ₹10. This shift was inspired by the fact that consumer preferences are transforming in the India of today. There is a willingness to try out

better quality and higher priced products, including writing instruments. During the year under review, Linc rode this trend and I am pleased to communicate that the proportion of revenues derived from writing instruments of ₹10 and above increased from 20% in FY2017-18 to 62% in FY2023-24. This improvement helped strengthen the Company's overall writing instrument realisations average from ₹3.65 in FY2017-18 to ₹5.67 in FY2023-24.

**Q: How could the Company have done better?**

**A:** The progressive premiumisation of the Company's portfolio resulted in a corresponding defocus on the price-sensitive segment of the market. The big question was whether it was necessary for the Company to focus less on the price-sensitive segment. On the one hand, this defocus was necessary because it

was consuming a large proportion of the management bandwidth in exchange for nominal returns. On the other hand, there is an argument that the incremental revenues would have helped cover the Company's fixed costs to some extent and hence should have been sustained. The result is that the Company will rebalance its portfolio without compromising mass market presence while premiumising focus during the current financial year.

### Q: How else could the Company have performed better?

A: There are two areas that I wish to speak about in this regard. One, our exports were affected during the last financial year. Revenues declined from ₹101.25 crores in FY2022-23 to ₹92.07 crores in FY2023-24; exports as a percentage of revenues moderated from 21% to 18% during the year under review. At Linc, we see this decline as an aberration: on the one hand, we are convinced that we are manufacturing and marketing a world-class writing instrument (Pentonic); on the other hand, we believe that generating just ₹92 crores in export revenues during the last financial year was way below its brand strength and recall.

The Company encountered sales setbacks in two of its important markets. The Company seeded its writing instruments in demanding markets in North America and we expect this long-term direction to translate into sustainably enhanced revenues.

### Q: What was the highlight of the Company's performance in FY2023-24?

A: The highlight of the Company's performance continued to be the sustained success of its Pentonic brand. Following the success of this iconic writing instrument across the last few years there was an apprehension of whether the Company would be able to sustain its success into the last financial year or whether there would be brand fatigue. I am pleased to communicate that the brand continued to deliver disproportionate returns, validating its positioning and price-value proposition. The result was that this single brand (comprising four writing instrument variants) generated 20.9% higher revenues for the Company during the last financial year. The proportion of revenues from this brand was at 31.3% of overall revenues in FY2023-24. I am also pleased to report that the average realisation per Pentonic writing instrument was at ₹5.83.

### Q: What are the implications of the sustained growth of the Pentonic brand?

A: There are a number of implications, providing us with directional optimism.

**One**, there is a validation that the consumer is looking for a pride-enhancing writing instrument; the consumer's price-

sensitivity has been replaced with a willingness to try the new.

**Two**, during the last year, Pentonic graduated from its position as just a solitary writing instrument to an operating platform of a family of products. The brand now comprises four variants, the most expensive being priced at ₹40 each.

**Three**, Pentonic represents our growth platform; we intend to increase the number of Pentonic products from four to seven during the current financial year, which we expect will strengthen our realisations average and margins.

### Q: In what way did the Company strengthen its business during the last financial year?

A: I will refer to two initiatives.

**One**, the Company deferred the capacity expansion of its Umargaon (Gujarat) plant by a year or so; on the other hand, it proceeded with the construction of 100,000 sq ft of operating area in its plant near Kolkata. This will comprise modernisation and a part-capacity expansion that should translate into shopfloor productivity gains across the foreseeable future. Besides, the ₹35 crores moderation will be modular, making it possible to grow in line with market growth and enhance capital efficiency. This modernisation is being funded completely through accruals, which should enhance shareholder value going ahead.

**Two**, the Company strengthened its products pipeline during the last financial year. This ought to have translated into a launch in FY2023-24 but this was deferred. The result is that the Company expects to launch five products during H1FY2024-25, a stronger platform that is expected to enhance revenues on the one hand and average realisations on the other, strengthening overall profitability.

### Q: What is the Company's optimism related to the future?

A: The Company's optimism is drawn from three realities – growing population, deepening literacy across rural India and a progressive premiumisation mindset.

The vast range of Pentonic portfolio will comprise a ball pen, gel pen, wooden pencil, mechanical pencil, mathematical drawing instrument box, glue sticks and markers.

In view of these realities, the Company expects to grow revenues 17-20% during the current financial year around superior margins, strengthening an available investable surplus that should accelerate the virtuous cycle and enhance value for all stakeholders.

*Deepak Jalan*  
Managing Director





# Our Brands Report

## FY2023-24

### Our brand stethoscope

Sustained brand building

**48.16**

₹ crores, Linc's brand investment in the five years ending FY2023-24

**11.80**

₹ crores, Linc's brand investment in FY2023-24

Pan-India revenues by %

Zone	FY23	FY 24
North	30	32
East	34	31
West	20	21
South	16	16

### Our brand stethoscope

(₹ crores)

Parameter	FY21	FY22	FY23	FY24
Brand spending	4.1	6.0	13.8	11.8
Brand spending as % of revenues	1.6	1.7	2.8	2.3

### Overview

Linc is a driving force in India's writing instruments sector.

The Company has been more than a brand; it has been an influence, launching new styles and setting standards.

Linc's contributions have comprised the following:

Expanded India's organised and branded writing instruments segment.

Introduced celebrity-driven endorsements.

Launched premium writing instruments.

Created new price points, offering a wider choice.

Introduced products to the international market.

Offered direct fill pens at a fraction of the price of competitors.

Launched quality gel pens priced around ₹10 or above, widening choice.

Graduated India's writing instruments to the global design benchmark.

Transformed the price-value proposition of writing instruments in India.

### The Linc brand. Generating a positive recalls



## Linc's flagship products

**Linc TipTop:** Introduced in 2000. Pioneering retractable ball pen. Price: ₹2.50

**Linc Hi School Gel:** Launched in 2001. First Indian manufactured gel pen. Price: ₹10

**Linc Smart OBG:** Launched in 2002. First refillable oil-based gel pen. Sales of 60 million writing instruments each year during its prime

**Linc Ocean Gel:** Launched in 2003. The highest selling gel pen. Pioneering packaging of three pens for ₹20 (helped price pens beyond ₹5 each, a new industry price point).

**Linc Glycer:** Introduced in 2005. The highest selling pen in Linc's existence until then. Among the highest selling pens across countries.

**Linc Executive Gel:** Launched in 2010, is with steady flow Ink Technology helps in smooth - smudge free long writing and has a comfortable textured grip

**Linc Signetta:** Introduced in 2012, is stylishly designed ball pen with comfortable grip and elongated writing.

**Linc Twinn:** Introduced in 2013. First of its kind writing instrument in India. Super smooth ball pen cum lead pencil in the same writing instrument body.

**Linc Touch:** Introduced in 2015. A pen with a stylus at the back.

**Pentonic:** Introduced in 2019. Game changing product. Minimalistic design. Price: ₹10 each. Kickstarted brand extensions. Transformed industry perception



INTEGRATED VALUE CREATION AND LINC

## Our institutionalised value-creation process

Focus on enhanced stakeholder value

### The scorecard

#### Employee value

75

₹ crores, salaries,  
FY2023-24 (₹61 crores,  
FY2022-23)

#### Customer value

502

₹ crores, revenues,  
FY2023-24 (₹487 crores,  
FY2022-23)

#### Vendor value

314

₹ crores Purchases,  
FY2023-24 (₹309 crores,  
FY2022-23)

#### Shareholder value

765

₹ crores market valuation,  
31 March 2024  
(₹786 crores,  
31 March 2023)

#### Community value (CSR Spending)

0.40

₹ crores, spending,  
FY2023-24 (₹0.20 crores,  
FY2022-23)

#### Exchequer value

12

₹ crores, tax payment,  
FY2023-24 (₹13 crores,  
FY2022-23)

### Overview

In today's business landscape, enhancing shareholder value is no longer sufficient. The term gaining increasing prominence is 'stakeholder value'. Unlike shareholders, stakeholders encompass every individual or entity affected by a company's brand, products, or operations, whether living or not.

This shift signifies a recognition of the need to enhance value across all stakeholders, the yardstick by which companies are evaluated. The Integrated Value-Creation Report is gaining traction for its comprehensive assessment of both tangible and intangible initiatives.

Drawing from various areas such as financial performance, management insights, governance, compensation and sustainability reporting, this report elucidates an organisation's capacity to generate, improve and sustain value. Importantly, the influence of an Integrated Report fosters an understanding among diverse stakeholders, ranging from employees and customers to suppliers, communities, legislators, regulators and policymakers, emphasising the imperative for organisations to foster value creation sustainably.

### Drivers of our value

At Linc, our **employees** collectively embody a wealth of knowledge spanning various functions such as polymer procurement, manufacturing, quality assurance and finance. We cultivate an engaging workplace environment, providing stable employment and fostering productivity.

Our **shareholders** have invested capital in our business venture. Our primary objective is to generate free cash flow, thereby enhancing Return on Capital Employed (RoCE) and increasing the value of their investments.

We rely on our **vendors** to consistently supply credible resources such as polymer, equipment and services. We prioritize quality resource procurement, rewarding promptness to incentivise additional supply.

Our **customers** are the lifeblood of our business, consistently purchasing our products and providing the financial resources needed to sustain our operations. Our goal is to broaden our customer base and nurture lasting relationships with them.

We recognize the invaluable social capital provided by our **communities**, encompassing aspects such as education, culture and security. We actively support and contribute to the growth of our communities through ongoing engagement.

**Governments** play a vital role in providing a stable structural framework that ensures law, order and policies. Our commitment is to fulfill our responsibilities as a responsible corporate citizen within this framework.

At Linc, we understand the importance of balancing the value generated by each stakeholder to ensure the sustainability and continued growth of our business.

## Our sustainability framework

### Strategy

- Elevate a consumer's aesthetics through writing instruments.
- Expand the market beyond price-sensitive writing instruments.
- Offer a range of writing instruments to complement various needs.

### Procurement economies

- Establish enduring supply chain partnerships for anytime polymer sourcing
- Optimize procurement through proximate sources for economic efficiency
- Ensure superior quality in polymer procurement

### Products basket

- Offer a comprehensive selection of stationery supplies
- Provide a variety of writing instruments (gel pens, non-gel pens etc.)
- Enable retail access through Linc stores

### Manufacturing excellence

- Invest in cutting-edge technologies
- Allocate dedicated plants for specific markets (exports or Indian)
- Optimize asset utilisation to its maximum potential

### Financial structure

- Maintain debt-free status
- Enhance working capital efficiency
- Optimise capital efficiency across the Balance Sheet

### Environment integrity

- Ensure moderate resource consumption per writing instrument
- Preserve environmental equilibrium in manufacturing locations
- Adhere to compliance standards through benchmarking

### People competence

- Improve talent productivity
- Invest in knowledge, experience, passion and empathy
- Nurture subject matter experts internally

### Community support

- Offer community assistance
- Emphasis on integrated community development
- Engage in a sustainable way for a lasting impact

## The resources of value creation



### Financial capital

This includes funds obtained through financing or generated through our accruals - the funds pool available in the production of goods or the provision of services, including debt and equity



### Manufactured capital

This comprises physical infrastructure like buildings or technology equipment and tools that contribute to organisational productivity.



### Human capital

This refers to skills and know-how of an organisation. The success of an organisation is tied to the competent management of teams. Excessive employee turnover or inadequate remuneration can affect the brand and our ability to enhance value



### Intellectual capital

This includes resources such as patents, copyrights, intellectual property and organisational systems, procedures and protocols, which can provide competitive advantages. Conversely, companies that pollute could attract censure or closure.



### Natural capital

We derive all our resources - polymer, water, fossil fuels and the world's carbon sinks — from this capital. Our engagement is influenced by the degree of dependence on natural resources, environmental impact of the production process on the environment and what the organisation has to do to operate within environment limits.



### Social and relationship capital

This represents the relationships between our Company and stakeholders (community, governments, customers and supply chain partners). These could also comprise operating licenses, dependence on the public sector or supply chain.

# How Linc empowers its stakeholders through its Capitals

## Financial capital

<b>Investors</b>	<ul style="list-style-type: none"> <li>Shareholders' payout – ₹7.44 crores</li> <li>Buyback – nil</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Product value for money</li> <li>Enhancing customer experience, such as improved customer service and product warranties, among others.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Competitive wages and benefits</li> <li>Safe and healthy work environment</li> </ul>
<b>Value chain partners</b>	<ul style="list-style-type: none"> <li>Fair and timely payments</li> <li>Collaboration and innovation</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>CSR expenditure: ₹0.40 crore</li> </ul>
<b>Government and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Contribution to the exchequer: ₹12 crores</li> </ul>

## Manufacturing capital

<b>Investors</b>	<ul style="list-style-type: none"> <li>Increased profitability and sustainable growth</li> <li>Innovation and competitive advantage</li> <li>Capex: ₹18.81 crores</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Enhanced product quality and consistency</li> <li>Improved product features and functionality</li> <li>Shorter lead times</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Upskilling and training</li> <li>Empowering work practices</li> <li>Improved working conditions</li> </ul>
<b>Value chain partners</b>	<ul style="list-style-type: none"> <li>Collaboration and innovation</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Local sourcing and job creation</li> <li>Sustainable manufacturing practices</li> </ul>
<b>Government and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Compliance with regulations</li> <li>Job creation and economic growth</li> </ul>

## Human capital

<b>Investors</b>	<ul style="list-style-type: none"> <li>Strong and engaged workforce</li> <li>Innovation and problem-solving</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Exceptional customer service</li> <li>Product expertise</li> <li>Customer-centric culture</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Empowerment and ownership</li> <li>Work-life balance and well-being</li> <li>Career development and growth opportunities</li> </ul>
<b>Value chain partners</b>	<ul style="list-style-type: none"> <li>Collaboration and knowledge sharing</li> <li>Talent acquisition and development support</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Diversity and inclusion</li> <li>Volunteer programs and community engagements</li> </ul>
<b>Government and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Collaboration with government agencies to address social or environmental challenges</li> </ul>

## Intellectual capital

<b>Investors</b>	<ul style="list-style-type: none"> <li>Innovation and long-term growth</li> <li>Strong brand reputation and competitive advantage</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Innovation</li> <li>Improved products</li> <li>Educational content and resources</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Knowledge sharing and collaboration</li> <li>Upskilling and development programs</li> <li>Ideas recognition</li> <li>Recognition and rewards</li> </ul>
<b>Value chain partners</b>	<ul style="list-style-type: none"> <li>Joint research and development</li> <li>Knowledge transfer and capacity building</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Public knowledge sharing and collaboration</li> </ul>
<b>Government and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Collaboration in public initiatives</li> </ul>

# Our shareholder value creation focus

## Natural capital

<b>Investors</b>	<ul style="list-style-type: none"> <li>Sustainability and resource efficiency: Favourable positioning of the Company with environmentally conscious investors seeking sustainable businesses with lower risks from resource scarcity or environmental regulations</li> <li>Transparency and impact reporting: Fosters transparency with investors aligning with growing demands for ESG reporting</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Sustainable products</li> <li>Sustainable labelling, empowering customers to make informed purchasing decisions</li> <li>Sustainability initiatives and education</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Environmental awareness and engagement</li> <li>Eco-friendly practices</li> </ul>
<b>Value chain partners</b>	<ul style="list-style-type: none"> <li>Sustainable sourcing and supply chain management</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Environmental stewardship and conservation initiatives</li> </ul>
<b>Government and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Compliance and advocacy</li> </ul>

## Social and relationship capital

<b>Investors</b>	<ul style="list-style-type: none"> <li>Strong relationship with investment community (increased visibility among potential investors)</li> <li>Responsive investment strategies</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Strong brand reputation and customer loyalty</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Positive work culture and employee engagement</li> <li>Employee recognition and social connection</li> <li>Employee advocacy and employer branding</li> </ul>
<b>Value chain partners</b>	<ul style="list-style-type: none"> <li>Collaborative partnership and trusts</li> <li>Sustainable sourcing practices</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Advocacy on positive change</li> </ul>
<b>Government and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Investing in local communities</li> </ul>

## Objectives

- Increase free cash flows
- Consistent dividend pay-out track record of higher than 20%
- Absence of debt; growth through cash flows

## Financial outcomes

- PAT/ Total Sales decreased to 6.8% in FY2023-24 from 7.7% in FY2022-23
- Decrease in RoCE from 28.0% in FY2022-23 to 23% in FY2023-24
- Decrease in RoE from 23.0% in FY2022-23 to 18% in FY2023-24

## Value-addition

- Increased share of value-added Pentonic portfolio to 17% in FY2023-24
- Pentonic generated a gross margin of around 41%
- Launch more products around the Pentonic platform

## Widened the portfolio

- Entered an exclusive tie-up with Deli for a range of stationery products
- Stationery products complementary to Linc's writing instruments
- Increased cross-sale possibilities

## Achieved outcomes

**62**

₹ crores, net debt in FY2017-18

**2.5**

Net Debt / Operating EBIDTA, FY2017-18

**0.5**

Net Debt / Equity, 31 March 2018

**(13)**

₹ crores, net debt in FY2023-24

**(0.21)**

Net Debt / Operating EBIDTA, FY2023-24

**(0.06)**

Net Debt / Equity, 31 March 2024

## Our value-creation strategy

Strategic focus	Key enablers	Material issues addressed	Capitals influenced
<b>Innovate and excel</b>	<p>Promoting a culture of process excellence, evident in increased plant availability and improved manufacturing efficiency.</p> <p>This enables the Company to achieve higher throughout, utilising existing capacities.</p>	Cutting-edge technology drives production efficiency and quality	Manufactured, Intellectual, Financial
<b>Cost leadership</b>	<p>Linc prioritizes operational excellence and cost leadership.</p> <p>The Company is one of the lowest cost producers, benefitting from economies of scale, proximity to resources and an under-leveraged Balance Sheet</p> <p>The Company's capital cost per tonne of installed capacity is among the lowest in India's writing instruments industry</p>	Establishing a foundation for long-term viability by ensuring competitiveness across all market cycles	Financial, Intellectual, Natural, Social and Relationship
<b>Supplier of choice</b>	<p>Linc strengthened customer engagements by ensuring adequate capacity, timely product delivery and high product quality</p> <p>Linc products enhance user esteem</p> <p>Linc consistently delivers quality materials to international buyers, establishing itself as a trusted provider</p> <p>Linc employees uphold fair business practices with all stakeholders</p>	Improving revenue predictability through the criticality of products, lasting customer relationships, PPAs and alignment with national policy	Intellectual, Manufactured, Social and Relationship
<b>Robust people practices</b>	<p>Linc is an employer of 3203 people</p> <p>The Company's approach to people engagement is characterised by a culture emphasising urgency, delegation, empowerment, responsibility and accountability.</p> <p>The Company promotes an invigorating workplace environment, characterised by comprehensive training, active engagement, fair appraisal and attractive rewards</p>	Promoting a professional culture centered around authority, responsibility and accountability while striving for excellence in all aspects of the Company's operations.	Intellectual, Human
<b>Responsible corporate citizen</b>	<p>Linc is a responsible corporate citizen</p> <p>The Company participates in community development initiative within the vicinity of its manufacturing facilities</p> <p>The Company spent Rs 39.90 lakhs across CSR activities in FY2023-24</p>	Responsible engagement; widening the prosperity circle	Social and Relationship, Natural
<b>Value-creation</b>	<p>Linc enhances value for all stakeholders</p> <p>Linc manufactures products that enrich lifestyle and promote well-being.</p> <p>Superior writing instruments enhance the pleasure of writing</p>	Stakeholders' need for enhanced value creation	Intellectual, Manufactured, Social and Relationship

# Operating review for FY2023-24



## Overview

Linc, a prominent player in the writing instruments industry, is committed to enhance its market presence and drive growth. This includes a focus on legacy products, expansion of the Pentonic portfolio and ventures into adjacent categories. By leveraging premiumisation and targeting export markets, particularly in North America, the Company aims to achieve a robust and sustainable performance. Despite challenges, Linc's strategic approach is poised improved performance and sustainable growth.

## Focus on legacy products

Linc acknowledged a lack of focus on its legacy products, particularly those with lower margins. Some of these products experienced significant declines, negatively impacting overall performance despite growth in other areas. Recognising the importance of protecting volumes for these legacy products, the Company has decided to maintain these volumes moving forward. This decision stems from the realisation that the growth achieved from the Pentonic line last year was offset by the decline in the offtake of legacy products, an unhealthy situation.

## Pentonic portfolio growth

The Pentonic portfolio has been a significant contributor to Linc's revenue, making up about 34% of the total. The Company anticipates this share to grow, expecting it to exceed 50% in the next 2-3 years. Despite moderate growth compared to the same quarter last year, Q4 remained the highest quarter due to the exam period. Linc achieved a 14% quarter-on-quarter growth, marking its highest-ever quarter.

## New product launches

To compensate for last year's losses, Linc plans to introduce one or two new products in the Pentonic line within the Linc portfolio this year. The Company three products ready for launch in the first and second quarters. The back-to-school season in June and July was critical for these launches. Linc's strategy is to introduce at least one successful product each quarter, with several launches planned for the second half of the year.

## Growth drivers

**Premiumisation:** Premiumisation is the primary growth driver. Since the launch of Pentonic in 2018, there has been a noticeable trend in the industry towards premium products, leading to a better average realisation for Linc and its peers.

**Adjacent categories:** Linc plans to expand into adjacent categories such as children's markers, permanent markers and highlighters, aiming to launch these in the first half of the year. These new categories will help achieve the Company's growth objectives.

**Export business:** Linc's export business, particularly in North America, is another key growth driver. The Company appointed a distributor in North America who has aggressive targets to drive sales in that region.

**Corporate sales:** Corporate sales are erratic but can significantly impact Linc's quarterly performance. While corporate sales typically contribute 5-10% annually, this quarter saw an 18% contribution due to a large corporate order. However, such large orders are not guaranteed every year.

## Market impact

Before the launch of Pentonic in 2018, the average realisation for Linc was around ₹3.00 to ₹3.90 per pen for at least a decade. The introduction of Pentonic set a new trend in the premium category, significantly improving average realisations across the industry. Currently, Linc sells 44 million pieces annually, while Pentonic sells about 274 million pieces. This momentum is expected to continue, contributing to better average realisations.

## Way forward

Linc's strategic focus on maintaining legacy product volumes, expanding the Pentonic portfolio, entering adjacent categories and growing its export business will drive growth. Despite the challenges faced last year, the Company is confident that these initiatives will help achieve a healthier and more robust performance.



# Linc's comprehensive digital transformation



## Overview

Digitalisation is crucial for modern businesses to remain competitive and efficient. It enables companies to automate processes, reduce waste and make data-driven decisions. By optimising inventory management, enhancing demand planning and leveraging existing technologies, businesses can improve productivity and profitability. Digital transformation fosters a culture of continuous improvement, where employees seek automation and efficiency, driving sustainable growth and ensuring long-term success.

**Strategic digital investment for sustainable growth:** Linc has undergone a significant digital transformation, moving beyond launching innovative writing instruments to fundamentally shifting its mindset. Recognising the challenge of rising competition and a difficulty in passing cost increases to consumers, Linc invested in digitalisation to automate processes and replace legacy systems. This initiative eliminated effort waste, duplication and inflation, creating a competitive platform.

**Data-driven demand planning:** A key focus of Linc's digital transformation was the demand planning engine. The Company moved from gut-feel estimations to data-backed decisions driven by robust algorithms. This shift improved an understanding of the relationship between inventory management, working capital outlay and profitability.

**Optimised inventory management:** Linc implemented an inventory management system based on the Theory of Constraints, optimising production, raw materials procurement and customer orders. This

resulted in better inventory turnover and efficiency.

## Leveraging existing technologies:

Despite no major new investments in the last financial year, Linc maximised the functionality of existing technologies, such as SAP. The finance module in SAP now controls budgeting, which was previously manual. The main challenge has been instilling discipline to fully utilize these technologies, moving from traditional methods like Excel to more advanced systems. Training and consistent follow-up were essential in overcoming resistance and integrating digital tools into the Company's operations.

**Cultivating a culture of automation and efficiency:** Digital transformation promoted a culture where employees actively seek automation and efficiency. For instance, a custom software for sales schemes is now essential for the sales team, reflecting a significant shift towards digital solutions. This cultural change emphasizes the importance of manpower and initiative in driving transformation, with digital tools serving as crucial support.

**Future focus:** Moving forward, Linc aims to establish standard operating protocols across all functions, ensure data integrity, allocate professionals appropriately and create a key result area-driven environment. These efforts are expected to enhance sales without additional costs, widening margins. Digitalisation, while not the sole driver of transformation, plays a pivotal role in streamlining processes, improving efficiency and supporting the Company's long-term goals.

ENABLERS

# Linc's marketing direction



### Big numbers

**30**  
% increase in investments in digital marketing and e-commerce

**40**  
% increase in online presence

**25**  
% increase in online sales

**20**  
% improvement in delivery efficiency

**10**  
New products launched to meet consumer needs

### Overview

In FY2023-24, Linc faced significant challenges on account of shifting consumer preferences towards online shopping, increased competition and supply chain disruptions due to raw material volatility. The Company implemented strategic initiatives to strengthen its market standing and offtake.

**Key challenges:** Challenges included consumer shifts towards online shopping, intensified stationery market competition and supply chain disruptions.

**Strategic responses:** Linc increased digital marketing and e-commerce investments by 30%, resulting in a 40% rise in online presence and a 25% boost in online sales. Logistics were optimised to improve delivery efficiency by 20%; 10 new products were launched to meet evolving consumer needs.

### Strategies and initiatives

Effective strategies included targeted social media campaigns enhancing brand visibility by 50% and engagement by 30%. Collaborations with influencers increased customer visits by 35%, while improved customer experiences led to a 20% rise in foot traffic cum 15% higher retention. The expansion of eco-premium stationery increased sales.

A strategic shift towards sustainability positioned Linc as a leader in the green market segment, enhancing brand reputation and long-term customer loyalty.

Initiatives included leveraging advanced analytics for real-time insights, adopting agile marketing to optimize campaigns 30% faster and enhancing collaboration across marketing, sales and product development teams for a 25% effectiveness increase.

### Advantages in marketing capabilities

Linc benefited from a strong heritage and quality reputation, enhancing brand trust by 40%. A robust distribution network ensured nationwide availability, supporting increased market penetration. Innovation in product design resonated with consumers and investments in digital marketing and e-commerce expanded reach and engagement by 50%.

### Distinguishing attributes of Linc's products

The Pentonic brand is respected for quality, marked by a smooth writing experience, durability and ergonomic design. Ongoing innovation and sustainability appealed to environmentally conscious consumers, driving product acceptance.

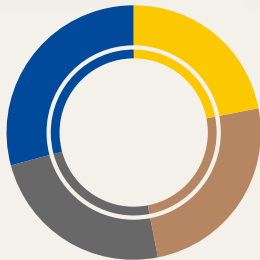
ENABLERS

# Linc’s distribution system



## Geographic coverage

Linc operates nationwide, serving significant portions of the population



- 22% in South India
- 25% in North India
- 24% in East India
- 29% in West India

### Overview

Linc’s distribution system plays a pivotal role in ensuring product accessibility across India, spanning the urban and rural areas. Efficient credit management and strong trade relationships minimised receivables, while strategic partnerships with major modern trade chains and e-commerce platforms enhanced visibility and customer convenience.

### Strengths

Linc possessed a robust distribution network that reached across India, maintaining minimal receivables in general trade and ensuring broad product availability in modern trade chains and e-commerce platforms.

### Expansion and enhancement over the past five years

Over the past five years, Linc significantly expanded its distribution reach and covered a substantial percentage of India’s retail outlets. This expansion included strengthening partnerships with modern trade chains, leading e-commerce platforms and implementing advanced logistics for efficient nationwide delivery.

### Measures to improve distribution reach

Strategic initiatives included optimising logistics efficiency, expanding partnerships with key retailers cum distributors and implementing targeted market penetration strategies that enhanced product availability and customer accessibility.

### Distinctive distribution strategy

Linc’s strategy focused on creating a nationwide presence, strong modern trade chain partnerships, effective receivables management, integration with e-commerce platforms and sustainable distribution practices.

### Advantages derived from the distribution strategy

The extensive distribution network accelerated consumer reach, strengthened market presence and promoted customer loyalty, driving operational efficiencies and revenue growth.

### Strengthening distribution capabilities in FY2023-24

In FY2023-24, Linc enhanced distribution capabilities by expanding in key regions, optimising logistics and fortifying partnerships with retail chains and distributors, improving service and contributing to business growth.

OUR INTERNATIONAL BUSINESS

# Our growing export business



### Overview

At the beginning of FY2023-24 fiscal year, our Company faced significant geopolitical, logistic and economic challenges. We responded with initiatives to enhance resilience, resulting in market expansion, revenue growth and new product introductions. The Company's export segment continued to deliver resilience and strength, positioning it well for sustainable growth.

### Challenges faced in FY2023-24

We faced significant challenges due to geopolitical tensions, including the Russia-Ukraine conflict and unrest in Sudan and Myanmar. These tensions disrupted operations and led to business downturns. The economic challenges such as high freight rates, currency devaluation and forex shortages affected international shipments and exports.

### Strategic initiatives implemented

To address challenges, the Company aggressively expanded into new markets,

re-establishing operations in Ukraine, Trinidad & Tobago, Mexico and Lebanon. It engaged customers in established markets like Brazil, USA and Bangladesh. To mitigate logistical challenges, it focused on advanced planning and shorter lead times for high-demand products (Pentonic). It explored alternate shipping routes and emphasised higher-value products to absorb increased freight costs. The Company introduced new products such as Pentonic Frost; it tailored packaging for markets like the USA, addressing market demands and strengthening the competitive edge. It reduced non-moving inventory and adopted a made-to-order approach, streamlining operations, minimising costs and ensuring efficient inventory management. Targeted marketing campaigns and adjusted pricing strategies in key markets ensured competitive positioning and sustained customer engagement. Increased sales promotion activities supported market penetration and brand visibility.

### Achievements in FY2023-24

The Company's strategic initiatives led to successful entry in new markets and the addition of new customers in existing markets. The Pentonic product line generated 26% revenue growth, reflecting strong market acceptance. Key products driving business success included Offix, Pentonic Ball and DF Pens, each catalysed with new variants and market launches.

### Business evolution over the last two years

Over two years, the Company addressed geopolitical challenges, emphasised higher-margin products, extended into new markets and optimised operational efficiency. This comprehensive approach positioned the Company for sustainable growth and enhanced profitability.

### Strengths

The Company's export segment demonstrated resilience and strength through strong customer relationships, diversified market presence, high margins, efficient inventory management and enhanced operational efficiency.

### Strategic plan

In FY2024-25, the Company seeks to build strengths and capitalize on opportunities through continued operational efficiency enhancements, market expansion into new countries, innovative product launches under the Pentonic brand, increased market penetration and expanded channel coverage to drive sales and profitability.

### Case study: USA export market

**Reality:** In FY2022-23, the Company generated US\$ 287,581 in revenues from the USA export market.

**Challenges:** Despite the growth, the Company faced several challenges:

*Logistic bottlenecks:* Significant delays and increased shipping costs.

*Competitive pricing:* The need to offer attractive pricing without compromising margins.

*Channel-specific packaging:* Developing innovative packaging tailored to different distribution channels.

**Activities undertaken:** To address these challenges, the Company implemented the following strategies:

*Market research:* To understand customer preferences, market trends and competition.

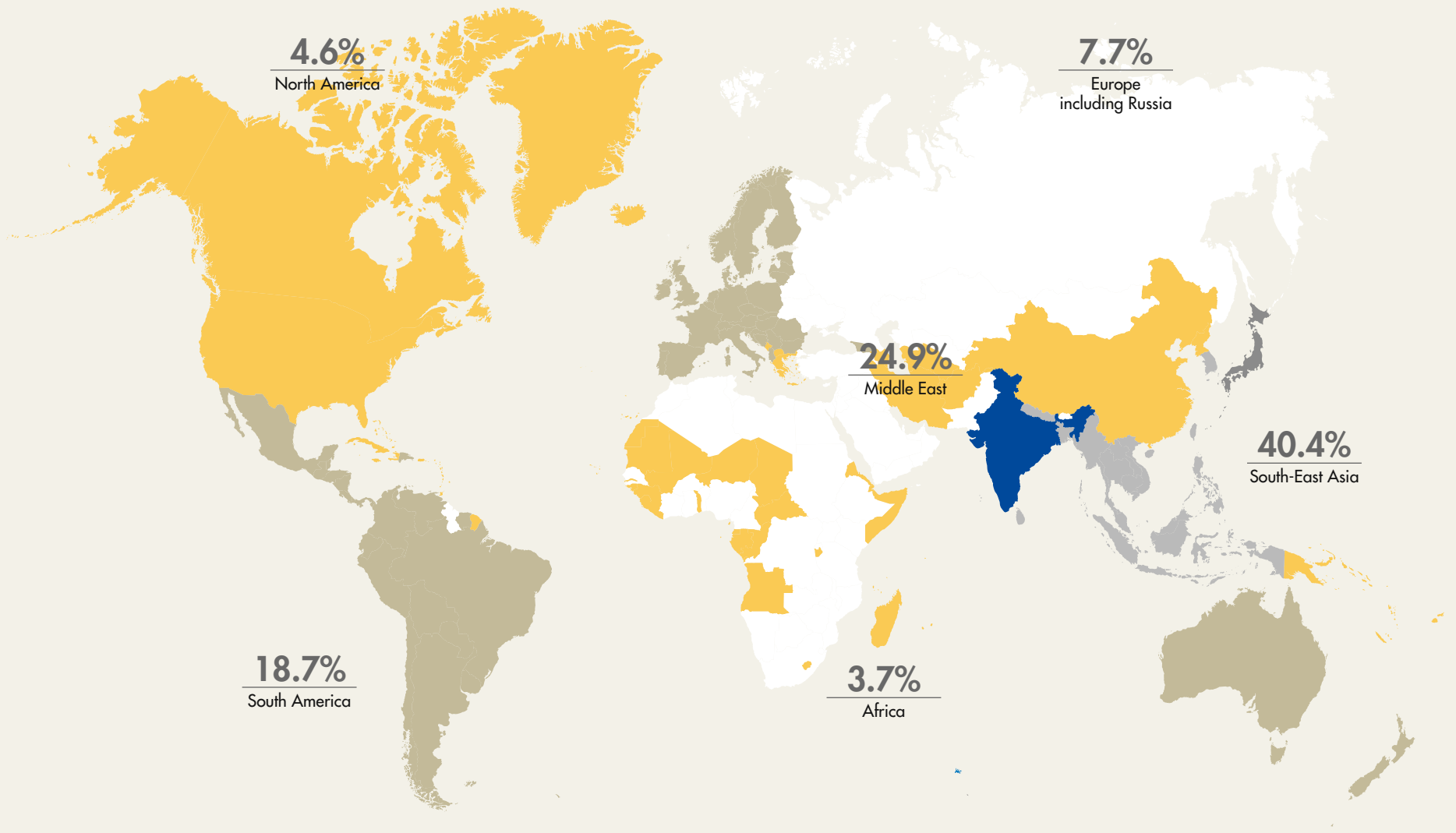
*Strengthened distribution channels:* Enhanced networks for efficient and reliable delivery.

*Product expansion:* Added new products to the Pentonic range.

*Innovative packaging:* Developed packaging to meet specific channel requirements.

**Outcome:** These strategic changes led to a growth of US\$ 427,318 (148%) in the USA export market. For the Pentonic brand, volume increased from 1,163,688 to 4,818,432 pieces (314%) and sales value rose from US\$ 114,102 to US\$ 696,098 (510%).

## Our widening global footprint



Note: All percentages are expressed as a proportion of exports in FY2024-25

# How we strengthened our talent management



## Big numbers

**75**

₹ crores, employee cost in FY2023-24

**3203**

Employees in FY2023-24 (includes on-roll + off-roll)

**1591**

Women employees (includes on-roll and off-roll)

**49.7**

% women employees of the overall

**25**

States

## Overview

The Company's talent goal is to create an open, honest and performance-oriented workplace. Being a talent-driven equal-opportunity company, Linc nurtures a workforce comprising integrity and a willingness to upgrade. The Company's policy is to take care of people, products and profits - in that order. The Company focuses on hiring skilled professionals with a knowledge of the manufacturing lifecycle, producing quality products that enhance customer delight.

## Approach

**Culture building:** Linc's human resource policy is focused on developing a healthy workplace environment, ensuring profitable margins through optimal workforce utilisation, performance and productivity management, employee career growth and a happy workplace.

**Talent development:** The Company recruited talent through digital platforms, consultancies, employee referrals, hiring cross-department and assigning a buddy to each new hire. The Company strengthened skills through career progression, training, mentors, feedback and skill measurement. The Company promoted accountability, providing access to senior leadership and customer-facing roles.

**Human resource practices:** The Company engaged in regular employee connect through skip-level meetings, quarterly performance feedback, periodic addresses by the senior leadership team and regular on and off-the-job training.

**Talent productivity:** Upskilling and re-skilling has led to an agile workforce empowered to make decisions and deepen R&D. Linc prioritised a work-life balance and encouraged training cum development.

**Code:** The Company formalised a Code of Conduct shared with employees during induction. The SOPs and standing orders are displayed for worker awareness. The Company prioritised talent safety during the pandemic (vaccination, insurance, work-from-home and bio bubble). The Company's systems and processes were monitored for compliance and subject to continuous improvement through the SA8000 standards and third-party verification.

## Outlook

Linc will continue to hire and upskill talent to build a performance-oriented team focused on customer satisfaction. It will invest more in technical training and building subject matter experts.

## Strengths

**High retention:** High employee retention increased productivity, culture and customer experience.

**Association:** Enduring association of key employees resulted in job satisfaction and knowledge retention

**Technology:** Data-driven decision-making helped Linc increase the efficiency of systems, products and services

## Employee testimonials



"In January 2023, I met with a fatal accident that left me bedridden for months. During this time, Linc provided support by covering my medical expenses and continuing to pay my salary. Unable to resume office work, I requested to work from home, and Linc ensured the entire office setup was arranged with my ease of work in mind."

**Sankabrata Kar,**  
Senior Marketing Executive

"I have been associated with Linc for over three years and I have experienced how its transparent leadership and supportive culture have made a difference in my career growth. My standout moment was the two-month e-commerce training course in China, which Linc sponsored. I was also assured that the company would cover additional costs for future training courses and workshops for my knowledge advancement."

**Mayank Sagar,**  
Senior Marketing Executive

"I have been associated with Linc for over 21 years and I respect its ethics. When I re-quired a long leave for my wedding at a short notice, Linc not only approved it promptly, but ensured that all the senior staff attended my wedding."

**Anil Goel,**  
Accounts and Finance Manager

"Linc is safe for women, promotes equal treatment and provides a supportive culture. The tradition to gift saplings on employee birthdays reflects its environmental commitment. My father is also a part of the Linc family, validating that the Company values relationships."

**Deepshika Dey,**  
Administration Associate

"Linc has always been supportive of women employees, offering a residence car drop facility when one works until late, flexible work hours and career development training."

**Pallabi Bhunia,**  
Senior Executive

"I joined Linc after college and I have been with the Company for over 30 years. Linc is not just a workplace; it is my second home."

**Dilip Kumar Jha,**  
Assistant Manager

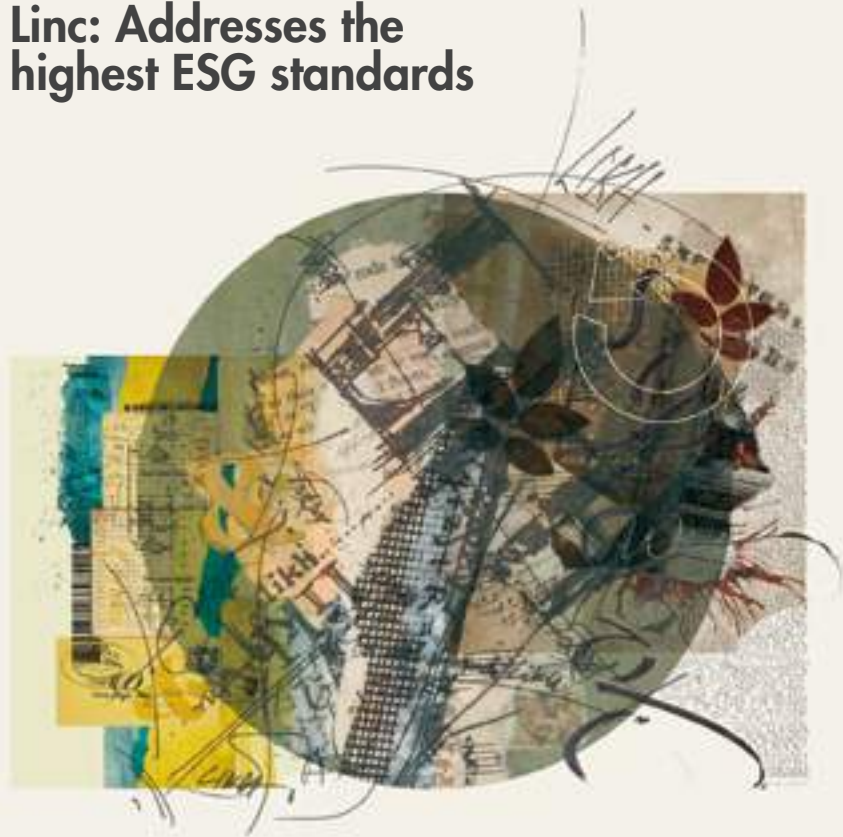
"My association with Linc started 24 years ago. Linc has always been fair towards women employees. When I required maternity leave - something new two decades ago - Linc provided leave and ensured a smooth transition to work."

**Debashree Paul,**  
Deputy Manager

"I joined Linc in 2006. I have stayed on because the workplace is stress-free. I had to once come to office on a Sunday, which happened to be my mother's birthday. When my reporting senior learned about this, she surprised me with a note and a birthday cake for my mother."

**Ranjita Chakraborty,**  
Senior Executive

# Linc: Addresses the highest ESG standards



## Overview

Linc, like many modern companies, is being recognised for its holistic ESG (Environmental, Social and Governance) commitment. This includes a focus on protecting the environment, deepening stakeholder engagement and conducting business around responsible governance.

Linc aligned its business practices with the UN's Sustainable Development Goals, focusing on community and environmental

efforts to create a sustainable future. The Core Sustainability Committee, along with the environment compliance and strategy teams, collaborated with development, manufacturing and operations departments to evaluate and improve practices. The Sustainability and Corporate Social Responsibility Committees reported directly to the Board of Directors, providing periodic updates on environmental performance and initiatives during quarterly Board meetings.

## Our environment commitment

Linc, is committed to conducting business in a manner that protects the ecology and environment while meeting the needs of its stakeholders. These environment-centric initiatives further establish the Company as a responsible corporate citizen.

### Emissions

Linc's environmental initiatives included measures to moderate dust emissions and prevent effluents from contaminating external water bodies. The Company prioritised environmentally friendly

processes and practices to reduce overall emissions.

### Packaging

Linc significantly reduced plastic waste by replacing Pentonic's individual plastic wrapper packaging with paper boxes containing 10 or 20 pieces. This initiative reduced plastic waste in FY2023-24 and saved the Company on packaging costs. The Company also increased the use of environmentally friendly packaging materials as part of its broader sustainability strategy.

## Our social commitment

At Linc, we believe that the strength of our stakeholder relationships – encompassing employees, vendors, customers and the community – is crucial to enhancing our operational stability. This robust network safeguards the Company against fluctuations in procurement, market cycles and social challenges.

We remain committed to promote workforce diversity, employing approximately 1,600 women. We support a small but significant specially abled workforce, offering them comprehensive training to ensure their efficient performance. As a long-standing partner of the 'Friends of Tribal Society,' we are dedicated to supporting education and other welfare initiatives for tribal communities.

## Our Safety commitment

At Linc, we prioritise safety management to mitigate risks associated with hazardous processes, products and heat. We have implemented a responsible system to identify, evaluate and control hazards. Regular inspections and maintenance of equipment reduce the risk of failure. Hands-on training is provided to ensure personnel understand and follow safety procedures.

## Our health commitment

Our employees and workers health are one of the top priorities. We conduct regular health check-ups, maintain workplace hygiene, provide medical and accidental insurance cover to our personnel and have tie-ups with local hospitals to provide emergency medical aid to our people.



**Our governance commitment**

At Linc, our governance platform has drawn on the 8 C's - commissioning, convenience, contemporisation, complement, carbon minimisation, choice diversity, cost management and controls, strengthening business visibility.

**Board of Directors:** The Company created a strong Board, comprising professionals and industrialists of standing. This composition helped enrich values, insights and understanding.

**Brand:** At Linc, our aim is to encourage positive recall among all our stakeholders. We aspire to be spoken of with respect and uphold the highest ethical standards. Our customers recognize us as a company that propels their businesses forward with superior product quality. Our employees view us as a progressive organisation that offers an invigorating workplace. The communities where we operate see us as a company that uses safe processes and enhances their prosperity through thoughtful interventions. To our shareholders, we are a niche player that consistently enhances value.

**Long-term:** The Company built the business around long-term relevance, which is reflected in its preference for controlled growth, influencing investments by not stretching the Balance Sheet. The Company also made proactive investments in assets, technologies, brands, people, locations, products and partners ahead of the curve.

**De-risking:** The Company expanded product offerings, plighted accruals into business growth, increase shelf share from existing retail partners, extended a manufacturing model to distribution and focused on value-addition.

**Integrity:** At Linc, we will do the right things the right way, whether it comprises equitable treatment of talent, gender respect, zero tolerance for sexual harassment and ethical transgressions, recruitment without prejudice, appraisal without partialness, respect for the dignity of people or environment integrity

**Data-driven:** The Company grew its business around digital technologies that generated data on markets, consumer preferences and business nitty-gritty. It became the basis for informed decision-making and a strong facts-driven culture marked by no ambiguity.

**Conservative approach:** When encountering an accounting treatment that requires interpretation, the Company opts for a conservative approach to ensure its financial records accurately reflect the true state of affairs.

**Sustainability:** Over the years, Linc invested in equipment, protocols and training to run operations in an environmentally responsible manner. The Company moderated the use of plastic packaging with paper alternatives.

## Management discussion and analysis

**Global writing instruments industry overview**

The global writing instruments market, valued at US\$ 22.5 billion in 2022, is expected to reach US\$32.9 billion by 2032 at a compound annual growth rate (CAGR) of 3.9%. In the United States of America, a market value of US\$ 4.7 in 2022, driven by a surge in demand for eco-friendly writing instruments, reflecting the global trend towards sustainability.

APAC is estimated to contribute 57% to the growth of the global market during the fore-cast period of 2024-2028. East Asia is predicted to hold a significant market share of 39.8% by 2034, driven by the cultural significance of handwriting and personalised writing instruments. China is expected to reach a market size of US\$ 8.7 Billion at CAGR of 14.7% by 2030, Japan and Canada, are each expected to grow at 4.6% and 7.7% respectively over the 2022-2030 period, while Germany is expected to grow at 5.6% CAGR.

The global writing instruments market is poised for substantial growth, driven by escalating literacy in underdeveloped and developing nations due to increased access to education initiatives. This growth will be catysed by the growing popularity

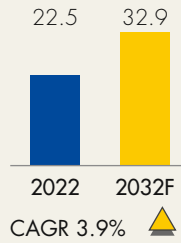
of handwriting, calligraphy and hand lettering, widening the demand for diverse writing instruments. The popularity of writing instruments as fashion stationery is also a prominent trend.

Corporate demand for writing instruments is on the rise, evidenced by companies investing in gifting to enhance brand awareness. Customisation is prominent, with major players offering personalised writing instruments to enhance a consumer need for uniqueness and emotional attachment.

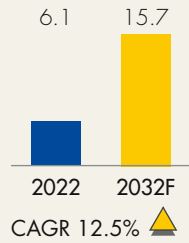
The global ball point and gel pen market size is estimated US\$ 6.1 billion in 2022 and expected to reach US\$ 15.7 billion in 2030 at a compound annual growth rate (CAGR) of 12.5% from 2022 to 2030. Pens dominate the market, especially in the student segment, accounting for 33.8% market share in 2022. The economic segment leads in terms of price point, while the premium segment is anticipated to experience the fastest growth.

The global luxury pen market is expected to grow from US\$ 2.3 billion in 2021 to US\$ 3.8 billion in 2030 at a compound annual growth rate (CAGR) of 5.8%.

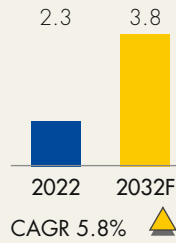
Global writing instruments market (US\$ billion)



Global ball point and gel pen market (US\$ billion)



Global luxury pen market (US\$ billion)



Share of relevant market

	2020	2027
Ball and gel pen	36%	41%
Roller	9%	9%

(Source: verifiedmarketreports.com)

**Indian writing instruments industry overview**

The Indian writing and creative instruments industry is thriving with a market value of US\$ 96.8 billion in FY2022-23, it is expected to reach US\$ 140-145 billion in FY2027-28 at a compound annual growth rate (CAGR) of 7.7% - 8.4%

Pencils, predominantly used by students up to class 5, continue to hold sway, with wooden pencils dominating despite innovations like mechanical ones. Expected to grow at a CAGR of 4.5% - 5.5%, the pencil market is estimated to reach ₹23 - 24 billion in FY2027-28 from ₹18.2 billion in FY2022-23.

The marker and highlighter segment, favoured by office workers and students alike, is anticipated to grow at a CAGR of 5% - 6.5%, reaching ₹6.5 - 7 billion in FY2027-28 from ₹5.1 billion in FY2022-23.

The Indian pen market, with a market share of 65% in the writing instruments market in FY2022-23 and is expected to reach 68% by FY2027-28. The pen market is estimated to grow from a market value of ₹43.1 billion to ₹62-65 billion in FY2027-28 at a compound annual growth rate (CAGR) of 7.5% - 8.5%, driven by factors like rising literacy rates and increasing student and working populations.

With massmarket pens driven by volume and premium pens by brand leverage, the industry offers options across various price levels, catering to different consumer segments.

Several factors drive the growth of the writing instrument market, including India's sizable population, with a significant portion in the 5-24 age group. Government initiatives like Sarva Shiksha, aimed at achieving 100% literacy by 2025 and increased educational spending, with the government allocating

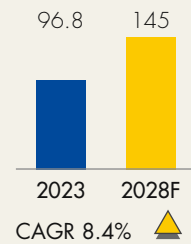
₹1.12 lakh crores for education in FY2023-24, signal growth prospects.

With over 250 million school-going students and a rising literacy rate, the sector stands to benefit from policies like the National Education Policy 2020, which aims for 100% Gross Enrollment

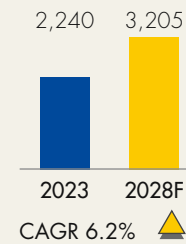
Ratio (GER) by 2030 and increased public investment in education to 6% of GDP by FY2023-24.

(Source: verifiedmarketresearch.com; www.indiabudget.gov.in; hindustantimes.com; www.ibef.org; www.prnewswire.com; www.mbarendezevous.com; I: www.imarcgroup.com; I:GER: Gross Enrollment Ratio Crisis: An assessment of writing and creative instruments industry and steel bottle industry in India, linkedin.com)

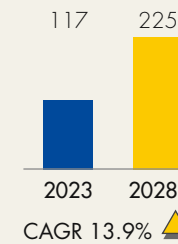
Indian writing and creative instruments market (₹ billion)



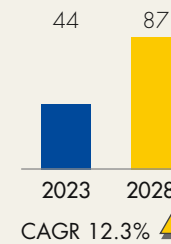
Indian school stationery supplies market (US\$ billion)



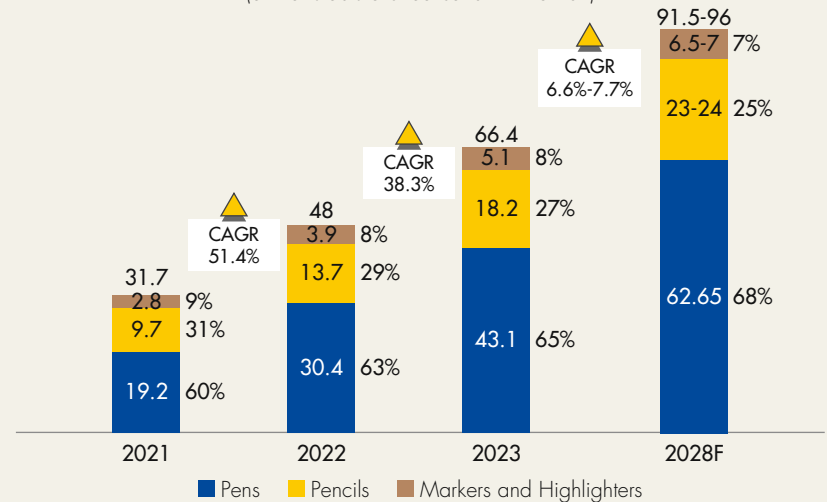
Indian education industry (US\$ billion)



Indian schools market (US\$ billion)



Indian writing instruments market (at manufacturer's realisation in ₹ billion)



### Global stationery market overview

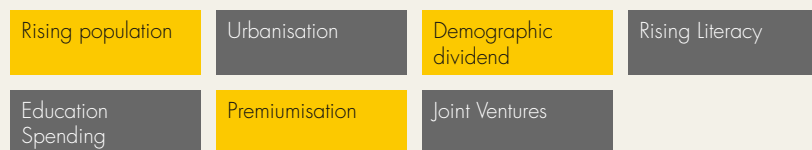
The global stationery market, valued at US\$ 192.2 billion in 2020, is projected to grow steadily, reaching US\$ 217.9 billion by 2027. This growth is primarily fuelled by increasing literacy rates and a rising number of youths pursuing higher education, alongside government initiatives to expand educational infrastructure worldwide. The corporate gifting market and the colouring instruments demand, especially for highlighters and markers.

However, rapid digitisation poses challenges, with initiatives like green schooling limiting traditional stationery use. Despite this, the enduring belief in pen-and-paper education is likely to sustain growth.

In emerging markets like India, government support for international companies aids growth. Adapting to consumer preferences and technology is vital for continued market expansion.

(Source: factmr.com, timesofindia, pnewswire.com)

### Growth drivers



### Financial review, FY2023-24 and outlook

Revenues for the year increased to ₹502 crores compared to ₹487 crores in the previous financial year.

PAT for the year was ₹34.1 crores compared to ₹37.4 crores in the previous financial year.

The Company is projected to generate profitable and sustainable growth in foreseeable future.

### Internal control systems and adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and involves a range of personnel who act in a coordinated manner while executing their respective

responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department work under the supervision of the Board-appointed Statutory Auditors.

### Human resources

Linc places a significant emphasis on its workforce as a key source of competitive advantage. The Company values its employees for their diverse sectoral experience, technological proficiency and domain knowledge. Linc's human resources culture is characterised by a commitment to challenging traditional norms to boost competitiveness. Decision-making aligns with both professional and personal goals, fostering an optimal work-life balance and instilling pride in association. As of 31 March 2024, the company had 1063 on-roll employees, compared to 1026 in the previous fiscal year.

### Key financial ratios for the Company

	FY24	FY23
Operating profit margin (%)	9.5	10.4
Net profit margin (%)	6.8	7.7
Debtors turnover (days)	33	27
Inventory turnover (days)	62	54
Current ratio	2.4	2.6
Debt/equity ratio	-	-
Return on net worth (%)	18.0	23.0
Interest coverage ratio	22.9	79.8

Change in operating profit / Net profit margin and return on net worth as compared to the preceding year was due to higher earnings from operations and reduction in finance cost.

Change in debtors and inventory turnover as compared to the preceding year was due to an increase in revenue.

Change in interest coverage ratio as compared to the preceding year was due to higher earnings from operations and reduction in finance cost.

### 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

## Risk management

### Economic risk

The Company's growth prospects could be influenced by economic expansion.

**Mitigation:** Linc's growth strategy involves expanding its market reach both nationally and internationally. The Company aims to enhance its presence in a way that minimizes vulnerabilities in specific markets, ensuring overall robust performance.

### Competition risk

The Company's market share could face a reduction or constrained growth due to competitive pressures.

**Mitigation:** Linc distinguishes itself from competitors by providing products with innovative designs, contributing to an attractive price-value proposition.

### Quality risk

The brand of the Company may suffer if it fails to deliver products of high quality.

**Mitigation:** Linc, a leading writing instrument brand in India, is renowned for its quality products and positive customer perception. The Company ensures quality through measures such as integration, ISO 9001-2008 certification, the use of premium polymers and the implementation of compatible designs.

### Raw material risk

More than 50% of the Company's raw materials come from crude oil. A rise in crude oil prices can lead to increased production costs for the Company.

**Mitigation:** To counter potential cost rises linked to crude oil, Linc is emphasising the creation of value-added products with higher margins to offset these increases.

### Digitalisation risk

The industry faces a risk from rapid digitalisation, as could lead to a decline in the consumption of pens and ink.

**Mitigation:** At Linc, we innovate through diversified product lines and R&D investments to enhance the writing experience, setting our products apart from digital alternatives.

## Directors' Report

*Dear members,*

Your Directors have pleasure in presenting their 30<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2024.

### Financial Highlights

(₹ in Lakhs)

Particulars	2023 – 24	2022 – 23
Revenue from Operations	50,189.02	48,675.52
Other Income	676.35	348.09
Profit before depreciation, interest and taxation	6,258.21	6,483.94
Finance Cost	208.59	63.58
Depreciation	1,477.66	1,411.44
Profit before Tax	4,571.96	5,008.92
Provision for Taxation - Current	1,162.50	1,308.00
- Income Tax for earlier years		-
- Deferred	(1.27)	(38.76)
Profit after Tax	3,410.73	3,739.68
Total Other comprehensive Income	(110.68)	(35.13)
Total Comprehensive Income of the Year	3,300.05	3,704.55
<b>Statement of Retained Earnings</b>		
Balance at the beginning of the year	1,960.07	1,523.22
Add: Total Comprehensive Income of the Year	3,300.05	3704.55
Less: Dividend of the previous year paid during the year	743.61	267.70
Transfer to General Reserve	3,000.00	3,000.00
<b>Balance at the end of the year</b>	<b>1,516.51</b>	<b>1,960.07</b>

### Dividend

Your Directors recommend a Dividend of ₹5/- per equity share (previous year ₹5/- per equity share) for the year ended 31<sup>st</sup> March, 2024. The Dividend Distribution Policy is available on weblink -

<https://linclimited.com/wp-content/uploads/2023/04/Dividend-Distribution-Policy.pdf>

### Financial Performance

During the year under review, the Company's Revenue from Operations increased by 3.1% to ₹50,189 Lakhs as compared to ₹48,676 Lakhs during the preceding year. The Profit after Tax during the year was ₹3,411 Lakhs as compared to ₹3,740 Lakhs in the previous year, a decrease of 8.8%.

The year-end debtors were 33 days of sales for the year as compared to 27 days in the previous year. The inventory holding as at year end was for 62 days of sales as compared to 54 days as at the end of previous year.

On a consolidated basis, your Company reports Revenue from Operations ₹50,785 Lakhs and a consolidated Profit after Tax ₹3,439 Lakhs for the year under review.

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 as well as other sections of the Annual Report.

### Acquisition Outside India

The Company entered into an agreement with Gelx Industries Limited, Kenya to acquire 60% of its shareholding to enable the Company to grow in African market. Gelx is engaged in the business of manufacturing and selling of writing instruments. The Company completed the process of acquisition and post completion of the acquisition formalities, Gelx Industries Limited, Kenya has become a subsidiary of the Company w.e.f. 3<sup>rd</sup> October, 2023.

### Joint Venture arrangement

The Company had incorporated a wholly owned subsidiary in the name of "Morris Linc Private Limited" on 28<sup>th</sup> June, 2023. The Company entered into a Joint Venture Agreement dated 23<sup>rd</sup> October, 2023 with Morris Co. Ltd. ("Morris") via the aforesaid company to carry out manufacture and sale of anti-ink dry marker with automatic air tight sealing mechanism in a Profit Share Ratio of 50:01 : 49:99 for the Company & Morris respectively. Investment in the aforesaid company has been considered as a 'Joint Venture' in terms of IND AS 111 "Joint Arrangements".

### 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.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In terms of Section 186 of the Act and Rules framed thereunder, details of the Loans given and Investments made by your Company have been disclosed in Note No. 7 of the Notes to Financial Statements for

the financial year ended March 31, 2024, which forms part of this Annual Report. Your Company has not given any guarantee or provided any security during the year under review. The disclosure as per Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014, as amended, is not applicable to your Company.

### 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, SS-2 and SS-3, relating to 'Meetings of the Board of Directors', 'General Meetings' and 'Dividend', 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 N. K. Dujari, Director-Finance & CFO of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

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

Shri Deepak Jalan - Managing Director  
 Shri Alopek Jalan - Whole Time Director  
 Shri Rohit Deepak Jalan - Whole Time Director  
 Shri N. K. Dujari – Director - Finance & CFO  
 Shri Dipankar De – Company Secretary  
 Shri Kaushik Raha, Company Secretary has resigned from the Company w.e.f. 5<sup>th</sup> January, 2024.

### 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 - <https://linclimited.com/wp-content/uploads/2023/04/Policy-on-Related-Party-Transaction.pdf>

### 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.

### Annual Return

The Annual Return of the Company as on March 31, 2024 is available on the Company's website and can be accessed at [www.linclimited.com](http://www.linclimited.com)

### 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 re-appointed as the Statutory Auditors of the Company in 28<sup>th</sup> Annual General Meeting held on 5<sup>th</sup> September, 2022 for a period of 5

consecutive years commencing from the conclusion of the 23<sup>rd</sup> Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company to be held in year 2027.

In accordance with the Companies Amendment Act, 2017 enforced on 7<sup>th</sup> 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 2023-24. The report of the Secretarial Auditor is annexed as Annexure – E.

### 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 - F 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 ₹38.09 Lakhs and the company has spent ₹39.90 Lakhs during the current financial year.

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.

Number of complaints received by the Committee during the financial year: Nil

### 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.
- Application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- Maintenance of the cost records under Section 148(1) of the Companies Act, 2013.
- 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



**Deepak Jalan**  
Managing Director  
DIN: 00758600



**Rohit Deepak Jalan**  
Whole Time Director  
DIN: 06883731

Place: Kolkata  
Dated: 2<sup>nd</sup> May, 2024

## 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 eight, whose composition is given below:

- 3 Promoter, Executive Directors
- 1 Executive Director
- 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 Directorship <sup>§</sup>	No. of Membership/ Chairmanship of other Board Committee <sup>(+)(§)</sup>
Shri Deepak Jalan	00758600	Promoter, Executive	1	Nil
Shri Alopek Jalan	00758762	Promoter, Executive	Nil	Nil
Shri Rohit Deepak Jalan	06883731	Promoter, Executive	Nil	Nil
Shri N. K. Dujari	03160828	Executive	Nil	Nil
Shri Naresh Pachisia	00233768	Independent, Non- Executive	4	4 (as Member)
Shri Anil Kochar	00943161	Independent, Non- Executive	2	1 (as Chairman)
Ms. Supriya Newar	07144076	Independent, Non- Executive	Nil	Nil
Shri Sanjay Jhunjunwalla	00233225	Independent, Non- Executive	1	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 Limited.

There is no permanent Chairman of 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.

#### Details of Directorship in Listed Companies as on 31<sup>st</sup> March, 2024

Name of the Director	Name of Listed Company	Category
Shri Deepak Jalan	Linc Limited	Promoter, Executive
Shri Alope Jalan	Linc Limited	Promoter, Executive
Shri Rohit Deepak Jalan	Linc Limited	Promoter, Executive
Shri Naresh Pachisia	Linc Limited	Independent, Non- Executive
	Gillanders Arbuthnot & Co. Limited	Independent, Non- Executive
	SKP Securities Limited	Executive
	Century Plyboards (India) Ltd.	Independent, Non- Executive
Shri Anil Kochar	Linc Limited	Independent, Non- Executive
	Mysore Petro Chemicals Ltd.	Independent, Non- Executive
Ms. Supriya Newar	Linc Limited	Independent, Non- Executive
Shri Sanjay Jhunjhunwalla	Linc Limited	Independent, Non- Executive
Shri N. K. Dujari	Linc Limited	Executive

#### Executive Directors:

Shri Deepak Jalan	a commerce graduate with 38 years of experience in the business with a specialisation in international operations, is Managing Director.
Shri Alope Jalan	a commerce graduate with 33 years of experience in the business
Shri Rohit Deepak Jalan	BA Hons. in Management studies from University of Nottingham, UK and completed his PG diploma in Business Management with specialisation in Marketing. He is heading the International Business Department of the Company.
Shri N. K. Dujari	a Fellow Member of Institute of Chartered Accountants of India (ICAI) and Institute of Company Secretaries of India (ICSI). He has more than 36 years of professional experience.

#### Independent, Non-Executive Directors

Shri Naresh Pachisia	have 42 years of rich experience in Wealth Management and Capital Market.
Shri Anil Kochar	a postgraduate in commerce and LLB, is an eminent advisor on income tax matters.
Ms. Supriya Newar	Master's degree in International Relations, keenly involved with the world of Brand and Communications for the last two decades.
Shri Sanjay Jhunjhunwalla	is a commerce graduate and having more than 37 years of rich experience in diverse fields.

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.linclimited.com](http://www.linclimited.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 judgement, 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, 2024, five Board Meetings were held on 12<sup>th</sup> May, 2023, 31<sup>st</sup> July, 2023, 2<sup>nd</sup> November, 2023, 8<sup>th</sup> February, 2024 and 22<sup>nd</sup> March, 2024. The meeting held on 22<sup>nd</sup> March, 2024 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 Director	No. of Board meetings attended	Attendance at last AGM held on 28.08.2023
Shri Naresh Pachisia	5	Present
Shri Deepak Jalan	4	Present
Shri Alope Jalan	4	Present
Shri Rohit Deepak Jalan	3	Present
Shri N. K. Dujari	4	Present
Shri Anil Kochar	5	Present
Ms. Supriya Newar	5	Absent
Shri Sanjay Jhunjhunwalla	5	Present



### 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.linclimited.com](http://www.linclimited.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 31<sup>st</sup> March, 2024, four Audit Committee Meetings were held on 12<sup>th</sup> May, 2023, 31<sup>st</sup> July, 2023, 2<sup>nd</sup> November, 2023 and 8<sup>th</sup> February, 2024. The attendance of the Members were as under-

Members	No. of Meetings Attended
Shri Anil Kochar, Chairman	4
Shri Naresh Pachisia	4
Shri Sanjay Jhunjhunwalla	4
Shri Deepak Jalan	4

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 Anil Kochar, Shri Sanjay Jhunjhunwalla and Ms. Supriya Newar all of whom are Independent and Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. During the year, the Nomination and Remuneration Committee met on 12<sup>th</sup> May, 2023 and 8<sup>th</sup> February, 2024. The attendance of the Members were as under-

Members	No. of Meetings Attended
Shri Naresh Pachisia, Chairman	2
Shri Anil Kochar	2
Shri Sanjay Jhunjhunwalla	2
Ms. Supriya Newar	2

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	1,35,00,000	16,20,000	-	60,00,000	2,11,20,000	Terms of office valid upto 30.09.25. No notice period & severance fee.
Shri Alope Jalan	Brother of Managing Director	1,08,00,000	12,96,000	-	30,00,000	1,50,96,000	-do-
Shri Rohit Deepak Jalan	Son of Managing Director	72,00,000	8,64,000	-	-	80,64,000	-do-
Shri N. K. Dujari	None	21,94,500	2,39,400	-	-	24,33,900	Terms of office valid upto 13.02.25. No notice period & severance fee.
Shri Naresh Pachisia	None	-	-	4,35,000	5,00,000	9,35,000	Appointed for a period of 5 years w.e.f. 29.08.19.
Shri Anil Kochar	None	-	-	4,25,000	5,00,000	9,25,000	-do-
Ms. Supriya Newar	None	-	-	4,20,000	5,00,000	9,20,000	Appointed for a period of 5 years w.e.f. 03.09.20.
Shri Sanjay Jhunjhunwalla	None	-	-	3,00,000	5,00,000	8,00,000	Appointed for a period of 5 years w.e.f. 12.11.21.

### 6. SHAREHOLDERS' COMMITTEE:

#### i) Share Transfer Committee:

The Share Transfer Committee comprises of Shri Deepak Jalan, Shri Naresh Pachisia and Shri N. K. Dujari. 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 31<sup>st</sup> March, 2024, 6 (Six) Share Transfer Committee Meetings were held. Number of Shares pending for transfers as on 31<sup>st</sup> March, 2024 were Nil.

#### ii) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of Shri Anil Kochar, Chairman, Shri Deepak Jalan and Shri Alope 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 3. There was 1 outstanding complaint as on 31<sup>st</sup> March, 2024. During the year, the Stakeholders' Relationship Committee met on 8<sup>th</sup> February, 2024.

The attendance of the Members were as under-

Members	No. of Meetings Attended
Shri Anil Kochar, Chairman	1
Shri Deepak Jalan	1
Shri Alope Jalan	1

#### iv) Senior Management:

Name	Designation
Ms. Ekta Jalan	Senior Manager - Corporate & Mismat
Shri Shivam Nathani	DGM - Finance
Shri Ankur Tewari	GM- GT Sales
Shri Deepak Ramgaria	DGM – Material Management
Shri Shailesh Didwania	DGM – Warehouse and Logistics
Shri V J Ganesh	DGM – Production
Shri Dipankar De	Company Secretary

Shri Dipankar De was appointed as the Company Secretary & Compliance Officer of the Company in place of Shri Kaushik Raha during the financial year under review. Mr. Shivam Nathani was appointed as DGM - Finance during the financial year under review.

### 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee comprises of Shri Deepak Jalan as the Chairman, Shri Alope 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. FINANCE AND MANAGEMENT COMMITTEE:

The Finance and Management Committee

#### iii) Compliance Officer:

The Board has designated Shri Dipankar De, Company Secretary as the compliance officer w.e.f 8<sup>th</sup> February, 2024 in place of Shri Kaushik Raha, who has resigned w.e.f. 5<sup>th</sup> January, 2024.

comprises of Shri Deepak Jalan, Shri Alope Jalan, Shri Rohit Deepak Jalan and Shri N. K. Dujari. The Committee is to oversee the internal operation and control of the day to day functions. During the financial year ended 31<sup>st</sup> March, 2024, 3 (Three) Finance and Management Committee meetings were held.

### 9.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.linclimited.com](http://www.linclimited.com).

### 10. GENERAL BODY MEETING:

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

Financial Year	Date	Location of the Meeting	Time
2020 – 2021	15.09.21	Through Video Conferencing (“VC”) or other Audio Visual Means (“OAVM”)	11.00 a.m.
2021 – 2022	05.09.22	Through Video Conferencing (“VC”) or other Audio Visual Means (“OAVM”)	11.00 a.m.
2022 – 2023	28.08.23	Through Video Conferencing (“VC”) or other Audio Visual Means (“OAVM”)	11.00 a.m.

One special resolution was passed at AGM held on 15.09.2021, three special resolutions were passed at the AGM held on 05.09.2022 and one special resolution was passed at AGM held on 28.08.2023. No special resolution is proposed to be conducted through postal ballot at the forthcoming AGM to be held on 28<sup>th</sup> August, 2024.

### 11. DISCLOSURES:

- i) Details of related party transactions during the year have been set out under Note No.38 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.linclimited.com](http://www.linclimited.com) .
- ii) No penalties/strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets 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.linclimited.com](http://www.linclimited.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 31<sup>st</sup> March, 2024.
- vi) None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by M/s D. C. Sahoo & Co., Practicing Company Secretaries. (Annexure-G)
- vii) Confirmation by the Board with respect to the Independent Directors is provided in the ‘Directors’ Report’, forming part of the Annual Report.
- viii) The Company has one subsidiary as on 31<sup>st</sup> March, 2024. The Company does not have any material subsidiary.
- ix) 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.

- x) The total fees paid by the Company to M/s Singhi & Co., Statutory Auditors of the Company, and all other entities forming part of the same network, aggregate ₹19.01 Lakhs.
- xi) Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.
- xii) Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, number of complaints received by the Committee during the financial year: NIL
- xiii) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': NIL (Not including Loans and Advances in the nature of Loans, if any, given by the Company to its subsidiary).
- xiv) There are no agreements that are required to be disclosed in terms of Schedule V, Para G to the Listing Regulations. The Company has duly complied with the requirements of corporate governance report under sub-para (2) to (10) of Para C of Schedule V to the Listing Regulations. Other items which are not applicable to the Company have not been separately commented upon.

## 12. 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 Sukhabar. These results are also made available on the website of the Company [www.linclimited.com](http://www.linclimited.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.linclimited.com](http://www.linclimited.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@linclimited.com](mailto:investors@linclimited.com)

## 13. GENERAL SHAREHOLDER INFORMATION:

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

### i) Annual General Meeting

Date and Time	28 <sup>th</sup> August, 2024 at 11.00 a.m.(IST)
Venue	AGM will be held through Video Conference or Other Audio Visual Means

### ii) Financial Calendar

Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
Results	1 <sup>st</sup> Qtr – 1 <sup>st</sup> week of August, 2024
	2 <sup>nd</sup> Qtr – 1 <sup>st</sup> week of November, 2024
	3 <sup>rd</sup> Qtr – 1 <sup>st</sup> week of February, 2025
	4 <sup>th</sup> Qtr – 3 <sup>rd</sup> Week of May, 2025

iii) **Book closure date** 22<sup>nd</sup> August.2024 to 28<sup>th</sup> August, 2024 on account of AGM.

iv) **Dividend payment date** After 28<sup>th</sup> August, 2024

### v) Listing of Equity Shares on Stock Exchanges at

- i) The Calcutta Stock Exchange Ltd  
7, 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 2023 – 24 has been paid to the above Stock Exchanges.

vii) **Stock Code**

Calcutta Stock Exchange - 10022035
Bombay Stock Exchange - 531241
National Stock Exchange- LINC
Demat ISIN No. – INE 802B01019

### viii) Market Price Data – High /Low during each month of the year ended 31<sup>st</sup> March, 2024, at the Bombay Stock Exchange and National Stock Exchange.

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2023	640.00	500.10	1,93,173	641.00	515.25	9,52,073
May, 2023	799.50	599.50	1,20,627	798.95	600.20	11,85,720
June, 2023	810.00	660.00	58,614	807.80	682.00	4,93,789
July, 2023	724.70	647.95	53,488	725.40	650.00	4,31,406
August, 2023	688.90	598.60	50,979	688.95	592.90	4,86,946
September, 2023	785.00	634.00	53,213	779.95	632.75	9,11,761
October, 2023	883.65	736.30	81,525	900.00	739.65	9,97,554
November, 2023	831.10	652.05	1,05,160	832.25	652.65	11,57,141
December, 2023	746.15	642.80	42,722	750.00	640.20	5,60,553
January, 2024	726.15	606.40	56,198	725.00	609.00	6,04,851
February, 2024	639.20	515.00	57,057	639.80	501.15	6,70,595
March, 2024	567.90	463.50	45,107	568.45	463.20	5,63,353

ix) **Share Price performance in 2023-24 in comparison to broad based indices – BSE Sensex and NSE Nifty**

% Change in Linc's Share Price: -3.67 %	% Change in BSE Sensex: 24.85 %
% Change in Linc's Share Price: -2.70 %	% Change in NSE Nifty: 28.61 %

x) **Share Transfer System:**

In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares and Demat are confirmed within a maximum period of 14 days by:

**Registrar and Share Transfer Agent**

M/s. Maheswari Datamatics Pvt. Ltd.  
 23, R. N. Mukherjee Road, 5<sup>th</sup> Floor,  
 Kolkata – 700 001  
 Phone – 2243 5029/2248 2248,  
 Fax – 2248 4787, e-mail - info@mdpl.in; mdpldc@yahoo.com

xi) **Distribution of Shareholding:**

Distribution of Shareholding by Ownership:

	Holding Pattern	No. of Shares	Shareholding %
1	Promoters & Associates	88,43,405	59.46
2	IEPF	36,347	0.24
3	NRI, FII, etc.	22,60,158	15.20
4	Private Corporate Bodies	8,21,435	5.53
5	Indian Public	29,10,946	19.57
	<b>Total</b>	<b>1,48,72,291</b>	<b>100.00</b>

Distribution of Shareholding by Size:

Range of Shares	Shareholders		Shares	
	Number	%	Nos.	%
1 to 500	10,686	94.30	6,26,243	4.21
501 to 1000	281	2.48	2,25,233	1.51
1001 to 5000	255	2.25	5,65,854	3.80
5001 to 10000	49	0.43	3,39,703	2.28
10001 & above	61	0.54	1,31,15,258	88.19
<b>Total</b>	<b>11,332</b>	<b>100.00</b>	<b>1,48,72,291</b>	<b>100.00</b>

xii) **Dematerialisation of Shares:**

Holding	No. of Holder	%	No. of Shares	%
Physical	230	2.03	83,753	0.56
Demat	11,102	97.97	1,47,88,538	99.44
<b>Total</b>	<b>11,332</b>	<b>100.00</b>	<b>1,48,72,291</b>	<b>100.00</b>

xiii) **Outstanding GDR/ADR or any convertible Instruments :** Not Applicable

xiv) **The manufacturing facilities of the Company are located at:**

- Linc Estate, Usthi Road, Serakole, 24 Paragans (South), West Bengal; and
- OHM Industrial Infrastructure Park, Plot No.: 7/8/11/12, Umbergaon, Gujarat

xv) **Address for Correspondence:**

For Share Transfer and related queries	For General Assistance
M/s. Maheswari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5 <sup>th</sup> Floor, Kolkata – 700 001 Phone – 2243 5029/2248 2248, Fax – 2248 4787 e-mail – info@mdpl.in; mdpldc@yahoo.com	Mr. Dipankar De, Company Secretary & Compliance Officer Linc Limited Aurora Water Front, 18 <sup>th</sup> Floor GN 34/1, Sector-V, Salt Lake, Kolkata – 700 091 Phone – 6826 2100 e-mail – investors@linclimited.com

xvi) **Credit Rating**

During the year, the Company has sustained its long term bank facility credit rating of CRISIL A/Stable and short term bank facility credit rating of CRISIL A1 which has been reaffirmed by CRISIL Limited.

**Declaration**

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors and Senior Management Personnel have affirmed compliance with the Companies Code of Conduct during the financial year ended 31<sup>st</sup> March, 2024.



**Deepak Jalan**  
 Managing Director  
 DIN: 00758600

Place: Kolkata  
 Date: 2<sup>nd</sup> May, 2024

## CEO / CFO CERTIFICATION

The Board of Directors  
**Linc Limited**  
 Kolkata


### Re: Financial Statements for the financial year 2023–24 - Certification by MD and CFO

We, Deepak Jalan, Managing Director and N. K. Dujari, Director – Finance & Chief Financial Officer of Linc Limited, on the review of financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024 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**  
 Director – Finance &  
 Chief Financial Officer  
 DIN: 03160828



**Deepak Jalan**  
 Managing Director  
 DIN: 00758600

Place: Kolkata  
 Date: 2<sup>nd</sup> May, 2024

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To  
 The Members of  
**Linc Limited** (formerly known as Linc Pen & Plastics Limited)

1. We have examined the compliance of conditions of Corporate Governance by **Linc Limited (formerly known as Linc Pen & Plastics Limited)** ("the Company"), for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) & (t) of Regulation 46(2) and para C, D and E of Schedule V to the Securities and Exchange Board of India (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

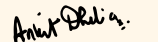
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined 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) & (t) of Regulation 46(2) and para C, D and E of Schedule V to the Listing Regulations during the year ended March 31, 2024.
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 Registration No.302049E

  
**(Ankit Dhelia)**

Partner

Membership No. 069178  
 UDIN: 24069178BKFD0A8101

Place: Kolkata  
 Date: May 02, 2024

**Annexure – C**  
**CONSERVATION OF ENERGY**

**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 consumption of 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 – ₹11,072 Lakhs  
 Foreign Exchange Earned – ₹9,066 Lakhs



**Deepak Jalan**  
Managing Director  
DIN: 00758600



**Rohit Deepak Jalan**  
Whole Time Director  
DIN: 06883731

Place: Kolkata  
Dated: 2<sup>nd</sup> May, 2024

**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 / KMP and Designation	Designation	Ratio of remuneration of each Director/ to median remuneration of employees	% increase in Remuneration over Last Year
Shri Deepak Jalan	Managing Director	81.6:1	13.55
Shri Aloke Jalan	Whole Time Director	58.4:1	15.41
Shri Rohit Deepak Jalan	Whole Time Director	31.2:1	60.00
Shri Naresh Pachisia	Independent, Non- Executive	3.6:1	(9.66)
Shri Anil Kochar	Independent, Non-Executive	3.6:1	(10.19)
Shri Sanjay Jhunjhunwalla	Independent, Non-Executive	3.1:1	(8.57)
Ms. Supriya Newar	Independent, Non-Executive	3.6:1	(5.15)
Shri N. K. Dujari	Director- Finance and CFO	9.4:1	-
Dipankar De* <sup>@</sup>	Company Secretary	NA	NA
Kaushik Raha** <sup>@</sup>	Company Secretary	NA	NA

\* Shri Dipankar De, Company Secretary was appointed w.e.f. 8<sup>th</sup> February, 2024

\*\* Shri Kaushik Raha, Company Secretary was resigned w.e.f. 5<sup>th</sup> January, 2024

<sup>@</sup> Not comparable since employed for part of the financial year.

1. The number of permanent employees as on 31<sup>st</sup> March, 2024 was 1063
2. Compared to the previous year 2022-23, the figures for the current year 2023-24 reflects that:
  - i) Median remuneration of all employees have increased by 22 %
  - ii) Remuneration of Key Managerial Personnel has increased by 21 %
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	2,11,20,000	B.Com	62 / 38	01.04.1995	-
Shri Aloke Jalan	Whole Time Director	1,50,96,000	B.Com	55 / 33	01.05.2004	-
Shri Rohit Deepak Jalan	Whole Time Director	80,64,000	P G D in Business Economics (Mktg)	35 / 12	01.09.2012	-
Ms. Divya Jalan	Manager	48,54,901	Graduate	37 / 15	16.06.2008	-
Shri Ankur Tewari	General Manager - GT Sales	42,52,766	BA(Hons), Economics, PGDBA (Mktg)	49 / 25	15.03.2022	Ferrero India Pvt. Ltd.
Ms. Ekta Jalan	Senior Manager	44,44,559	Graduate	33 / 5	01.05.2018	-
Shri Prashant Pravin Vithalani	Senior Manager - GT Sales	27,97,284	MBA (Marketing)	41 / 18	07.06.2021	Intergrow Brand Pvt. Ltd
Shri Deepak Ramgaria	Deputy General Manager - Materials Management	25,37,128	B.Com (H), PGD in Material Management	53 / 24	06.01.2010	-
Shri N. K. Dujari	Director- Finance & CFO	24,33,900	B.Com(H), FCA, FCS	57 / 37	01.12.2000	Globsyn Webel Ltd.
Shri Arun Sharma	Senior Manager - GT Sales	23,11,408	M.A.	49 / 26	02.02.2018	Shyam Dhani Industries Pvt. Ltd.

**Notes:**

- The nature of employment of Managing Director and Whole Time Director is contractual and other terms and conditions are as per Company's rules.
- Remuneration includes Company's contribution to provident fund, 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.



**Deepak Jalan**  
Managing Director  
DIN: 00758600



**Rohit Deepak Jalan**  
Whole Time Director & Marketing  
DIN: 06883731

Place: Kolkata  
Dated: 2<sup>nd</sup> May, 2024

**Annexure – E**  
**SECRETARIAL AUDIT REPORT**

**For the Financial Year Ended 31<sup>st</sup> March, 2024**

**[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,  
**LINC LIMITED** (formerly Linc Pen & Plastics Limited)  
CIN: L36991WB1994PLC065583  
Registered Off: Aurora Water Front, 18<sup>th</sup> Floor,  
GN 34/1, Sector-V, Salt Lake, Kolkata- 700091

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s LINC LIMITED** (hereinafter called the Company) for the financial year ended **31<sup>st</sup> March, 2024**. 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 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 31<sup>st</sup> March, 2024 ('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 LIMITED** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2024** according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The 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, 2018,
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulations, 2021 (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, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 and the Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021, (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, is not applicable to the Company, since Company is not Registered as Registrar to issue and Share Transfer Agent, during the Financial Year under review;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable to the Company, since the subject Company not have delisted its equity shares from any stock exchange(s) during the financial year under review); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; not applicable, since the subject Company has not bought back / propose to buyback any of its securities during the financial year under review;
- (vi) The management has identified and confirmed the following laws as specifically applicable to the Company:
  - (i) The Legal Metrology 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 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 and amendments made thereunder.

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 on majority basis, with dissenting member's views (if any) are captured and 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 entered into or taken two major decisions which have influential financial impact on the entire affairs of the Company:

- i) A Joint Venture agreement has been executed with Morris Co. Ltd. (a South Korean Company) to carry out manufacture and sale of anti-ink dry marker with automatic air tight sealing mechanism through an Indian joint venture company, Morris Linc Private Limited ("JVC");
- ii) Company has acquired 60% shares of Gelx Industries Limited, a Kenya based Company having same line of business through FDI route, whereby the said Company has become a Subsidiary of Linc Limited.

**For D. C. Sahoo & Co.**  
Company Secretaries



**D. C. Sahoo**  
Proprietor

M. No.: ACS No: 14008

C P No.: 5508

UDIN: A014008F000300008

PRC No: 3491/2023

Place: Kolkata

Date: 02.05.2024

**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,  
**LINC LIMITED** (formerly Linc Pen & Plastics Limited)  
CIN: L36991WB1994PLC065583  
Registered Off: Aurora Water Front, 18<sup>th</sup> Floor,  
GN 34/1, Sector-V, Salt Lake, Kolkata- 700091

**Annexure – F**  
**ANNUAL REPORT ON CSR ACTIVITIES**

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

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

UDIN: A014008F000300008

PRC No: 3491/2023

Place: Kolkata  
Date: 02.05.2024

**1 Brief outline on CSR Policy of the Company.**

The Company has adopted a CSR Policy in compliance with the Companies Act, 2013, which is placed on the website of the Company - [www.linclimited.com](http://www.linclimited.com). The Company contributed in the field of Education, Eradicating Hunger, Nationally Recognised Sports, etc.

**2 Composition of CSR Committee:**

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Deepak Jalan	M D	1	1
2	Aloke Jalan	WTD	1	1
3	Supriya Newar	Independent Director	1	1

- |          |   |  |
|----------|---|--|
| <b>3</b> | Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. | <a href="http://www.linclimited.com">www.linclimited.com</a> |
|----------|---|--|

- |          |  |                |
|----------|--|----------------|
| <b>4</b> | Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. | Not Applicable |
|----------|--|----------------|

- |          |  |               |
|----------|--|---------------|
| <b>5</b> | (a) Average net profit of the company as per sub-section (5) of section 135.                             | ₹ 1,904 Lakhs |
|          | (b) Two percent of average net profit of the company as per sub-section (5) of Section 135               | ₹ 38.09 Lakhs |
|          | (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | -             |
|          | (d) Amount required to be set-off for the financial year, if any.  | -             |
|          | (e) Total CSR obligation for the financial year (b+c- d).  | ₹ 38.09 Lakhs |

6	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	
	(i) Ongoing Project	-
	(ii) Other than Ongoing Project (Ref: Annexure F1)	₹ 39.90 Lakhs
	(b) Amount spent in Administrative Overheads.	-
	(c) Amount spent on Impact Assessment, if applicable.	-
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	₹ 39.90 Lakhs

**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in Lakhs ₹)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.	
	Amount	Date of transfer	Amount	Name of the Fund
39.9	Not Applicable		Not Applicable	

**(f) Excess amount for set off, if any**

Sl. No.	Particular	Amount
i	Two percent of average net profit of the company as per section 135(5)	₹ 38.09 Lakhs
ii	Total amount spent for the Financial Year	₹ 39.90 Lakhs
iii	Excess amount spent for the financial year [(ii)-(i)]	₹ 1.81 Lakhs
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 1.81Lakhs

**7 Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year (s)	Amount transferred to Unspent CSR Account subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	2022-23	-	-	-	-	-	-	-
2	2021-22	-	-	-	-	-	-	-
3	2020-21	-	-	-	-	-	-	-

**8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Yes. No. V

If Yes, enter the number of Capital assets created/ acquired


Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

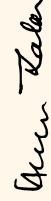
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR spent	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name Registered address
Not Applicable						

**9 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section 5 of section 135.**

Not Applicable

For and on behalf of the Board

  
Deepak Jalan  
Managing Director  
DIN: 00758600

  
Alok Jalan  
Whole Time Director  
DIN: 00758762

Place: Kolkata  
Date: 2<sup>nd</sup> May, 2024

## Annexure – F1

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Local area (Yes/No).		Amount spent for the project (in Lakh ₹ Lakhs)	Mode of implementation-Direct (Yes/No).	Mode of implementation -Through implementing agency	
				State.	District.			Name	CSR registration number
1	Ekal Vidyalaya	(ii)	Yes	West Bengal	Kolkata	15.40	No	Friends of Tribals Society	CSR00001898
2	Promoting Health Care	(i)	Yes	West Bengal	Kolkata	5.00	No	Lions District 322b2 Public Welfare Trust	CSR00048213
3	Suryodaya School	(ii)	Yes	West Bengal	Kolkata	5.00	No	Suryodaya Foundation	CSR00005921
4	Promoting Education	(ii)	Yes	West Bengal	Kolkata	3.00	No	Anandalok	CSR00006500
5	Promoting Education	(ii)	Yes	West Bengal	Kolkata	3.00	No	Ananta Seva Foundation	CSR00026497
6	Promoting Education	(ii)	Yes	West Bengal	Kolkata	2.50	No	Shree Hari Satsanga Samity	CSR00013480
7	Promoting Education	(ii)	No	Rajasthan	Sikar	2.00	No	Gram Bharti Vidhya Peeth Society	CSR00050063
8	Promoting Education	(ii)	Yes	West Bengal	Kolkata	1.00	No	Environmental Education Media Project	CSR00051658
9	Promoting Education	(ii)	Yes	West Bengal	Kolkata	1.00	No	All India Marwari Mahila Samity	CSR00047711
10	Promoting Education	(ii)	Yes	West Bengal	Kolkata	1.00	No	Jagruti	CSR00054758
11	Promoting Education	(ii)	Yes	West Bengal	Kolkata	0.50	No	Mahaveer Seva Sadan	CSR00000949
12	Annamrita Mid-Day Meals	(i)	Yes	West Bengal	Kolkata	0.50	No	Annamrita Foundation	CSR00001973

## Annexure – G

**CERTIFICATE OF  
NON-DISQUALIFICATION OF DIRECTOR**

{Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

To,  
The Members,  
**LINC LIMITED** (formerly Linc Pen & Plastics Limited)  
Registered Off: Aurora Water Front, 18<sup>th</sup> Floor,  
GN 34/1, Sector-V, Salt Lake, Kolkata- 700091

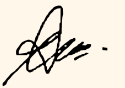
We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **LINC LIMITED** (formerly *Linc Pen & Plastics Limited*) having CIN: **L36991WB1994PLC065583** and having registered office at Aurora Water Front, 18<sup>th</sup> Floor, GN 34/1, Sector-V, Salt Lake, Kolkata- 700091 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Shri Deepak Jalan	00758600	24/10/1994
2	Shri Alope Jalan	00758762	01/05/2007
3	Shri Anil Kochar	00943161	30/05/2014
4	Shri Narayan Kumar Dujari	03160828	14/02/2022
5	Shri Rohit Deepak Jalan	06883731	28/05/2019
6	Ms. Supriya Newar	07144076	31/03/2015
7	Shri Naresh Pachisia	00233768	07/11/1994
8	Shri Sanjay Jhunhunwalla	00233225	12/11/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **D. C. Sahoo & Co.**  
Company Secretaries



**D. C. Sahoo**  
Proprietor

M. No.: ACS No: 14008

C P No.: 5508

UDIN: A014008F000300019

PRC NO: 3491/2023

Place: Kolkata  
Date: 02.05.2024

# INDEPENDENT AUDITOR'S REPORT

To The Members of  
**Linc Limited (Formerly known as Linc Pen & Plastics Limited)**

## Report on the Audit of the Standalone Financial statement

### Opinion

We have audited the accompanying standalone financial statements of Linc Limited (Formerly known as Linc Pen & Plastics Limited) "the Company"), which comprise the Balance sheet as at March 31, 2024, 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 notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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## Financial Statements

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Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue from sale of goods (as described in Note 26 to the standalone financial statements)</b></p> <p>The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration). During F.Y. 2023-24, the Company's Statement of Profit and Loss included Sales of INR 49,784.28 lakhs. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues.</p> <p>The risk is, therefore, that revenue is not recognised in accordance with Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ Considered the appropriateness of Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers';</li> <li>➤ Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts;</li> <li>➤ Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements;</li> <li>➤ Selected sample of sales transactions made pre- and post-year end, agreed the period of revenue recognition to underlying documents; and,</li> <li>➤ Assessed the relevant disclosures made within the standalone financial statements.</li> </ul>
<p><b>Valuation of Inventories (as described in Note 11 to the standalone financial statements)</b></p> <p>The company held inventories amounting to ₹9092.41 lakhs as at the Balance Sheet date, which represent 30.68 % of total assets.</p> <p>As described in the accounting policies in note 1.3(K) to the standalone financial statements, inventories are carried at the lower of cost and net realizable value. Inventories valuation is a significant audit risk as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realizable value below cost based upon future plans for sale of inventory.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ Obtained a detailed understanding and evaluated the design and implementation of controls that the company has established in relation to inventory valuation.</li> <li>➤ Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision.</li> <li>➤ Recomputing provisions recorded to verify that they are in line with the Company policy.</li> </ul>

## Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements

for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
  - (c) The Balance Sheet, the 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on April 1st, 2024 to April 17th, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modifications relating to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 2(b) above on reporting under Section 143(3)(b) of the act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Rules;
  - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) With respect to the matters to be included in the Auditor's Report under section 197(16) of the Act:
 

In our opinion and according to the information and explanations given to us, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35(b) to the standalone 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 during the year ended March 31, 2024.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50(i) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - (b) As stated in note 17(f) to the standalone financial statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of

recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail feature of software used by the Company to maintain payroll records did not operate throughout the year, as described in note 50 (vii) to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where edit log facility was enabled and operated throughout the year.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

*Ankit Dhelia*

**Ankit Dhelia**  
Partner

Membership No. 069178  
UDIN: 24069178BKFDNW7093

Place: Kolkata  
Date: May 02, 2024

## 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 LIMITED (FORMERLY KNOWN AS LINC PEN & PLASTICS LIMITED) AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) During the year, certain Property, Plant and Equipment were physically verified by the management in accordance with a planned programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 2 to the standalone financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stock lying with third parties, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records and material lying with third parties have been substantially confirmed by them. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed.
- (b) As disclosed in note 21 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter ending	Value per books of account (₹ In lakhs)	Value per quarterly return/ statement (₹ In lakhs)	Difference (₹ In lakhs)	Reason for discrepancies
<b>Inventory and Debtors</b>				
June 30, 2023	12,215.73	11,429.40	786.33	As explained by the management, the quarterly statements submitted with banks were prepared on provisional basis and filed before the completion of all financial statement closure which led to these differences.
September 30, 2023	11,614.02	11,238.63	375.39	
December 31, 2023	12,297.48	11,923.41	374.07	
March 31, 2024	14,238.28	13,941.91	296.37	

- (iii) (a) During the year, the Company has granted unsecured loan to one subsidiary company. The Company also has made investments in equity shares of one subsidiary & one joint venture company during the year. Summary of loans granted during the year along with closing balance as at the balance sheet date is given below:

(₹ in Lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
<b>Aggregate amount granted/ provided during the year</b>				
Subsidiary	-	-	291.81	-
Associate / Joint venture	-	-	-	-
Others	-	-	-	-
<b>Balance outstanding as at balance sheet date in respect of above cases</b>				
Subsidiary	-	-	291.81	-
Associate / Joint venture	-	-	-	-
Others	-	-	-	-

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions under which aforesaid investments were made and the loans granted to subsidiary company are not prejudicial to the interest of the Company.
- (c) The Company has granted loan during the year to a subsidiary company where the schedule of repayment of principal and payment of interest has been stipulated. As at the balance sheet date, no repayment of principal and interest are due as per the terms and conditions of grant of loan.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts which are overdue for more than ninety days in respect of loan granted to subsidiary company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loan granted to a subsidiary company has not fallen due during the year.



- (f) The Company has granted loan during the year to a subsidiary company where the schedule of repayment of principal and payment of interest has been stipulated. The details of the aggregate amount of loans granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013 and their closing balances are as given below:

(₹ in Lakhs)

	Loans granted during the year		Closing Balances as on 31-03-2024	
	All Parties	Related Parties	All Parties	Related Parties
Aggregate amount of loans (Repayment terms- After 5 years)	291.81	291.81	291.81	291.81
Percentage of loans to the total loans	100.00%	100.00%	100.00%	100.00%

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans granted and investments made. The company has not given any guarantee or security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The provisions regarding maintenance of the cost records under section 148(1) of the Act are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute, except dues of Entry Tax and Custom Duty which are as follows:

Name of Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which amount relates	Forum where dispute is pending
West Bengal Entry Tax Act	Entry Tax	490.14	2012-13 to 2017-18	Hon'ble High Court, Kolkata
Customs Act, 1962	Custom duty	336.30	2012-13 to 2014-15	Appellate Tribunal, Kolkata

- (viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not availed any term loans during the year. Hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or joint venture company. The company does not have any associate company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year on pledge of securities held in its subsidiary or joint venture company. The company does not have any associate company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone 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 has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) (a) to (c) of the order are not applicable to the Company.
- (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 standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (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) (a) 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. Accordingly, the requirement to report on clause (xvi) (a) & (b) of the order is not applicable to the Company.
- (b) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.
- (c) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 46 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 37 to the standalone financial statements.
- (b) There are no ongoing projects as specified in sub section (6) of section 135 of Companies Act, 2013 and hence reporting under this clause is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

*Ankit Dhelia*

**Ankit Dhelia**  
Partner

Place: Kolkata  
Date: May 02, 2024

Membership No. 069178  
UDIN: 24069178BKFDNW7093

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LINC LIMITED (FORMERLY KNOWN AS 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 with reference to standalone financial statements of Linc Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

### Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 standalone 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 standalone financial statements.

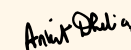
### Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal control with reference to standalone financial statements 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



**Ankit Dhelia**  
Partner

Place: Kolkata  
Date: May 02, 2024

Membership No. 069178  
UDIN: 24069178BKFDNW7093

## Standalone Balance Sheet as at 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
a) Property, plant and equipment	2	9,176.65	8,709.39
b) Capital Work - in - progress	3	905.19	98.13
c) Right-of-Use Assets	4	1,826.79	91.28
d) Intangible Assets	5	108.16	138.80
e) Investments in Subsidiary and Joint venture	6	21.84	-
f) Financial Assets			
i) Loans	7	291.81	-
ii) Other Financial Assets	8	108.58	115.09
g) Income Tax Assets (Net)	9(a)	140.49	138.37
h) Other Non - Current Assets	10	596.54	499.62
<b>Total Non-Current Assets</b>		<b>13,176.05</b>	<b>9,790.68</b>
<b>2. Current Assets</b>			
a) Inventories	11	9,092.41	7,894.75
b) Financial Assets			
i) Trade Receivables	12	5,145.87	3,864.17
ii) Cash & Cash Equivalents	13	1,303.26	759.96
iii) Bank Balances other than (ii) above	14	7.79	480.53
iv) Other Financial Assets	15	81.73	37.97
c) Other Current Assets	16	828.45	917.71
<b>Total Current Assets</b>		<b>16,459.51</b>	<b>13,955.09</b>
<b>TOTAL ASSETS (1+2)</b>		<b>29,635.56</b>	<b>23,745.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	17	1,487.23	1,487.23
b) Other Equity	18	18,791.49	16,235.05
<b>Total Equity</b>		<b>20,278.72</b>	<b>17,722.28</b>
<b>Liabilities</b>			
<b>1. Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Lease Liabilities	45	1,842.74	25.63
b) Provisions	19	425.27	248.06
c) Deferred Tax Liabilities (Net)	20	263.87	302.36
<b>Total Non-Current Liabilities</b>		<b>2,531.88</b>	<b>576.05</b>
<b>2. Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	21	-	-
ii) Lease Liabilities	45	58.35	71.41
iii) Trade Payables	22	-	-
Total outstanding dues of micro enterprises and small enterprises		263.19	215.28
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,302.86	3,720.46
iv) Other Financial Liabilities	23	546.84	527.32
b) Other Current Liabilities	24	650.21	879.84
c) Income Tax Liabilities (Net)	9 (b)	-	27.64
d) Provisions	25	3.51	5.49
<b>Total Current Liabilities</b>		<b>6,824.96</b>	<b>5,447.44</b>
<b>Total Liabilities (1+2)</b>		<b>9,356.84</b>	<b>6,023.49</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>29,635.56</b>	<b>23,745.77</b>
<b>Material Accounting Policies and Basis of Preparation</b>	1.1		

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

For and on behalf of the Board

For Singhi & Co.  
Chartered Accountants  
FR No. 302049E

Ankit Dhelia

(Ankit Dhelia)  
Partner

Membership No. 069178  
Place of Signature: Kolkata  
Dated: 02nd May, 2024

Deepak Jalan  
Managing Director  
DIN:00758600

N. K. Dujari  
Director (Finance) & CFO  
DIN:03160828

Rohit Deepak Jalan  
Whole Time Director  
DIN:06883731

Dipankar De  
Company Secretary  
ACS 32112

## Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Income</b>			
I. Revenue from operations	26	50,189.02	48,675.52
II. Other income	27	676.35	348.09
<b>III. Total Income (I + II)</b>		<b>50,865.37</b>	<b>49,023.61</b>
<b>IV. Expenses</b>			
Cost of materials consumed	28	13,852.82	13,314.22
Purchases of Stock-in-Trade	29	17,567.85	17,630.98
Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade	30	(1,330.97)	(1,485.69)
Employee benefits expense	31	7,466.23	6,072.94
Finance costs	32	208.59	63.58
Depreciation and amortization expense	33 (a)	1,477.66	1,411.44
Other expenses	33 (b)	7,051.23	7,007.22
<b>Total expenses</b>		<b>46,293.41</b>	<b>44,014.69</b>
<b>V. Profit/(Loss) before exceptional items and tax (III - IV)</b>		<b>4,571.96</b>	<b>5,008.92</b>
VI. Exceptional items		-	-
<b>VII. Profit/(Loss) before tax (V - VI)</b>		<b>4,571.96</b>	<b>5,008.92</b>
VIII. Tax expense:	40		
a) Current tax		1,162.50	1,308.00
b) Deferred tax		(1.27)	(38.76)
<b>Total Tax expenses:</b>		<b>1,161.23</b>	<b>1,269.24</b>
<b>IX. Profit/(Loss) for the year (VII-VIII)</b>		<b>3,410.73</b>	<b>3,739.68</b>
<b>X. Other Comprehensive Income</b>			
A) Items that will not be reclassified to profit or loss			
(i) Re-Measurement gains/(losses) on defined benefit plans		(147.90)	(46.95)
(ii) Income Tax on above		37.22	11.82
		<b>(110.68)</b>	<b>(35.13)</b>
B) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income of the year</b>		<b>(110.68)</b>	<b>(35.13)</b>
<b>XI. Total Comprehensive Income of the year (IX + X)</b>		<b>3,300.05</b>	<b>3,704.55</b>
<b>XII. Earnings per equity share - Basic and diluted (₹)</b>	44	22.93	25.15
(Face value ₹10/- per equity share)			
<b>Material Accounting Policies and Basis of Preparation</b>	1.1		

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

For and on behalf of the Board

For Singhi & Co.  
Chartered Accountants  
FR No. 302049E

Ankit Dhelia

(Ankit Dhelia)  
Partner

Membership No. 069178  
Place of Signature: Kolkata  
Dated: 02nd May, 2024

Deepak Jalan  
Managing Director  
DIN:00758600

N. K. Dujari  
Director (Finance) & CFO  
DIN:03160828

Rohit Deepak Jalan  
DIN:06883731

Dipankar De  
Company Secretary  
ACS 32112

**Standalone Statement of Cash Flows** for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)			
Particulars	For the Year Ended 31 <sup>st</sup> March, 2024	For the Year Ended 31 <sup>st</sup> March, 2023	
<b>A. Cash flow from operating activities :</b>			
Net profit/(Loss) before tax		4,571.96	5,008.92
<b>Adjustments for:</b>			
Depreciation and amortization expense	1,477.66	1,411.44	
Bad Debts Written off	-	41.66	
(Profit) / Loss on sale of Property, Plant and Equipment (Net)	(33.26)	31.48	
Interest Income	(209.76)	(58.82)	
Unrealised loss/(gain) on foreign exchange fluctuation (Net)	(74.27)	(57.44)	
Liability no longer required, written back	(118.28)	-	
Provision for expected credit loss on Trade Receivables	13.14	7.41	
Finance cost	208.59	63.58	
Gain on Modification of Right of use assets	(5.72)	(11.36)	1,427.95
<b>Operating profit before working capital changes</b>	<b>5,830.06</b>	<b>6,436.87</b>	
(Increase) / Decrease in Trade Receivables	(1,249.92)	(348.80)	
(Increase) / Decrease in Inventories	(1,197.66)	(1,434.11)	
(Increase) / Decrease in Other Non Current Assets	1.13	(28.21)	
(Increase) / Decrease in Other Financial Assets	(46.98)	(20.11)	
(Increase) / Decrease in Other Current Assets	89.26	574.59	
Increase / (Decrease) in Long Term Provisions	29.30	90.03	
Increase / (Decrease) in Trade Payables	1,783.91	(77.80)	
Increase / (Decrease) in Other Current Liabilities	(229.63)	319.05	
Increase / (Decrease) in Other Financial Liabilities	20.26	134.37	
Increase / (Decrease) in Short Term Provisions	(1.98)	(802.31)	0.96
<b>Cash generated from operations</b>	<b>5,027.75</b>	<b>5,646.84</b>	
Less: Direct taxes paid/ (Refund)	1,192.26	1,309.20	
<b>Net Cash Generated From Operating Activities</b>	<b>3,835.49</b>	<b>4,337.64</b>	
<b>B. Cash flow from investing activities :</b>			
Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP & Capital advances)	(2,788.50)	(2,502.60)	
Sale of Property, Plant and Equipment	151.55	22.83	
Payment towards Acquisition of Right of Use Assets	(29.49)	-	
Redemption of/(Investment) in Fixed Deposit (Net)	472.00	(472.00)	
Investment in Subsidiary & Joint Ventures	(21.84)	-	
Loan Given to Subsidiary Company	(291.81)	-	
Interest Received	209.63	(2,298.46)	48.49
<b>Net Cash Used in Investing Activities</b>	<b>(2,298.46)</b>	<b>(2,903.28)</b>	
<b>C. Cash flow from financing activities :</b>			
Proceeds /(Repayment) of Short term borrowings (Net)	-	(299.03)	
Payment of Lease Liabilities	(184.86)	(85.84)	
Interest Paid	(65.26)	(31.00)	
Dividend Paid	(743.61)	(993.73)	(683.57)
<b>Net Cash Used in Financing Activities</b>	<b>(993.73)</b>	<b>(683.57)</b>	
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>543.30</b>	<b>750.79</b>	
<b>Total Cash and cash equivalents - Opening balance</b>	<b>759.96</b>	<b>9.17</b>	
	<b>1,303.26</b>	<b>759.96</b>	
<b>Cash and cash equivalents - Closing balance</b>	<b>1,303.26</b>	<b>759.96</b>	

**Standalone Statement of Cash Flows** for the year ended 31<sup>st</sup> March, 2024

**Notes :**

- The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.
- Figures in bracket represent cash outflow from respective activities.
- Additions to Property, Plant and Equipment includes movement of Capital Work-in-Progress and Capital advances during the year.
- Cash and cash equivalent at the end of the year consist of : (Refer note no.13)

(₹ in Lakhs)		
Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a) Cash in hand	28.71	6.96
b) Balances with Scheduled Banks in Current Accounts & Cash Credit Accounts (Debit Balance)	569.55	252.00
c) In Fixed Deposits (original maturity within 90 days)	705.00	501.00
	<b>1,303.26</b>	<b>759.96</b>

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

(₹ in Lakhs)				
Particulars	As at 1 <sup>st</sup> April, 2023	Cash Flow	Foreign Exchange Movement	As at 31 <sup>st</sup> March, 2024
Short Term Borrowings (Refer Note 21)	-	-	-	-

(₹ in Lakhs)				
Particulars	As at 1 <sup>st</sup> April, 2022	Cash Flow	Foreign Exchange Movement	As at 31 <sup>st</sup> March, 2023
Short Term Borrowings (Refer Note 21)	299.03	(299.03)	-	-

- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

As per our report of even date attached.

**For and on behalf of the Board**
**For Singhi & Co.**  
 Chartered Accountants  
 FR No. 302049E

  
**(Ankit Dhelia)**  
 Partner  
 Membership No. 069178  
 Place of Signature: Kolkata  
 Dated: 02nd May, 2024

  
**Deepak Jalan**  
 Managing Director  
 DIN:00758600

  
**N. K. Dujari**  
 Director (Finance) & CFO  
 DIN:03160828

  
**Rohit Deepak Jalan**  
 Whole Time Director  
 DIN:06883731

  
**Dipankar De**  
 Company Secretary  
 ACS 32112

## Standalone Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2024

### A. Equity Share Capital

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balances at the beginning of the year	1,48,72,291	1,487.23	1,48,72,291	1,487.23
Allotment of equity shares during the year	-	-	-	-
Balance at the end of the year	1,48,72,291	1,487.23	1,48,72,291	1,487.23

### B. Reserves and Surplus

Particulars	(₹ in Lakhs)				
	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Total
Balance As on 1st April, 2022	2,096.94	9,806.59	(628.55)	1,523.22	12,798.20
Profit for the year	-	-	-	3,739.68	3,739.68
Other Comprehensive Income for the year, net of tax:					
- Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	(35.13)	(35.13)
<b>Total Comprehensive Income for the year</b>	-	-	-	3,704.55	3,704.55
Transfer to General Reserves from Retained Earnings	-	3,000.00	-	(3,000.00)	-
Payment of Dividend	-	-	-	(267.70)	(267.70)
<b>Balance As at 31st March, 2023</b>	<b>2,096.94</b>	<b>12,806.59</b>	<b>(628.55)</b>	<b>1,960.07</b>	<b>16,235.05</b>
Balance As on 1st April, 2023	2,096.94	12,806.59	(628.55)	1,960.07	16,235.05
Profit for the year	-	-	-	3,410.73	3,410.73
Other Comprehensive Income for the year, net of tax:					
- Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	(110.68)	(110.68)
<b>Total Comprehensive Income for the year</b>	-	-	-	3,300.05	3,300.05
Transfer to General Reserves from Retained Earnings	-	3,000.00	-	(3,000.00)	-
Payment of Dividend	-	-	-	(743.61)	(743.61)
<b>Balance As at 31st March, 2024</b>	<b>2,096.94</b>	<b>15,806.59</b>	<b>(628.55)</b>	<b>1,516.51</b>	<b>18,791.49</b>

#### Material Accounting Policies and Basis of Preparation 1.1

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

**For and on behalf of the Board**

#### For Singhi & Co.

Chartered Accountants  
 F.R No. 302049E

*Ankit Dhelia*  
**(Ankit Dhelia)**

Partner

Membership No. 069178  
 Place of Signature: Kolkata  
 Dated: 02nd May, 2024

*Deepak Jalan*  
**Deepak Jalan**  
 Managing Director  
 DIN:00758600

*N. K. Dujari*  
**N. K. Dujari**  
 Director (Finance) & CFO  
 DIN:03160828

*Rohit Deepak Jalan*  
**Rohit Deepak Jalan**  
 Whole Time Director  
 DIN:06883731

*Dipankar De*  
**Dipankar De**  
 Company Secretary  
 ACS 32112

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note 1: Corporate Information

Linc Limited is a public company within the meaning of Companies Act, 2013 listed in a recognized stock exchange and incorporated on 24th October, 1994. The Company shall be engaged in manufacturing and distribution of Pens, Pencils & other stationery products from its manufacturing facilities located in Umbergaon (Gujrat) & Serakole (West Bengal).

These financial statements of the company as at and for the year ended 31st March, 2024 have been approved by the Board of Directors at their meeting held on 2nd May, 2024.

### Note 1.1: Material Accounting Policy and Basis of Preparation

#### A. Compliance with Ind AS

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

#### B. Classification of current and non-current

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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### C. New and amended standards adopted by the company

The company has applied the following amendments to Ind AS for the first time from the annual reporting period commencing April 1, 2023:

- Ind AS 1 – Material accounting policies
- Ind AS 8 – Definition of accounting estimates.
- Ind AS 12 – Annual Improvements to Ind AS (2021)

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### D. Historical cost convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- certain financial assets and liabilities those are measured at fair value
- defined benefit plans - plan assets measured at fair value

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

### E. Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Company's functional currency. All financial information presented in Indian Rupees has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

### F. Use of estimates

The preparation of financial statements in conformity with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

### Note 1.2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

### (i) Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations

### (ii) Useful life of Property, Plant & Equipment and Intangible assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets and requirements of Schedule-II of the Act. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of PPE.

### (iii) Extension and Termination Option in Leases

Extension and termination options are included in many of the leases. In determining the lease term the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the company.

### (iv) Significant judgments when applying Ind AS 115

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

### (v) Claims, Provisions and Contingent Liabilities

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### (vi) Allowances for Doubtful Debts/Receivable

The company makes allowances for doubtful debts/receivables through appropriate estimations of irrecoverable amount using models developed for determination of Expected Credit Loss based on ageing and qualitative criteria. The identification of doubtful debts/receivables requires use of judgment and estimates which includes historical credit loss experiences and forward looking information. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### Note 1.3: Material Accounting Policies

#### A. Property, Plant and equipment and Depreciation

Property, Plant and Equipment is stated at cost/deemed 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 neither 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:

Assets	Useful Life (in years)
Factory Building	30
Non-factory Building	60
Plant & Equipment	8 -15
Electrical Installation	10
Furniture & Fixtures	10
Office Equipment	5
Vehicle	8-10
Computers	3

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

The cost and related accumulated depreciation are eliminated from the Financial Statements upon derecognition 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.

#### B. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### (i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

##### (ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### (iii) Short-term lease and lease of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### C. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

### D. Interest Income

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

### E. 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.

### F. Taxes

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

### G. 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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### H. 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 and the carry forward of 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 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.

### I. 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 and Trade mark) are amortised on a Straight-Line Basis over a period of five years and three years respectively.

### J. 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.

### K. Inventories

Inventories 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

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

cost of Inventories is computed on weighted average basis except for Raw Materials and Components which is computed on Moving Weighted average basis.

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.

### L. 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.

### M. 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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### iii) Defined Contribution Plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution benefit scheme.

### N. Foreign Currency Translation

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the Balance Sheet date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also reclassified in OCI or the Statement of Profit and Loss, respectively).

### O. Financial Instruments

#### i) Financial Assets

The financial assets are classified in the following categories:

- a) financial assets measured at amortised cost,
- b) financial assets measured at fair value through profit and loss (FVTPL), and
- c) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Loss. Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for arranging financial assets.

#### a. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit or Loss.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment, if any.

### b. Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Investments in units of mutual funds, alternate investment funds (AIF's) other than equity and debentures are accounted for at fair value and the changes in fair value are recognised in the statement of Profit and Loss.

### c. Financial assets at FVOCI

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

### d. Equity instruments

Investments in Subsidiary & Joint Venture are out of scope of Ind AS 109 and hence, the company has accounted for its investment in Subsidiary & Joint Venture at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

### e. De-recognition of financial asset

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109 : Financial Instruments.

### f. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

Only for Trade receivables, allowances for credit losses has been estimated based on ageing of receivables and customer related specific information in case to case basis. Impairment loss allowance recognised /reversed during the year is charged/written back to Statement of Profit and Loss.

### ii) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments. A financial liability (or a part of financial liability) is de-recognised from Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

### iii) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Company or the counterparty.

## P. 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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Q. 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.

### R. 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.

### S. 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.

### T. Provisions, Contingent Liabilities and Contingent Assets

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.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

## Notes to Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. 2 Property, Plant and Equipment

Particulars	GROSS CARRYING VALUE			ACCUMULATED DEPRECIATION		NET CARRYING VALUE	
	1 <sup>st</sup> April, 2023	Additions / adjustments	Deductions	1 <sup>st</sup> April, 2023	For the year	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Freehold Land	496.80	121.46	-	-	-	618.26	496.80
Buildings	3,444.50	16.52	2.99	395.86	86.77	481.98	2,976.05
Plant and Equipment	4,267.68	486.10	71.06	2,912.44	412.29	3,320.03	3,048.64
Other Equipment	5,929.42	1,036.52	27.58	6,938.36	577.35	4,018.10	1,355.24
Furniture and Fixtures	977.00	49.73	0.07	1,026.66	278.12	362.10	2,476.16
Vehicles	495.06	84.81	42.81	537.06	196.27	233.66	698.88
Office Equipment	131.99	42.61	0.78	173.82	70.54	90.18	298.79
Electrical Installation & Equipment	323.78	12.95	5.14	331.59	26.78	156.07	83.64
Computers & Data Processing Units	151.13	30.54	0.56	181.11	68.08	108.84	190.38
<b>TOTAL</b>	<b>16,217.36</b>	<b>1,881.24</b>	<b>150.99</b>	<b>17,947.61</b>	<b>1,296.75</b>	<b>8,770.96</b>	<b>8,709.39</b>

Particulars	GROSS CARRYING VALUE			ACCUMULATED DEPRECIATION		NET CARRYING VALUE	
	1 <sup>st</sup> April, 2022	Additions / adjustments	Deductions	1 <sup>st</sup> April, 2022	For the year	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Freehold Land	167.05	329.75	-	-	-	496.80	167.05
Buildings	3,340.38	104.12	-	310.50	85.36	395.86	3,048.64
Plant and Equipment	4,013.61	266.09	12.02	2,488.99	433.74	2,912.44	3,029.88
Other Equipment	5,127.91	893.92	92.41	5,929.42	582.85	3,453.26	1,524.62
Furniture and Fixtures	860.29	133.87	17.16	977.00	81.84	278.12	2,200.52
Vehicles	396.47	119.69	21.10	495.06	170.27	16.71	698.88
Office Equipment	127.55	23.20	18.76	131.99	72.41	70.54	650.40
Electrical Installation & Equipment	262.22	76.19	14.63	323.78	24.30	133.40	55.14
Computers & Data Processing Units	94.72	58.67	2.26	151.13	38.12	68.08	142.29
<b>TOTAL</b>	<b>14,390.20</b>	<b>2,005.50</b>	<b>178.36</b>	<b>16,217.36</b>	<b>1,296.27</b>	<b>7,507.97</b>	<b>8,052.70</b>

#### Notes:

- Property, Plant and Equipment given as security for borrowings (Refer Note No 21)
- Title deeds of immovable property are held in the name of the Company.
- Refer Note 35 (a) for disclosure on contractual commitments for acquisition of Property, Plant and Equipment.
- The Company has not revalued its Property, Plant and Equipment during the current and previous financial year.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. - 3

#### 3.1 Capital Work-in-Progress schedule:

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Balance at the Beginning of the Year	98.13	23.98
Additions during the Year	1,034.89	180.22
Less: CWIP Written Off	1.05	-
Less: Capitalization during the Year	226.78	106.07
<b>Balance at the end of the Year</b>	<b>905.19</b>	<b>98.13</b>

#### 3.2 Capital Work-in-Progress ageing schedule:

As at 31<sup>st</sup> March 2024

(₹ in Lakhs)

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	
Projects in progress	879.29	25.90	-	-	905.19
Projects temporarily suspended	-	-	-	-	-

As at 31<sup>st</sup> March 2023

(₹ in Lakhs)

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	
Projects in progress	98.13	-	-	-	98.13
Projects temporarily suspended	-	-	-	-	-

#### Note:

- There are no projects as on each reporting date which have exceeded the cost as compared to its original plan or where completion is overdue.
- Capital Work-in-Progress As at 31.03.2024 mainly comprises of construction cost of Building and Plant & equipment of the Company. (As at 31.03.23 mainly comprises of construction cost of Building and Plant & equipment of the Company.)

## Notes to Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. 4 Right of use - assets

Particulars	GROSS CARRYING VALUE		ACCUMULATED DEPRECIATION		NET CARRYING VALUE	
	1 <sup>st</sup> April, 2023	31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024
Right of use -assets (Building)	182.88	1,967.29	182.88	1,967.29	140.50	1,826.79
<b>TOTAL</b>	<b>182.88</b>	<b>1,967.29</b>	<b>182.88</b>	<b>1,967.29</b>	<b>140.50</b>	<b>1,826.79</b>
Particulars	GROSS CARRYING VALUE		ACCUMULATED DEPRECIATION		NET CARRYING VALUE	
	1 <sup>st</sup> April, 2022	31 <sup>st</sup> March, 2023	1 <sup>st</sup> April, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023
Right of use -assets (Building)	215.68	182.88	215.68	182.88	91.60	91.28
<b>TOTAL</b>	<b>215.68</b>	<b>182.88</b>	<b>215.68</b>	<b>182.88</b>	<b>91.60</b>	<b>91.28</b>

Notes: The Company has not revalued its Right of Use Assets during the current and previous financial year.

### Note No. 5 Intangible Assets

Particulars	GROSS CARRYING VALUE		AMORTISATION		NET CARRYING VALUE	
	1 <sup>st</sup> April, 2023	31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024
Computer Software	167.86	170.00	29.24	32.78	62.02	107.98
Trade Mark	19.83	19.83	19.65	-	19.65	0.18
<b>TOTAL</b>	<b>187.69</b>	<b>189.83</b>	<b>48.89</b>	<b>32.78</b>	<b>81.67</b>	<b>108.16</b>
Particulars	GROSS CARRYING VALUE		AMORTISATION		NET CARRYING VALUE	
	1 <sup>st</sup> April, 2022	31 <sup>st</sup> March, 2023	1 <sup>st</sup> April, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023
Computer Software	8.95	167.86	5.72	23.52	29.24	138.62
Trade Mark	19.83	19.83	19.60	0.05	19.65	0.18
<b>TOTAL</b>	<b>28.78</b>	<b>187.69</b>	<b>25.32</b>	<b>23.57</b>	<b>48.89</b>	<b>138.80</b>

Notes: The Company has not revalued its Intangible Assets during the current and previous financial year.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 6 Non-Current Investments in Subsidiary & Joint Venture (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(fully paid up unless otherwise stated)		
<b>A. Investment in Equity shares (Unquoted, at Cost)</b>		
- Subsidiary Company, Gelx Industries Limited (No. of Equity Shares: 2,56,94,400 @ Face value of shillings 5 each)	0.08	-
- Joint Venture Company, Morris Linc Private Limited (No. of Equity Shares: 2,17,543 @ Face value of ₹10 each)	21.76	-
	<b>21.84</b>	-
Aggregate amount and market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	21.84	-
Aggregate amount of impairment in value of investments	-	-

### Note No. : 7 Financial Assets- Loans

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(Unsecured, considered good unless otherwise stated)		
Loans to Subsidiary Company	291.81	-
	<b>291.81</b>	-

- (i) As required under section 186(4) of the Companies Act, 2013, the loan given shall be utilised for repayment of loans of existing lenders and bank debts to ensure encumbrance/pledge on fixed deposits of existing shareholder is released and not for any other purpose as is not permitted under the laws of Kenya.

Based on agreed terms mentioned in loan agreement dated 28th March, 2023, loan to subsidiary carries an interest rate of 9.50% p.a. and loan shall be repayable within five years from the disbursement.

#### (ii) Loans or advances to specified person

(₹ in Lakhs)

Type of Borrower	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Percentage	Amount	Percentage	Amount
- Promoters	-	-	-	-
- Directors	-	-	-	-
- Key Managerial Personnel	-	-	-	-
- Related Parties	100%	291.81	-	-
- Others	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>291.81</b>	-	-

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

- (iii) Information pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Loan & Advances (in nature of loan both Current & Non Current) to subsidiary company are as under :

(₹ in Lakhs)

Particulars of Loans Given	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Amount Outstanding as at March 31, 2024	Maximum Amount Outstanding during the year ended March 31, 2024	Amount Outstanding as at March 31, 2023	Maximum Amount Outstanding during the year ended March 31, 2023
Gelx Industries Limited (Rate of Interest @ 9.50%)	291.81	291.81	-	-
<b>Total</b>	<b>291.81</b>	<b>291.81</b>	-	-

### Note No. : 8 Financial Assets- Other Financial Assets

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(Unsecured, considered good unless otherwise stated)		
- Security Deposits	108.05	114.62
- Fixed deposits with statutory authorities	0.46	0.46
(Non current portion with original maturity period of more than 12 months)		
Interest accrued but not due on fixed deposits	0.07	0.01
	0.53	0.47
	<b>108.58</b>	<b>115.09</b>

### Note No. : 9 (a) Income Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	- Advance Income Tax	4,863.95		2,681.33
Less: Provision for Taxation	4,723.46	140.49	2,542.96	138.37
		<b>140.49</b>		<b>138.37</b>

### Note No. : 9 (b) Income Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	- Provision for Taxation	-		1,329.00
Less: Advance Income Tax	-	-	1,301.36	27.64
		-		<b>27.64</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 10 Other Non Current Assets

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(Unsecured, considered good unless otherwise stated)		
Capital advances	566.40	468.34
Other advances		
- Deposit under Appeal	27.49	27.49
- Prepaid expenses	2.65	3.79
	<b>596.54</b>	<b>499.62</b>

### Note No. : 11 Inventories \*

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
(At lower of cost and net realisable value)				
Raw materials		2921.06		3,054.37
(Includes Stock in transit of Nil, P.Y.- ₹92.40 Lacs)				
Work-in-progress		218.89		86.09
Finished goods	1564.85		1,558.33	
Add: Goods in transit	208.07	1772.92	30.35	1,588.68
Stock-in-trade		4179.54		3,165.61
(Includes Stock in transit of ₹178.58 Lacs, P.Y.- ₹114.01 Lacs)				
		<b>9,092.41</b>		<b>7,894.75</b>

\* Includes materials lying with other parties

#### Note:

- 1) Mode of valuation- Refer note no. 1.3 (K) of accounting policies.
- 2) Inventories are hypothecated/pledged against borrowings (refer note 21)

### Note No. : 12 Trade Receivables

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Trade Receivables</b>		
Trade Receivables considered Goods - Secured	61.21	93.74
Trade Receivables considered Goods - Unsecured	5,139.98	3,866.96
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	<b>5,201.19</b>	<b>3,960.70</b>
Less: Allowance for expected Credit loss	55.32	96.53
(Refer Note below)		
	<b>5,145.87</b>	<b>3,864.17</b>

#### Note:

- 1) Trade Receivables are hypothecated against borrowings (refer note 21)
- 2) No Trade receivables due by the directors and officers of the Company.
- 3) Allowances for credit losses of trade receivables have been estimated based on ageing of receivables and customer related specific information on specific case basis.

## Notes to Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

### 4) Trade Receivables ageing Schedule: As at 31<sup>st</sup> March 2024

Particulars	Outstanding for following periods from due dates of payment					Total
	Unbilled Due	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	
i. Undisputed Trade Receivables considered Goods	-	4,057.31	728.22	92.40	207.94	5,201.19
ii. Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-	-	-	-
iv. Disputed Trade Receivables Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	55.32
						<b>5,145.87</b>

### As at 31<sup>st</sup> March 2023

Particulars	Outstanding for following periods from due dates of payment					Total
	Unbilled Due	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	
i. Undisputed Trade Receivables considered Goods	-	2,018.11	1,258.66	385.85	129.35	3,960.70
ii. Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-	-	-	-
iv. Disputed Trade Receivables Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	96.53
						<b>3,864.17</b>

Note: There are no unbilled revenue as on each reporting date.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### 5) Movement in Expected credit loss allowances (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Opening Balance	96.53	89.12
Add: Allowance during the year	13.14	7.41
Less: Written off during the year	54.35	-
<b>Closing Balance</b>	<b>55.32</b>	<b>96.53</b>

### Note No. : 13 Cash and cash equivalents (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Cash on hand	28.71	6.96
Balance with banks		
In cash credit accounts (Debit balance)	569.55	252.00
Fixed Deposits with Bank (original maturity within 90 days)	705.00	501.00
	<b>1,303.26</b>	<b>759.96</b>

### Note No. : 14 Other bank balances (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Earmarked balances		
- Unpaid dividend accounts	7.79	8.53
Fixed Deposits with Bank (original maturity between 3 to 12 Months)	-	472.00
	<b>7.79</b>	<b>480.53</b>

### Note No. : 15 Other Financial Assets (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(Unsecured, considered good unless otherwise stated)		
Security deposits	71.30	27.62
Interest accrued on Loan given to Subsidiary	9.95	-
Interest accrued on Fixed Deposit	0.48	10.35
	<b>81.73</b>	<b>37.97</b>

### Note No. : 16 Other Current Assets (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
(Unsecured, considered good unless otherwise stated)		
- Advances to suppliers and others	288.71	223.85
- Prepaid expenses	67.10	50.76
- Claims receivable	0.98	-
- Export Benefits Receivable	68.25	77.44
- Balance with government authorities	403.41	565.66
	<b>828.45</b>	<b>917.71</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 17 Share Capital

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of shares	Amount (₹ in Lakhs)	No. of shares	Amount (₹ in Lakhs)
<b>Authorised</b>				
Equity shares of ₹10/- each	1,55,00,000	1,550.00	1,55,00,000	1,550.00
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹10/- each	1,48,72,291	1,487.23	1,48,72,291	1,487.23
		<b>1,487.23</b>		<b>1,487.23</b>

#### a. Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
<b>At the beginning of the year</b>	1,48,72,291	1,487.23	1,48,72,291	1,487.23
Add: Shares Issued	-	-	-	-
<b>At the end of the year</b>	<b>1,48,72,291</b>	<b>1,487.23</b>	<b>1,48,72,291</b>	<b>1,487.23</b>

#### b. 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.

#### c. Shareholders holding more than 5% shares in the Company

Name of the Shareholders	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Shobha Jalan	10,16,106	6.83	10,16,106	6.83
M/s. Mitsubishi Pencil Co. Ltd.	20,00,000	13.45	20,00,000	13.45
Mrs. Sarita Jalan	11,86,790	7.98	11,84,290	7.96
Mr. Alope Jalan	7,79,921	5.24	7,79,921	5.24
M/s. Suraj Mal Jalan Trust	9,18,431	6.18	-	-
Mr. Suraj Mal Jalan	-	-	9,33,431	6.28



## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### d. Share held by promoters at the end of the of March 2024

Promoters Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of Holding	% of change during the year
Deepak Jalan	4,31,302	14,000	4,45,302	2.99%	0.09
Deepak Jalan (HUF)	5,44,928	2,000	5,46,928	3.68%	0.02
Prakash Jalan	100	-	100	0.00%	-
Aloke Jalan	7,79,921	-	7,79,921	5.24%	-
Aloke Jalan (HUF)	20,800	-	20,800	0.14%	-
Suraj Mal Jalan	9,33,431	(9,33,431)	-	0.00%	(6.28)
Suraj Mal Jalan Trust	-	9,18,431	9,18,431	6.18%	6.18
Shobha Jalan	10,16,106	-	10,16,106	6.83%	-
Bimla Devi Jalan	6,12,481	(5,62,481)	50,000	0.34%	(3.78)
Bimla Devi Jalan Trust	-	5,62,481	5,62,481	3.78%	3.78
Rohit Deepak Jalan	4,06,450	-	4,06,450	2.73%	-
Rohit Deepak Jalan (HUF)	7,07,000	-	7,07,000	4.75%	-
Aakash Aloke Jalan	6,57,300	-	6,57,300	4.42%	-
Utkarsh Aloke Jalan	6,45,900	-	6,45,900	4.34%	-
Devanshi Jalan	3,96,057	-	3,96,057	2.66%	-
Sarita Jalan	11,84,290	2,500	11,86,790	7.98%	0.02
Ekta Jalan	4,57,500	22,339	4,79,839	3.23%	0.15
Divya Jalan	18,000	6,000	24,000	0.16%	0.04

### Share held by promoters at the end of the of March 2023

Promoters Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of Holding	% of change during the year
Deepak Jalan	3,27,455	1,03,847	4,31,302	2.90%	0.70
Deepak Jalan (HUF)	5,27,928	17,000	5,44,928	3.66%	0.11
Prakash Jalan	100	-	100	0.00%	-
Aloke Jalan	7,38,416	41,505	7,79,921	5.24%	0.28
Aloke Jalan (HUF)	20,800	-	20,800	0.14%	-
Suraj Mal Jalan	8,91,926	41,505	9,33,431	6.28%	0.28
Suraj Mal Jalan (HUF)	1,66,020	(1,66,020)	-	0.00%	(1.12)
Shobha Jalan	10,16,106	-	10,16,106	6.83%	-
Bimla Devi Jalan	5,70,976	41,505	6,12,481	4.12%	0.28
Rohit Deepak Jalan	4,06,450	-	4,06,450	2.73%	-
Rohit Deepak Jalan (HUF)	7,00,000	7,000	7,07,000	4.75%	0.05
Aakash Aloke Jalan	6,57,300	-	6,57,300	4.42%	-
Utkarsh Aloke Jalan	6,45,900	-	6,45,900	4.34%	-
Devanshi Jalan	3,84,057	12,000	3,96,057	2.66%	0.08
Sarita Jalan	11,80,190	4,100	11,84,290	7.96%	0.03
Ekta Jalan	4,42,500	15,000	4,57,500	3.08%	0.10
Divya Jalan	12,000	6,000	18,000	0.12%	0.04
Raghav Jalan	42,000	(42,000)	-	0.00%	(0.28)

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### e. Aggregate number of share issued for consideration other than cash:

During the year 2019-20, 16,74,806 shares were issued pursuant to scheme of arrangement.

- f. After the Reporting date, the Board of Directors has proposed a dividend of ₹5.00/- per equity share for the year ended 31st March 2024 (31st March ,2023 - ₹5.00/- 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 ₹743.61 Lakhs.
- g. The Company has neither issued bonus shares nor has bought back any shares during last 5 years.
- h. No ordinary shares have been reserved per issue under options and contract/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- i. No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
- j. No calls are unpaid by any directors/ officers of the Company during the year.
- k. The Company does not have any Holding Company or Ultimate Holding Company.

### Note No. : 18 Other Equity

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Securities premium account</b>		
Balance as per last account	2,096.94	2,096.94
<b>General Reserve</b>		
Balance as per last account	12,806.59	9,806.59
Add: Transfer from Retained Earnings	3,000.00	3,000.00
<b>Capital Reserve</b>		
- Balance as per last record	(628.55)	(628.55)
<b>Retained Earnings</b>		
Balance as per last statement	1,960.07	1,523.22
Add: Net profit for the year	3,410.73	3,739.68
Add: Other Comprehensive Income for the Year	(110.68)	(35.13)
Less: Dividend	743.61	267.70
Less: Transfer to General Reserve	3,000.00	3,000.00
<b>Closing balance</b>	<b>18,791.49</b>	<b>16,235.05</b>

### 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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### 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.

### c. Capital Reserve

Capital Reserve represents arisen on business combination on earlier years.

### d. Retained Earning

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to investors. This includes remeasurement of defined benefit plans arising due to actuarial valuation of gratuity, that will not be routed through Statement of profit and loss subsequently.

#### Note No. : 19 Provisions- Non Current (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Provision for employee benefits		
Leave Encashment	72.84	58.50
Gratuity (Refer Note No. 34)	352.43	189.56
	<b>425.27</b>	<b>248.06</b>

#### Note No. : 20 Deferred tax liabilities (Net) (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Deferred tax liabilities :</b>		
Arising on account of:		
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	411.67	391.91
<b>Less : Deferred tax asset :</b>		
Arising on account of:		
Provisions for Employee Benefits Expense	107.91	63.81
Provisions for expected credit loss	13.92	24.29
Others	25.97	1.45
<b>Deferred tax liabilities (Net)</b>	<b>263.87</b>	<b>302.36</b>

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

- For Movement in Deferred Tax (Assets) /Liabilities: (Refer Note no. 41)

#### Note No. : 21 Short-term borrowings (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Loan Repayable On Demand		
- From banks (Secured)	-	-
	-	-

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Notes:

- a) Working Capital facilities from Banks Sanctioned Limit = ₹5,000.00 Lakhs (Previous year: Sanctioned Limit = ₹6,400.00 Lakhs) are secured by first charge on current assets and second charge on moveable fixed assets of the Company and also secured by personal guarantee of Managing Director and Whole Time Director.
- b) The Company is filing monthly statement for inventories and debtors with Banks (IDBI Bank, Yes Bank, HDFC Bank and CITI Bank ) for working capital facilities . The below is summary of reconciliation of quarterly statement filed with the banks and books of accounts :

Quarter ended on	Amount as per books of account (₹ in Lakhs)	Amount as reported in the quarterly return / statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)
31st March, 2024	14,238.28	13,941.91	296.37
31st December, 2023	12,297.48	11,923.41	374.07
30th September, 2023	11,614.02	11,238.63	375.39
30th June, 2023	12,215.73	11,429.40	786.33
31st March, 2023	11,758.92	11,418.27	340.65
31st December, 2022	12,180.47	11,659.39	521.08
30th September, 2022	10,458.96	10,755.55	(296.59)
30th June, 2022	10,160.05	10,150.53	9.52

The Quarterly statement submitted with Banks were prepared and filed before the completion of all financial statement closure which led to the above differences between the books of accounts and quarterly statement submitted with Banks based on provisional books of account. It includes mainly inventory and trade receivables reported by the Company to the banks.

#### Note No. : 22 Trade payables (₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note no. 36)	263.19	215.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,302.86	3,720.46
	<b>5,566.05</b>	<b>3,935.74</b>

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

#### Trade Payable Ageing Schedule:-

As at 31<sup>st</sup> March 2024

Particulars	Outstanding for following periods from due dates of payment						Total
	Unbilled dues	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
i. MSME	-	263.19	-	-	-	-	263.19
ii. Others	-	5,194.52	105.97	-	2.37	-	5,302.86
iii. Disputed dues - MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-	-

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

As at 31<sup>st</sup> March 2023 (₹ in Lakhs)

Particulars	Outstanding for following periods from due dates of payment						Total
	Unbilled dues	Not Due	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	
i. MSME	-	215.28	-	-	-	-	215.28
ii. Others	-	2,355.74	1,363.38	1.34	-	-	3,720.46
iii. Disputed dues - MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-	-

Note No. : 23 Other Financial Liabilities (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unpaid dividends *	7.79	8.53
Trade deposits	233.33	230.65
Unpaid salaries and other payroll dues	305.72	288.14
	<b>546.84</b>	<b>527.32</b>

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

Note No. : 24 Other current Liabilities (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance from customers	184.41	408.56
Statutory liabilities	465.80	471.28
	<b>650.21</b>	<b>879.84</b>

Note No. : 25 Provisions-Current (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for employee benefits -leave encashment	3.51	5.49
	<b>3.51</b>	<b>5.49</b>

Note No. : 26 Revenue From operations (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Sale of goods	50,200.73	48,774.84
Less: Discounts, Rebates, Incentives etc.	416.45	555.02
	<b>49,784.28</b>	<b>48,219.82</b>
Other operating revenues		
- Scrap sales	34.79	41.70
- Export Incentive	369.95	414.00
	<b>404.74</b>	<b>455.70</b>
Revenue from operations	<b>50,189.02</b>	<b>48,675.52</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

26.1 Disclosure pursuant to Ind AS 115: (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Revenue from Operations</b>		
Sale of Products	49,784.28	48,219.82
Other Operating Revenues	404.74	455.70
	<b>50,189.02</b>	<b>48,675.52</b>

### A. Nature of goods and services

The Company is primarily engaged in the manufacturing of Writing instruments and stationeries and generates revenue from the sale of Pen and Refill and the same is only the reportable segment of the Company.

### B Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>i) Primary Geographical Markets (Sales of goods)</b>		
Within India	40,993.73	38,634.08
Outside India	9,207.00	10,140.76
<b>Total</b>	<b>50,200.73</b>	<b>48,774.84</b>
<b>ii) Major Products</b>		
Pen	40,911.74	40,749.28
Refill	1,123.31	1,239.98
Others	8,165.68	6,785.58
<b>Total</b>	<b>50,200.73</b>	<b>48,774.84</b>
<b>iii) Timing of Revenue</b>		
At a point in time	50,200.73	48,774.84
Over time	-	-
<b>Total</b>	<b>50,200.73</b>	<b>48,774.84</b>
<b>iv) Contract Duration</b>		
Long Term	-	-
Short Term	50,200.73	48,774.84
<b>Total</b>	<b>50,200.73</b>	<b>48,774.84</b>

### C Other Information (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
a. Transaction price allocated to the remaining performance obligations	Nil	Nil
b. The amount of revenue recognised in the current year that was included in the opening contract liability balance	408.56	143.97
c. The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
d. Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### D Contract Balances (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
i) Contract Assets	Nil	Nil
ii) Contract Liabilities (Refer Note No. 24)	184.41	408.56
iii) Trade Receivables (Refer Note No. 12)	5,145.87	3,864.17

### Note No. : 27 Other income (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Interest income</b>		
- Fixed deposits with banks	112.24	57.16
- Income tax refund	-	1.86
- Loan to Subsidiary	9.95	-
- Others	87.57	1.66
<b>Other non operating income</b>		
- Net gain/ (loss) on sale/discard of property, plant & equipment	33.26	-
- Miscellaneous Income	13.12	24.47
- Liabilities no longer required, written back	118.28	-
- Gain on Modification of Right of use assets	5.72	11.36
- Gain on foreign exchange fluctuation/ translation (net)	296.21	251.58
	<b>676.35</b>	<b>348.09</b>

### Note No. : 28 Cost of materials consumed (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Plastic powder	3,427.98	3,526.05
Ink	1,989.99	2,403.40
Tips	2,963.29	2,409.78
Others	5,471.56	4,974.99
	<b>13,852.82</b>	<b>13,314.22</b>

### Note No. : 29 Purchase of stock in trade (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Pens	13,001.35	12,697.66
Refills	219.03	248.85
Others	4,347.47	4,684.47
	<b>17,567.85</b>	<b>17,630.98</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 30 Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Finished goods</b>		
Opening stock	1,588.68	1,022.20
Less: Closing stock	1,772.92	1,588.68
<b>Work-in-Progress</b>		
Opening stock	86.09	67.99
Less: Closing stock	218.89	86.09
<b>Stock-in-Trade</b>		
Opening stock	3,165.61	2,264.50
Less: Closing stock	4,179.54	3,165.61
	<b>(1,330.97)</b>	<b>(1,485.69)</b>

### Note No. : 31 Employee Benefits Expense (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Salaries, wages and Bonus	7,018.45	5,712.94
Contribution to provident and other funds*	370.48	305.80
Staff welfare expenses	77.30	54.20
	<b>7,466.23</b>	<b>6,072.94</b>

\*For descriptive note on disclosure of Defined benefit obligation (Refer Note No. 34)

### Note No. : 32 Finance Costs (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Interest</b>		
- On borrowings	0.07	5.68
- On Income Tax	2.86	21.00
- On Lease liabilities	140.48	11.58
- On others	59.23	16.29
Other borrowing costs	5.95	9.03
	<b>208.59</b>	<b>63.58</b>

### Note No. : 33 (a) Depreciation & Amortisation Expense (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Depreciation on Property, plant & equipment	1,296.75	1,296.27
Depreciation on Intangible Assets	32.78	23.57
Depreciation of Right of use assets	148.13	91.60
	<b>1,477.66</b>	<b>1,411.44</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 33 (b) Other Expenses

(₹ in Lakhs)

Particulars	Year Ended		Year Ended	
	31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2023	
Consumption of stores and spares		149.66		38.02
Power and fuel		535.16		521.41
Processing charges		673.04		724.69
Rent		165.80		133.68
Repairs and Maintenance				
Building		10.07		12.72
Machinery		23.46		23.92
Others		140.18		102.22
Insurance		84.58		80.71
Rates and taxes		82.41		16.70
Payment to auditor				
- For statutory audit	9.00		9.00	
- For other services (limited review, certification etc.)	10.01	19.01	6.94	15.94
Directors sitting fees & Commission		35.80		39.10
Travelling & conveyance	1,051.20		898.70	
Postage, telegram & telephone		76.36		60.25
Professional & Consultancy Expenses		457.42		602.35
Freight & transportation		682.16		807.35
Advertisement expenses		1,178.84		1,379.53
Commission on Sales		135.57		139.04
Other selling expenses		863.04		862.64
Loss on Sale/Discard of Property Plant & Equipment (Net)		-		31.48
Corporate social responsibility expense (Note No. 37)		39.90		20.20
Bad debts written off		54.35		41.66
Provision for Expected Credit Loss		13.14		7.41
Miscellaneous expenses		580.08		447.50
		<b>7,051.23</b>		<b>7,007.22</b>

### Note No. :34 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:

Defined Contribution Plan	Amount (₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Employers' Contribution to Provident Fund	248.39	205.28
Employers' Contribution to Employee State Insurance Scheme	28.86	28.94
<b>Total</b>	<b>277.25</b>	<b>234.22</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### 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 favourable 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)

Particulars	Gratuity (Funded)	
	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
1 Current Service Cost	63.49	48.39
2 Past Service Cost	-	-
3 Interest Cost	11.48	7.91
4 Settlement Cost	-	-
5 Re-measurement -Due to Financial Assumptions	-	-
6 Re-measurement - Due to Experience Adjustments	-	-
Components of defined benefit cost recognised in P/L	<b>74.97</b>	<b>56.30</b>
7 Re-measurement - Due to Financial Assumptions	81.30	(5.55)
8 Re-measurement - Due to Experience Adjustments	46.92	52.50
9 Expected Return on Plan Asset	19.68	-
<b>Components of defined benefit cost recognised in OCI</b>	<b>147.90</b>	<b>46.95</b>
<b>Total Expense</b>	<b>222.87</b>	<b>103.25</b>

#### II. Change in Obligation during the year

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	1 Present Value of Defined Benefit Obligation at the Beginning of the year	580.81
2 Interest Cost	40.57	33.18
3 Current Service Cost	63.49	48.39
4 Settlement Cost	-	-
5 Acquisition Cost/(Credit)	-	-
6 Plan Amendments Cost/(Credit)	-	-
7 Benefits Paid	(34.58)	(29.96)
8 Re-measurement - Due to Financial Assumptions	81.30	(5.55)
9 Re-measurement - Due to Experience Adjustments	46.92	52.50
10 Present Value of Defined Benefit Obligation at the End of the year	<b>778.51</b>	<b>580.81</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
1 Plan Assets at the Beginning of the year	391.25	345.95
2 Interest Income	29.09	25.26
3 Contribution by Employer	60.00	49.99
4 Re-measurement - Return on Assets (Excluding Interest Income)	(19.68)	-
5 Benefits Paid	(34.58)	(29.96)
6 Plan Assets at the end of the year	<b>426.08</b>	<b>391.25</b>

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

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
1 Present value of Defined Benefit Obligation	(778.51)	(580.81)
2 Fair Value of Plan Assets	426.08	391.25
3 Funded Status (Surplus/(deficit))	(352.43)	(189.56)
4 Net Asset/(Liability) recognized in Balance Sheet	<b>(352.43)</b>	<b>(189.56)</b>

### V. Actuarial Assumptions

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
1 Discount Rate (per annum)	7.00%	7.20%
2 Expected rate of return on Plan Assets	6.80%	6.80%
3 Salary Increase	6.50%	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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Others (including assets under Schemes of Insurance)	100%	100%

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

Assumptions	Discount Rate			
	Year Ended 31 <sup>st</sup> March, 2024		Year Ended 31 <sup>st</sup> March, 2023	
Sensitivity level	1% Increase (₹ in Lakhs)	1% Decrease (₹ in Lakhs)	1% Increase (₹ in Lakhs)	1% Decrease (₹ in Lakhs)
Impact on Gratuity	(70.29)	82.35	(51.10)	59.60

Assumptions	Future Salary Increase			
	Year Ended 31 <sup>st</sup> March, 2024		Year Ended 31 <sup>st</sup> March, 2023	
Sensitivity level	1% Increase (₹ in Lakhs)	1% Decrease (₹ in Lakhs)	1% Increase (₹ in Lakhs)	1% Decrease (₹ in Lakhs)
Impact on Gratuity	78.55	(68.32)	57.26	(49.88)

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. Risk Exposure

- Interest Rate Risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary Inflation Risk :** Higher than expected increase in salary will increase the defined benefit obligation.
- Demographic Risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long service employee.

### XI. Maturity Profile of Expected Benefit Payments: (₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
1 Year 1	55.92	49.37
2 Year 2	55.11	18.78
3 Year 3	32.42	54.76
4 Year 4	43.17	35.62
5 Year 5	47.15	50.22
6 Next 5 Years	309.12	402.59

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### XII. Other Disclosures

- 1 The Gratuity and Provident Fund Expenses have been recognized under "Contribution to provident and other funds" under Note no. 31.
- 2 Expected employers' contribution for next year is not available and therefore, not disclosed.

### Note No. :35 Commitments and Contingencies

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>a) Capital and Other Commitments:</b>		
i) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	1,195.91	1,164.93
ii) Advance paid against above (Refer Note No. 10)	566.40	468.34
<b>b) Contingent Liabilities:</b>		
(i) Demand/Claims by various Government Authorities and others not acknowledged as debts:		
Custom Duty (Amount deposited under appeal ₹27.49 Lacs)	363.79	363.79
Entry Tax	170.70	170.70

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.

- (ii) The Code on Social Security 2020, (the 'code') received Presidential assent on 28th September 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code in the period(s) in which the provisions of the Code become effective.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

**Note No. :36** 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	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	263.19	215.28
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 of the MSMED Act 2006, 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. 22

**36.1** Dues to Micro and Small Enterprises have been determined to the extent such parties has been identified by the management which has been relied upon by the the auditor.

### Note No. : 37 Expenditure on Corporate Social Responsibilities (CSR) Activities

(₹ in Lakhs)

Sl. No.	Description	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
1	Amount required to be spent by the Company during the year.	38.09	20.20
2	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	39.90	20.20
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### 6 Nature of CSR activities

(₹ in Lakhs)

Sl. No.	Relevant clause of Schedule VII to the Companies Act, 2013	Description of CSR Activities	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
a)	Clause (i)	Eradicating poverty, Hunger and malnutrition, Promoting healthcare including Preventive healthcare	5.50	9.20
b)	Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects socially and economically backward groups	34.40	11.00
c)	Clause (vii)	Promoting rural sports & nationally recognised sports	-	-
			<b>39.90</b>	<b>20.20</b>

7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	Nil	Nil
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### Note No. : 38 Related Party Disclosure:

#### I) Names and description of relationship of related parties:

Related Party	Relationship
M/s Gelx Industries Limited	Subsidiary w.e.f 3rd October'23
M/s Morris Linc Private Limited	Joint Venture (incorporated on 28th June 2023)

#### Key Managerial Personnel (KMP)

Mr. Deepak Jalan	Managing Director (MD)
Mr. Rohit Deepak Jalan	Whole Time Director (WTD)
Mr. Alopek Jalan	Whole Time Director (WTD)
Mr. Naresh Pachisia	Independent / Non-Executive Director
Mr. Anil Kochar	Independent / Non-Executive Director
Ms. Supriya Newar	Independent / Non-Executive Director
Mr. Sanjay Jhunjhunwalla	Independent / Non-Executive Director
Mr. N.K.Dujari	Director (Finance) & CFO
Mr. Dipankar De	Company Secretary (w.e.f. 8th Feb'24)
Mr. Kaushik Raha	Company Secretary (Resigned w.e.f. 5th Jan'24)

#### Enterprises in which KMP and their relatives have control/ substantial interest :

Linc Retail Ltd.	Substantial interest of KMP along with relatives
Turtle Ltd.	Substantial interest of KMP along with relatives

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### I) Names and description of relationship of related parties:

Related Party	Relationship
<b>Relatives of KMP :</b>	
Deepak Jalan (HUF)	Mr. Deepak Jalan is Karta of HUF
Mr. S.M. Jalan	Father of Mr. Deepak Jalan
Mrs. Divya Jalan	Daughter of Mr. Deepak Jalan
Mr. Rohit Deepak Jalan	Son of Mr. Deepak Jalan
Mrs. Ekta Jalan	Wife of Mr. Rohit Deepak Jalan
Mrs. Sarita Jalan	Wife of Mr. Deepak Jalan
Alopek Jalan (HUF)	Mr. Alopek Jalan is Karta of HUF
Mrs. Shobha Jalan	Wife of Mr. Alopek Jalan
Mr. Aakash Alopek Jalan	Son of Mr. Alopek Jalan
Mr. Utkarsh Alopek Jalan	Son of Mr. Alopek Jalan
Mr. S.M. Jalan	Father of Mr. Alopek Jalan
Mrs. Bimla Devi Jalan	Wife of Mr. S.M. Jalan
Rohit Deepak Jalan (HUF)	Mr. Rohit Deepak Jalan is Karta of HUF

### II) Details of transactions with Related Parties:

(₹ in Lakhs)

Description	Year Ended	Subsidiary	Joint Ventures	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP ( R )	Total
<b>Purchase of Goods</b>							
Turtle Limited	F Y 2023-24	-	-	-	159.49	-	159.49
	F Y 2022-23	(-)	(-)	(-)	(15.66)	(-)	(15.66)
Linc Retail Ltd.	F Y 2023-24	-	-	-	6.08	-	6.08
	F Y 2022-23	(-)	(-)	(-)	(5.21)	(-)	(5.21)
<b>Purchase of Land</b>							
Deepak Jalan	F Y 2023-24	-	-	12.92	-	-	12.92
	F Y 2022-23	(-)	(-)	(215.94)	(-)	(-)	(215.94)
Sarita Jalan	F Y 2023-24	-	-	-	-	-	-
	F Y 2022-23	(-)	(-)	(-)	(-)	(88.31)	(88.31)
<b>Sale of Goods</b>							
Linc Retail Ltd.	F Y 2023-24	-	-	-	106.18	-	106.18
	F Y 2022-23	(-)	(-)	(-)	(121.88)	(-)	(121.88)
Gelx Industries Ltd.	F Y 2023-24	93.45	-	-	-	-	93.45
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
Morris Linc Private Limited	F Y 2023-24	-	3.33	-	-	-	3.33
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
<b>Loan given</b>							
Gelx Industries Ltd.	F Y 2023-24	291.81	-	-	-	-	291.81
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)



## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### II) Details of transactions with Related Parties:

(₹ in Lakhs)

Description	Year Ended	Subsidiary	Joint Ventures	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP ( R )	Total
<b>Interest income on loan given</b>							
Gelx Industries Ltd.	F Y 2023-24	9.95	-	-	-	-	9.95
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
<b>Investment in Equity shares</b>							
Gelx Industries Ltd.	F Y 2023-24	0.08	-	-	-	-	0.08
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
Morris Linc Private Limited	F Y 2023-24	-	21.76	-	-	-	21.76
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
<b>Recovery of Expenses</b>							
Morris Linc Private Limited	F Y 2023-24	-	1.93	-	-	-	1.93
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
Gelx Industries Ltd.	F Y 2023-24	8.25	-	-	-	-	8.25
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)
<b>Receiving of Services (Remuneration)</b>							
Mr. Deepak Jalan*	F Y 2023-24	-	-	211.20	-	-	211.20
	F Y 2022-23	(-)	(-)	(186.00)	(-)	(-)	(186.00)
Mr. Alokesh Jalan*	F Y 2023-24	-	-	150.96	-	-	150.96
	F Y 2022-23	(-)	(-)	(130.80)	(-)	(-)	(130.80)
Mr. Rohit Deepak Jalan	F Y 2023-24	-	-	80.64	-	-	80.64
	F Y 2022-23	(-)	(-)	(50.40)	(-)	(-)	(50.40)
Mr. N. K. Dujari	F Y 2023-24	-	-	24.34	-	-	24.34
	F Y 2022-23	(-)	(-)	(22.34)	(-)	(-)	(22.34)
Mr. Kaushik Raha	F Y 2023-24	-	-	6.96	-	-	6.96
	F Y 2022-23	(-)	(-)	(6.80)	(-)	(-)	(6.80)
Mr. Dipankar De	F Y 2023-24	-	-	1.71	-	-	1.71
	F Y 2022-23	(-)	(-)	(1.90)	(-)	(-)	(1.90)
Mrs. Ekta Jalan	F Y 2023-24	-	-	-	-	44.45	44.45
	F Y 2022-23	(-)	(-)	(-)	(-)	(26.24)	(26.24)
Mrs. Divya Jalan	F Y 2023-24	-	-	-	-	48.55	48.55
	F Y 2022-23	(-)	(-)	(-)	(-)	(29.72)	(29.72)
Mr. Aakash Alokesh Jalan	F Y 2023-24	-	-	-	-	12.07	12.07
	F Y 2022-23	(-)	(-)	(-)	(-)	(5.43)	(5.43)
Mr. Utkarsh Alokesh Jalan	F Y 2023-24	-	-	-	-	12.07	12.07
	F Y 2022-23	(-)	(-)	(-)	(-)	(5.45)	(5.45)

\*Includes commission of ₹60 Lakhs and ₹30 Lakhs to Mr. Deepak Jalan & Mr. Alokesh Jalan respectively for FY 2023-24 (P.Y.- commission of ₹60 Lakhs and ₹30 Lakhs to Mr. Deepak Jalan & Mr. Alokesh Jalan respectively for FY 2022-23)

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Description	Year Ended	Subsidiary	Joint Ventures	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP ( R )	Total
<b>Receiving of Services (Director Sitting Fees &amp; Commission)</b>							
Mr. Naresh Pachisia	F Y 2023-24	-	-	9.35	-	-	9.35
	F Y 2022-23	(-)	(-)	(10.35)	(-)	(-)	(10.35)
Mr. Anil Kochhar	F Y 2023-24	-	-	9.25	-	-	9.25
	F Y 2022-23	(-)	(-)	(10.30)	(-)	(-)	(10.30)
Ms. Supriya Newar	F Y 2023-24	-	-	8.00	-	-	8.00
	F Y 2022-23	(-)	(-)	(8.75)	(-)	(-)	(8.75)
Mr. Sanjay Jhunjhunwalla	F Y 2023-24	-	-	9.20	-	-	9.20
	F Y 2022-23	(-)	(-)	(9.70)	(-)	(-)	(9.70)
<b>Receiving of Services (Rent &amp; Advertisement)</b>							
Mrs. Shobha Jalan	F Y 2023-24	-	-	-	-	11.01	11.01
	F Y 2022-23	(-)	(-)	(-)	(-)	(10.41)	(10.41)
Mr. Aakash Alokesh Jalan	F Y 2023-24	-	-	-	-	10.33	10.33
	F Y 2022-23	(-)	(-)	(-)	(-)	(9.84)	(9.84)
Mr. Utkarsh Alokesh Jalan	F Y 2023-24	-	-	-	-	11.32	11.32
	F Y 2022-23	(-)	(-)	(-)	(-)	(10.78)	(10.78)
Alokesh Jalan (HUF)	F Y 2023-24	-	-	-	-	11.32	11.32
	F Y 2022-23	(-)	(-)	(-)	(-)	(10.78)	(10.78)
<b>Dividend Paid to Shareholders</b>							
Mr. Deepak Jalan	F Y 2023-24	-	-	22.27	-	-	22.27
	F Y 2022-23	(-)	(-)	(6.64)	(-)	(-)	(6.64)
Deepak Jalan (HUF)	F Y 2023-24	-	-	-	-	27.25	27.25
	F Y 2022-23	(-)	(-)	(-)	(-)	(9.50)	(9.50)
Mr. Alokesh Jalan	F Y 2023-24	-	-	39.00	-	-	39.00
	F Y 2022-23	(-)	(-)	(14.04)	(-)	(-)	(14.04)
Alokesh Jalan (HUF)	F Y 2023-24	-	-	-	-	1.04	1.04
	F Y 2022-23	(-)	(-)	(-)	(-)	(0.37)	(0.37)
Mrs. Sarita Jalan	F Y 2023-24	-	-	-	-	59.34	59.34
	F Y 2022-23	(-)	(-)	(-)	(-)	(21.24)	(21.24)
Mr. S. M. Jalan	F Y 2023-24	-	-	-	-	45.92	45.92
	F Y 2022-23	(-)	(-)	(-)	(-)	(16.80)	(16.80)
Mrs. Shobha Jalan	F Y 2023-24	-	-	-	-	50.81	50.81
	F Y 2022-23	(-)	(-)	(-)	(-)	(18.29)	(18.29)
Mrs. Bimla Devi Jalan	F Y 2023-24	-	-	-	-	30.62	30.62
	F Y 2022-23	(-)	(-)	(-)	(-)	(11.02)	(11.02)
Mr. Rohit Deepak Jalan	F Y 2023-24	-	-	20.32	-	-	20.32
	F Y 2022-23	(-)	(-)	(7.32)	(-)	(-)	(7.32)
Mr. Rohit Deepak Jalan (HUF)	F Y 2023-24	-	-	-	-	35.35	35.35
	F Y 2022-23	(-)	(-)	(-)	(-)	(12.60)	(12.60)
Mrs. Ekta Jalan	F Y 2023-24	-	-	-	-	23.05	23.05
	F Y 2022-23	(-)	(-)	(-)	(-)	(7.97)	(7.97)
Mrs. Devanshi Jalan	F Y 2023-24	-	-	-	-	19.80	19.80
	F Y 2022-23	(-)	(-)	(-)	(-)	(6.91)	(6.91)

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

Description	Year Ended	Subsidiary	Joint Ventures	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP ( ₹ )		Total
						( ₹ )	( ₹ )	
								(₹ in Lakhs)
Mr. Aakash	F Y 2023-24	-	-	-	-	32.87	-	32.87
Aloke Jalan	F Y 2022-23	(-)	(-)	(-)	(-)	(11.83)	(-)	(11.83)
Mr. Utkarsh	F Y 2023-24	-	-	-	-	32.30	-	32.30
Aloke Jalan	F Y 2022-23	(-)	(-)	(-)	(-)	(11.63)	(-)	(11.63)
Others	F Y 2023-24	-	-	-	-	0.90	-	0.90
	F Y 2022-23	(-)	(-)	(-)	(-)	(0.97)	(-)	(0.97)
<b>Balance Outstanding as at reporting date :</b>								
<b>a) Trade Receivable</b>								
Linc Retail Ltd.	F Y 2023-24	-	-	-	149.31	-	-	149.31
	F Y 2022-23	(-)	(-)	(-)	(156.24)	(-)	(-)	(156.24)
Gelx Industries Ltd.	F Y 2023-24	83.63	-	-	-	-	-	83.63
	F Y 2022-23	(-)	-	(-)	(-)	(-)	(-)	(-)
Morris Linc Pvt. Ltd.	F Y 2023-24	-	5.26	-	-	-	-	5.26
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>b) Outstanding amount of Loan given</b>								
Gelx Industries Ltd.	F Y 2023-24	291.81	-	-	-	-	-	291.81
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>c) Interest accrued on Loan given</b>								
Gelx Industries Ltd.	F Y 2023-24	9.95	-	-	-	-	-	9.95
	F Y 2022-23	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>d) Remuneration &amp; Commission Payable</b>								
Mr. Deepak Jalan	F Y 2023-24	-	-	38.60	-	-	-	38.60
	F Y 2022-23	(-)	(-)	(38.52)	(-)	(-)	(-)	(38.52)
Mr. Aloke Jalan	F Y 2023-24	-	-	19.30	-	-	-	19.30
	F Y 2022-23	(-)	(-)	(18.07)	(-)	(-)	(-)	(18.07)
Mr. Naresh Pachisia	F Y 2023-24	-	-	4.50	-	-	-	4.50
	F Y 2022-23	(-)	(-)	(4.75)	(-)	(-)	(-)	(4.75)
Mr. Anil Kochar	F Y 2023-24	-	-	4.50	-	-	-	4.50
	F Y 2022-23	(-)	(-)	(4.75)	(-)	(-)	(-)	(4.75)
Ms. Supriya Newar	F Y 2023-24	-	-	4.50	-	-	-	4.50
	F Y 2022-23	(-)	(-)	(4.75)	(-)	(-)	(-)	(4.75)
Mr. Sanjay Jhunjhunwalla	F Y 2023-24	-	-	4.50	-	-	-	4.50
	F Y 2022-23	(-)	(-)	(4.75)	(-)	(-)	(-)	(4.75)

- 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) The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 39 Fair Value Measurement of Financial Assets & Liabilities

(₹ in Lakhs)

Particulars	CARRYING AMOUNT	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Non Current Financial Assets</b>		
i) Loans	291.81	-
ii) Other Financial assets	108.58	115.09
<b>Current Financial Assets</b>		
i) Trade Receivables	5,145.87	3,864.17
ii) Cash & Cash Equivalents	1,303.26	759.96
iii) Other Bank Balances	7.79	480.53
iv) Others	81.73	37.97
<b>Total Financial Assets</b>	<b>6,939.04</b>	<b>5,257.72</b>
<b>Non-Current Financial Liabilities</b>		
Lease Liabilities	1,842.74	25.63
<b>Current Financial Liabilities</b>		
i) Borrowings	-	-
ii) Lease Liabilities	58.35	71.41
iii) Trade Payables	5,566.05	3,935.74
iv) Other current financial liabilities	546.84	527.32
<b>Total Financial Liabilities</b>	<b>8,013.98</b>	<b>4,560.10</b>

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. : 40 Income Tax

(₹ in Lakhs)

Particulars	CARRYING AMOUNT	
	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Current income tax</b>	1,162.50	1,308.00
Deferred Tax:		
Relating to organisation and reversal of temporary differences	(1.27)	(38.76)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,161.23</b>	<b>1,269.24</b>
<b>OCI Section</b>		
Deferred Tax related to items recognised in OCI during the year		
Net loss/ (gain) on remeasurement of defined benefit plans	37.22	11.82
<b>Income tax charged to OCI</b>	<b>37.22</b>	<b>11.82</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

40.1 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023:

Particulars	₹ in Lakhs	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Accounting profit before income tax	4,571.96	5,008.92
At India's statutory income tax rate of 25.17% (31 <sup>st</sup> March, 2023: 25.17%)	1,150.67	1,260.64
Tax effect of Non deductible expenses	10.04	5.08
Permanent difference	0.18	0.18
Others	0.34	3.32
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,161.23</b>	<b>1,269.24</b>

### Note No. : 41 Movement in Deferred Tax (Assets) / Liabilities (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 <sup>st</sup> March, 2024
<b>Deferred tax liabilities</b>				
Arising on account of:				
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	391.91	19.76	-	411.67
<b>(A)</b>	<b>391.91</b>	<b>19.76</b>	<b>-</b>	<b>411.67</b>
<b>Less: Deferred tax assets</b>				
Arising on account of:				
Provisions for Employee Benefits Expense	63.81	6.88	37.22	107.91
Provisions for expected credit loss	24.29	(10.37)	-	13.92
Others	1.45	24.52	-	25.97
<b>(B)</b>	<b>89.55</b>	<b>21.03</b>	<b>37.22</b>	<b>147.80</b>
<b>Net deferred tax liabilities / (assets) (A-B)</b>	<b>302.36</b>	<b>(1.27)</b>	<b>(37.22)</b>	<b>263.87</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 41 Movement in Deferred Tax (Assets) / Liabilities Contd.

Particulars	₹ in Lakhs			
	As at 31 <sup>st</sup> March, 2022	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 <sup>st</sup> March, 2023
<b>Deferred tax liabilities</b>				
Arising on account of:				
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	425.13	(33.22)	-	391.91
<b>(A)</b>	<b>425.13</b>	<b>(33.22)</b>	<b>-</b>	<b>391.91</b>
<b>Less: Deferred tax assets</b>				
Arising on account of:				
Provisions for Employee Benefits Expense	49.75	2.24	11.82	63.81
Provisions for expected credit loss	22.43	1.86	-	24.29
Others	-	1.45	-	1.45
<b>(B)</b>	<b>72.18</b>	<b>5.55</b>	<b>11.82</b>	<b>89.55</b>
<b>Net deferred tax liabilities / (assets) (A-B)</b>	<b>352.95</b>	<b>(38.76)</b>	<b>(11.82)</b>	<b>302.36</b>

### Note No. : 42 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.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Unhedged Foreign Currency Exposure

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

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial Assets</b>		
<b>Trade Receivables</b>		
USD	2,250.35	2,244.56
EURO	183.66	132.88
GBP	14.56	73.45
<b>Total</b>	<b>2,448.57</b>	<b>2,450.89</b>
<b>Financial Liabilities</b>		
<b>Trade Payables</b>		
USD	491.71	306.75
EURO	-	2.25
JPY	762.91	122.28
<b>Total</b>	<b>1,254.62</b>	<b>431.28</b>
<b>Net Exposure*</b>		
USD	1,758.64	1,937.81
EURO	183.66	130.63
GBP	14.56	73.45
JPY	762.91	122.28
<b>Total Net Exposure</b>	<b>2,719.77</b>	<b>2,264.17</b>

\* Considered as natural hedge

### 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.

Change in foreign Currency Rates	(₹ in Lakhs)			
	Effect on profit before tax		Effect on Equity, net of tax	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
+5%	135.99	113.21	101.76	84.72
-5%	(135.99)	(113.21)	(101.76)	(84.72)

### 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 Company does not have any outstanding variable rate borrowing as at the reporting date. Hence, interest rate sensitivity has not been disclosed.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### (ii) Credit Risks

Credit risk is the risk that counterparty 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 has made provision for expected credit loss of ₹55.32 Lakhs for the current financial year (Previous Year ₹96.53 Lakhs).

#### 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:

Particulars	(₹ in Lakhs)					
	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Borrowings	-	-	-	-	-	-
Lease Liabilities	58.35	39.33	52.49	120.85	1,630.07	1,901.09
Trade payables	5,566.05	-	-	-	-	5,566.05
Other financial liabilities	546.84	-	-	-	-	546.84
<b>Total</b>	<b>6,171.24</b>	<b>39.33</b>	<b>52.49</b>	<b>120.85</b>	<b>1,630.07</b>	<b>8,013.98</b>

#### Year Ended 31<sup>st</sup> March 2023

Particulars	(₹ in Lakhs)					
	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Borrowings	-	-	-	-	-	-
Lease Liabilities	71.41	25.63	-	-	-	97.04
Trade payables	3,935.74	-	-	-	-	3,935.74
Other financial liabilities	527.32	-	-	-	-	527.32
<b>Total</b>	<b>4,534.47</b>	<b>25.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,560.10</b>

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 43 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:

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Segment Revenue from external Customer (Sale of Goods)</b>		
Within India	40,993.73	38,634.08
Outside India	9,207.00	10,140.76
<b>Carrying value of Non-Current assets (Other than financial instruments)*</b>		
Within India	12,434.72	9,411.15
Outside India	340.94	264.44

\* Non current assets for this purpose consist of Property Plant & Equipment, Capital work in progress, Right of use of assets, Intangible assets, Intangible assets under development, Non current tax and other non current assets.

#### Note:

No Single customer contributed 10% or more of the total revenue of the company for the year ended 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023.

### Note No. : 44 Earnings Per Share:

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
The numerator and denominator used to calculate Basic/ Diluted Earnings Per Share		
a) Amount used as the numerator Profit after tax (₹ in Lakhs)	3410.73	3739.68
b) Basic / Diluted weighted average number of Equity Shares used as the denominator (Nos. in Lakhs)	148.72	148.72
c) Nominal value of Equity Shares (₹)	10.00	10.00
d) Basic / Diluted Earnings Per Share (a/b) (₹)	22.93	25.15

### Note No. : 45 Lease

#### As Lessee

The Company has lease contracts for various items of buildings (including godowns) used in its operations. The Company's obligations under its lease are secured by lessor's title to the leased assets.

The Company also has certain leases of godowns with lease term of twelve months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

The carrying amount of right-of-use assets (Buildings) are disclosed in the Note 4 to the Financial Statements.

45.1 The carrying amount of lease liabilities and its movement during the year are as under:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Balance at the beginning of the year</b>	97.04	46.97
Add: Additions during the year	1,937.80	182.88
Less: Reversal due to lease modification	(89.37)	(46.97)
Add: Interest during the year	140.48	11.58
Less: Payment during the year	(184.86)	(97.42)
<b>Balance at the end of the year</b>	<b>1,901.09</b>	<b>97.04</b>
Non-current	1,842.74	25.63
Current	58.35	71.41
	<b>1,901.09</b>	<b>97.04</b>

45.2 The maturity analysis of lease liabilities on an undiscounted basis are as under:

Particulars	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Less than one year	208.33	76.12
One to two years	185.05	26.23
Two to five years	587.04	-
More than five years	2,344.48	-
<b>Total</b>	<b>3,324.90</b>	<b>102.35</b>

Lease liabilities is being measured by discounting the lease payments using the incremental borrowing rate i.e. 8% p.a. (Previous Year 8% p.a.)

45.3 The following are the amounts recognised during the year in profit or loss:

Particulars	(₹ in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Interest on lease liabilities (Note 32)	140.48	11.58
Depreciation on right-of-use assets (Note 33 (a))	148.13	91.60
Expenses relating to short-term and low-value leases (Note 33 (b))	165.80	133.68
<b>Total</b>	<b>454.41</b>	<b>236.86</b>

There is no significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when due.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 46 Ratio Analysis and its elements

(₹ in Lakhs)

Ratio	Numerator	Denominator	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	Change (%)
Current Ratio	Current Assets	Current Liabilities	2.41	2.56	(5.86%)
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Interest + Depreciation & Amortisation + Finance Cost Non-cash operating expenses / (income)	Debt service = Interest & Lease Payments + Principal Repayment of Long term borrowings	15.03	50.95	(70.50%)
				[Explained in Note (a) below]	
Return on Equity Ratio (In %)	Net Profits after taxes	Average Shareholder's Equity	18.00	23.00	(21.74%)
Inventory Turnover Ratio (In Days)	Revenue from operation	Average Inventory	62	54	14.81%
Trade Receivable Turnover Ratio (In Days)	Revenue from operation	Average Trade Receivable	33	27	22.22%
Trade Payable Turnover Ratio (In Days)	Total Purchases	Average Trade Payable	55	47	17.02%
Net Capital Turnover Ratio	Revenue from operation	Working Capital = Current Assets - Current Liabilities	5.21	5.72	(8.93%)
Net Profit Ratio (In %)	Net Profits after taxes	Revenue from operation	6.80	7.70	(11.69%)
Return on Capital Employed (In %)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	23.00	28.00	(17.86%)
Debt-Equity Ratio	Not Applicable				
Return on Investment:	Not Applicable				

#### Notes:

(a) Change in Debt Service Coverage Ratio as compared to the preceding year is due to decrease in EBITDA and increase in Lease payments.

## Notes to Standalone Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. :47 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

#### The Company's objective when managing capital are to:

- to maximise shareholders value and provide benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

**Note No. :48** The Company had entered into an agreement on 05th April, 2023 for acquisition of 60% shareholding of Gelx Industries Ltd, Kenya for which approval by Competition Authority of Kenya was received during the year. Post completion of the acquisition formalities, Gelx Industries Limited, Kenya has become a subsidiary of the company w.e.f. 3rd October, 2023.

**Note No. :49** The Company had incorporated as entity in the name of "Morris Linc Private Limited on 28th June, 2023. The company entered into a Joint Venture Agreement dated 23rd October, 2023 with Morris Co. Ltd. ("Morris") via the aforesaid company to carry out manufacture and sale of anti-ink dry marker with automatic air tight sealing mechanism in a Profit Share Ratio of 50.01 : 49.99 for the Company & Morris respectively.

#### Note No. :50 Other Statutory disclosures:

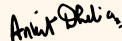
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**Notes to Standalone Financial Statements**  
as at and for the year ended 31<sup>st</sup> March, 2024

- (iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iv) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- (v) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March, 2024.
- (vii) As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014, the Company uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year and was not disabled, tampered with during the year, except for the database and application layer in payroll software situations where in during the year the audit trail feature was not enabled.

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

**For Singhi & Co**  
Chartered Accountants  
FR No. 302049E

  
**Ankit Dhelia**  
(Ankit Dhelia)

Partner  
Membership No. 069178  
Place of Signature: Kolkata  
Dated: 02nd May, 2024

**For and on behalf of the Board**

  
**Deepak Jalan**  
Managing Director  
DIN:00758600

  
**Rohit Deepak Jalan**  
Whole Time Director  
DIN:06883731

  
**N. K. Dujari**  
Director (Finance) & CFO  
DIN:03160828

  
**Dipankar De**  
Company Secretary  
ACS 32112

**Form AOC 1**

(Pursuant to first proviso to sub-section(3) of Section 129 read with Rule 5 of Companies (Accounts) Rule, 2014)  
Statement containing salient features of the Financial Statement of Subsidiaries /Associate Companies/ Joint Ventures of Linc Limited as on 31<sup>st</sup> March ,2024

Sl. No. of the Subsidiary	Name of the Subsidiary	Date since when the subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Year	Exchange Rate	(Amount ₹ in Lakhs)													
							Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investment	Revenue from operation/ Total Income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	%age of share holding	Country
1	Geik Industries Limited	03 <sup>rd</sup> October 2023	April to March	Kshs.	2023-24	0.6353	1,203.18	(879.13)	1749.02	1424.97	-	748.60	58.11	12.28	45.83	(39.68)	6.15	-	60%	Kenya

Notes:

- (i) Indian rupee equivalents of the figures given in foreign currency in the account of the subsidiary company, are based on the exchange rates as on March 31, 2024.
- (ii) The financial year of the company is calendar year as per host country law. However, for the purpose of consolidation, financial statement has been drawn as at March end.
- (iii) Consolidated Financial Statement includes its subsidiary company Geik Industries Limited.


Statement pursuant to section 129(3) of the companies Act, 2013 related to Associate Companies and Joint Ventures


**PART 'B' : Associates and Joint Ventures**

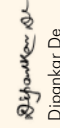
Sl. No.	Name of the Associates/ Joint Ventures	Latest Audited Balance Sheet Date	Date on which Associate or Joint Venture was acquired	Shares of Associate or Joint Ventures held by the company on the year end		Description of how there is significant influence	Reason why the associate/ Joint Venture is not consolidated	Net Worth attributable to shareholding as per latest audited Balance Sheet (₹ in lakhs)	Total Comprehensive Income
				No. of Shares held by the Company as on March 31, 2024	Extent of holding %				
1	Morris Linc Private Limited	31 <sup>st</sup> March 2024	October 23, 2023	217543	50.01	Extent of holding more than 20%	NA	0.09	0.09

For and on behalf of the Board

  
**Deepak Jalan**  
Managing Director  
DIN:00758600

  
**Rohit Deepak Jalan**  
Whole Time Director  
DIN:06883731

  
**N. K. Dujari**  
Director (Finance) & CFO  
DIN:03160828

  
**Dipankar De**  
Company Secretary  
ACS 32112

Place: Kolkata  
Date: 02nd May 2024

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
**Linc Limited (Formerly known as Linc Pen & Plastics Limited)**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Linc Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which include group's share of profit/(loss) in its Joint Venture, comprising of the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Statement of Changes in Equity, the consolidated Cash Flow Statement for the year then ended and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and Joint Venture referred to below in other matter section, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint Venture as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated statement of changes in equity and the consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue from sale of goods (as described in Note 25 to the consolidated financial statements)</b> The Group recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. In determining the sales price, the Group considers the effects of rebates and discounts (variable consideration). During F.Y. 2023-24, the Group's Statement of Profit and Loss included Sales of INR 50,380.09 lakhs. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in determining sales revenues.  The risk is, therefore, that revenue is not recognised in accordance with Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included the following: <ul style="list-style-type: none"> <li>➤ Considered the appropriateness of Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers';</li> <li>➤ Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts;</li> <li>➤ Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements;</li> <li>➤ Selected sample of sales transactions made pre- and post-year end, agreed the period of revenue recognition to underlying documents; and,</li> <li>➤ Assessed the relevant disclosures made within the consolidated financial statements.</li> </ul>
<b>Valuation of Inventories (as described in Note 11 to the consolidated financial statements)</b> The Group held inventories amounting to ₹9608.16 lakhs as at the Balance Sheet date, which represent 31.03 % of total assets.	Our audit procedures included the following: <ul style="list-style-type: none"> <li>➤ Obtained a detailed understanding and evaluated the design and implementation of controls that the company has established in relation to inventory valuation.</li> </ul>



Key audit matters	How our audit addressed the key audit matter
<p>As described in the accounting policies in note 1.3.K to the consolidated financial statements, inventories are carried at the lower of cost and net realizable value. Inventories valuation is a significant audit risk as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realizable value below cost based upon future plans for sale of inventory.</p>	<ul style="list-style-type: none"> <li>➤ Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision.</li> <li>➤ Recomputing provisions recorded to verify that they are in line with the Company policy.</li> </ul>

### Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of other auditors furnished to us, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management’s Responsibility for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Joint Venture in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS). The respective Board of Directors of the companies included in the Group and its Joint Venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 controls, that were operating

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its Joint Venture are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its Joint Venture are also responsible for overseeing financial reporting process of group and its Joint Venture.

### Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary and joint venture company which are companies incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the

Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

1. We did not audit the financial statements / financial information of one foreign subsidiary, whose financial statements / financial information reflect total assets and net assets of ₹1749.02 lakhs and ₹324.05 lakhs respectively as at March 31, 2024, total revenue

of ₹748.60 lakhs, total profit after tax of ₹45.83 lakhs and total comprehensive income of ₹6.15 lakhs and net cash inflow of ₹152.42 lakhs for the period from October 3, 2023 till March 31, 2024 respectively as considered in the consolidated financial results. This financial statements / financial information are audited as per the local law of the respective country and have been converted by the management of the Holding Company into Ind-AS compliant financial statements. Our opinion on the statement in so far as relates to the amounts included in respect of this subsidiary is based solely on audited accounts as per the respective local laws which has been converted into Ind AS by the Holding Company's management and duly certified by them.

2. The consolidated financial statement also includes the Company's share of net profit of ₹0.09 lakhs and other comprehensive income of ₹ Nil for the year ended March 31, 2024, in respect of one joint venture, whose financial statements / financial information have not been audited by us.

These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and Joint Venture and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and Joint Venture is based solely on the report(s) of such other auditors.

3. As stated in Note 44 & 48 of the Consolidated Financial Statement, the Holding Company has completed acquisition of 60% shareholding of Gelx Industries Ltd, Kenya during the year and accordingly it has become a subsidiary of the company w.e.f. October 3, 2023. In view of the aforesaid acquisition, consolidated financial statements have only been published for the year ended March 31, 2024. No corresponding figures for the previous year ended March 31, 2023 have been presented in respect of the consolidated financial statements since the company did not have any subsidiary, associate or joint venture prior to this acquisition

Our opinion is not modified in respect of the above matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements of the joint venture company incorporated in India, we give in "Annexure A", a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and joint venture companies, as noted in the 'other matter' paragraph above we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as

it appears from our examination of those books and reports of the other auditors except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) (“the Rules”);

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- (e) On the basis of the written representations received as on April 1st, 2024 to April 17th, 2024 from the directors of the Holding Company and report of the statutory auditors of its subsidiary and joint venture companies incorporated in India, none of the directors of group and joint venture companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modifications relating to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 2(b) above on reporting under Section 143(3)(b) of the act and paragraph 2(i)(vi) below on reporting under Rule 11 (g) of the Rules;
- (g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to the financial statements of the Company, refer to our separate Report in “Annexure B” to this report. The subsidiary company being incorporated outside India and the joint venture has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls in place and operating effectiveness of such controls (clause (i) of section 143(3)).
- (h) With respect to the matters to be included in the Auditor’s Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act. The joint venture company incorporated in India has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and joint venture, as noted in the ‘Other matter’ paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Joint Venture– Refer Note 34(b) to the consolidated financial statements;
- ii. The Group and its joint venture 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 Holding Company during the year ended March 31, 2024. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the joint venture which is incorporated in India.
- iv. (a) The management of the Holding Company has represented that, to the best of its knowledge and belief, as disclosed in the note 47(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its joint venture which are companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its joint venture which are companies incorporated in India (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management of the Holding Company has represented that, to the best of its knowledge and belief, as disclosed in the note 47(i) to the consolidated financial statements, no funds have been received by the Holding Company or its joint venture which are companies incorporated in India from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the by the Holding Company or its joint venture which are companies incorporated in India shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the by the Holding Company or its joint venture which are companies incorporated in India, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- (b) As stated in note 17 (f) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, and as communicated by the respective auditor of one joint venture company, the Holding Company and its joint venture which are companies incorporated in India, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail feature of software used by the Holding Company to maintain payroll records did not operate throughout the year, as described in note 47(vii) to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of other accounting software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

*Ankit Dhelia*

**Ankit Dhelia**  
Partner

Membership No. 069178  
UDIN: 24069178BKFDNZ5314

Place: Kolkata  
Date: May 02, 2024

## Annexure - A to the Independent Auditor's Report

(Referred to in 1st paragraph under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Linc Limited for the year ended March 31, 2024)

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following company have given certain remarks in their CARO report on the standalone financial statements of the respective companies incorporated in India and included in the Consolidated Financial Statements of the Holding Company:

SL	Name of Company	CIN	Holding Company/ Subsidiary/ Joint Venture	Date of Respective Auditor's Report	Paragraph number in the respective CARO Reports
1	Linc Limited	L36991WB1994PLC065583	Holding Company	May 2, 2024	(ii)(b) & (vii)(b)
2	Morris Linc Private Limited	U47613WB2023PTC263109	Joint Venture	April 29, 2024	-

The subsidiary company, Gelx Industries Limited is incorporated outside India. Accordingly, the provisions of reporting under CARO 2020 is not applicable to the subsidiary.

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

*Ankit Dhelia*

**Ankit Dhelia**  
Partner

Membership No. 069178  
UDIN: 24069178BKFDNZ5314

Place: Kolkata  
Date: May 02, 2024

## Annexure - B to the Independent Auditor's Report

(Referred to in paragraph 2(g) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Linc Limited for the year ended March 31, 2024)

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

In conjunction with our audit of consolidated financial statements of the Group as of and for the year ended 31st March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company. The subsidiary company being incorporated outside India and the joint venture company which is incorporated in India has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls in place and operating effectiveness of such controls (clause (i) of section 143(3)).

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 group'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 internal financial controls over financial reporting with reference to financial statements of the Holding company and covered entities 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') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 control system over financial reporting of the Holding Company.

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

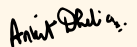
### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, has, in all material respects, an adequate internal financial controls over financial reporting with reference to financial statements and such internal financial control over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies 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



**Ankit Dhelia**  
 Partner

Place: Kolkata  
 Date: May 02, 2024

Membership No. 069178  
 UDIN: 24069178BKFDNZ5314

**Consolidated Balance Sheet** as at 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2024
<b>ASSETS</b>		
<b>1. Non-Current Assets</b>		
a) Property, plant and equipment	2	9,519.00
b) Capital Work - in - progress	3	905.19
c) Right-of-Use Assets	4	1,826.79
d) Intangible Assets	5	108.16
e) Investment in Joint Venture	6	21.84
f) Financial Assets		
i) Other Financial Assets	7	108.58
g) Deferred Tax Assets	8 (a)	332.26
h) Other Non - Current Assets	9	596.54
i) Income Tax Assets (Net)	10	140.49
<b>Total Non-Current Assets</b>		<b>13,558.85</b>
<b>2. Current Assets</b>		
a) Inventories	11	9,608.16
b) Financial Assets		
i) Trade Receivables	12	5,288.43
ii) Cash & Cash Equivalents	13	1,456.05
iii) Bank Balances other than (ii) above	14	7.79
iv) Other Financial Assets	15	83.66
c) Other Current Assets	16	959.01
<b>Total Current Assets</b>		<b>17,403.10</b>
<b>TOTAL ASSETS (1+2)</b>		<b>30,961.95</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a) Equity Share Capital	17	1,487.23
b) Other Equity	18	18,952.46
<b>Equity attributable to the owners of the Company</b>		<b>20,439.69</b>
c) Non Controlling Interest		145.49
<b>Total Equity</b>		<b>20,585.18</b>
<b>Liabilities</b>		
<b>1. Non-Current Liabilities</b>		
a) Financial Liabilities		
i) Lease Liabilities	42	1,842.74
b) Provisions	19	425.27
c) Deferred Tax Liabilities	8 (b)	263.87
<b>Total Non-Current Liabilities</b>		<b>2,531.88</b>
<b>2. Current Liabilities</b>		
a) Financial Liabilities		
i) Borrowings	20	691.53
ii) Lease Liabilities	42	58.35
iii) Trade Payables	21	
Total outstanding dues of micro enterprises and small enterprises		263.19
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,547.61
iv) Other Financial Liabilities	22	562.84
b) Other Current Liabilities	23	717.86
c) Provisions	24	3.51
<b>Total Current Liabilities</b>		<b>7,844.89</b>
<b>Total Liabilities (1+2)</b>		<b>10,376.77</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,961.95</b>
<b>Material Accounting Policies and Basis of Preparation</b>	1.1	

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached.

**For and on behalf of the Board**

**For Singhi & Co.**

Chartered Accountants  
F.R No. 302049E

*Ankit Dhebia*  
**Ankit Dhebia**  
Partner

Membership No. 069178  
Place of Signature: Kolkata  
Dated: 02nd May, 2024

*Deepak*  
**Deepak Jalan**  
Managing Director

Managing Director  
DIN:00758600

*N. K. Dujari*  
**N. K. Dujari**  
Director (Finance) & CFO

Director (Finance) & CFO  
DIN:03160828

*Rohit*  
**Rohit Deepak Jalan**  
Whole Time Director

Whole Time Director  
DIN:06883731

*Dipankar De*  
**Dipankar De**  
Company Secretary

Company Secretary  
ACS 32112

**Consolidated Statement of Profit and Loss** for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2024
<b>I Income</b>		
a. Revenue from operations	25	50,784.83
b. Other income	26	725.73
<b>Total Income</b>		<b>51,510.56</b>
<b>II Expenses</b>		
a. Cost of materials consumed	27	14,173.46
b. Purchases of Stock-in-Trade	28	17,567.85
c. Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade	29	(1,344.68)
d. Employee benefits expense	30	7,596.64
e. Finance costs	31	257.49
f. Depreciation and amortization expense	32 (a)	1,498.18
g. Other Expenses	32 (b)	7,149.14
<b>Total Expenses</b>		<b>46,898.08</b>
<b>III Profit / (Loss) before Exceptional Items and Tax (I - II)</b>		<b>4,612.48</b>
<b>IV Exceptional items</b>		
<b>V Profit/ (Loss) before tax (III - IV)</b>		<b>4,612.48</b>
<b>VI Tax expense:</b>		
a) Current tax	37	1,162.50
b) Deferred tax		11.01
<b>Total Tax expenses:</b>		<b>1,173.51</b>
<b>VII Profit / (Loss) before share of profit of Joint Venture (V-VI)</b>		<b>3,438.97</b>
<b>VIII Share of Profit/(Loss) in Joint Venture</b>	45	0.09
<b>IX Profit/(Loss) for the year (VII+VIII)</b>		<b>3,439.06</b>
<b>X Other Comprehensive Income (Net of tax)</b>		
A) Items that will not be reclassified to profit or loss		
(i) Re-Measurement gains/(losses) on defined benefit plans		(147.90)
(ii) Income Tax on above		37.22
<b>B) Items that will be reclassified to profit or loss</b>		<b>(39.68)</b>
(i) Foreign currency translation reserve		(39.68)
<b>Other Comprehensive Income (Net of tax) (A+B)</b>		<b>(150.36)</b>
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>3,288.70</b>
[Comprising Profit / (Loss) for the year (after tax) and Other Comprehensive Income (after tax)]		
<b>Profit / (Loss) for the year attributable to:</b>		
- Owners of the Parent		3,420.73
- Non- Controlling Interest		18.33
<b>Other Comprehensive Income attributable to:</b>		
- Owners of the Parent		(150.36)
- Non- Controlling Interest		-
<b>Total Comprehensive Income attributable to:</b>		
- Owners of the Parent		3,270.37
- Non- Controlling Interest		18.33
<b>XII Earnings per equity share - Basic and diluted (₹)</b>	41	<b>23.00</b>
(Face value ₹10/- per equity share)		

**Material Accounting Policies and Basis of Preparation**

1.1

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached.

**For and on behalf of the Board**

**For Singhi & Co.**

Chartered Accountants  
F.R No. 302049E

*Ankit Dhebia*  
**Ankit Dhebia**  
Partner

Membership No. 069178  
Place of Signature: Kolkata  
Dated: 02nd May, 2024

*Deepak*  
**Deepak Jalan**  
Managing Director

Managing Director  
DIN:00758600

*N. K. Dujari*  
**N. K. Dujari**  
Director (Finance) & CFO

Director (Finance) & CFO  
DIN:03160828

*Rohit*  
**Rohit Deepak Jalan**  
Whole Time Director

Whole Time Director  
DIN:06883731

*Dipankar De*  
**Dipankar De**  
Company Secretary

Company Secretary  
ACS 32112

**Consolidated Statement of Cash Flows** for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Particulars	For the Year Ended 31 <sup>st</sup> March, 2024	
<b>A. Cash flow from operating activities :</b>		
Net profit/(Loss) before tax		4612.48
<b>Adjustments for:</b>		
Depreciation and amortization expense	1,498.18	
(Profit) / Loss on sale of Property, Plant and Equipment (Net)	(33.26)	
Interest Income	(199.81)	
Unrealised loss/(gain) on foreign exchange fluctuation (Net)	(133.60)	
Liability no longer required, written back	(118.28)	
Provision for expected credit loss on Trade Receivables	13.14	
Finance cost	257.49	
Gain on Modification of Right of use assets	(5.72)	1,278.14
<b>Operating profit before working capital changes</b>		<b>5,890.62</b>
(Increase) / Decrease in Trade Receivables	(1,126.98)	
(Increase) / Decrease in Inventories	(1,355.48)	
(Increase) / Decrease in Other Non Current Assets	1.13	
(Increase) / Decrease in Other Financial Assets	(46.98)	
(Increase) / Decrease in Other Current Assets	(13.78)	
Increase / (Decrease) in Long Term Provisions	29.30	
Increase / (Decrease) in Trade Payables	1,866.29	
Increase / (Decrease) in Other Current Liabilities	(229.63)	
Increase / (Decrease) in Other Financial Liabilities	20.50	
Increase / (Decrease) in Other Non-Current Liabilities	(39.85)	
Increase / (Decrease) in Short Term Provisions	(1.98)	(897.46)
<b>Cash generated from operations</b>		<b>4,993.16</b>
Less: Direct taxes paid/ (Refund)		1,192.26
<b>Net Cash Generated From Operating Activities</b>		<b>3,800.90</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of Property, Plant and Equipment & Intangible Assets including CWIP & Capital advances	(2,815.89)	
Sale of Property, Plant and Equipment	151.55	
Payment towards Acquisition of Right of Use Assets	(29.49)	
Redemption of/(Investment) in Fixed Deposit (Net)	472.00	
Investment in Joint Ventures	(21.75)	
Interest Received	199.68	(2,043.90)
<b>Net Cash Used in Investing Activities</b>		
<b>C. Cash flow from financing activities :</b>		
Proceeds /(Repayment) of Short term borrowings (Net)	(8.70)	
Payment of Lease Liabilities (including interest)	(184.86)	
Interest Paid	(124.11)	
Dividend Paid	(743.61)	(1,061.28)
<b>Net Cash Used in Financing Activities</b>		
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>695.72</b>
<b>Total Cash and cash equivalents - Opening balance</b>		<b>759.96</b>
<b>Add: Cash &amp; Cash equivalent pursuant to acquisition of subsidiary</b>		<b>0.37</b>
<b>Cash and cash equivalents - Closing balance</b>		<b>1,456.05</b>

**Notes :**

- The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.
- Figures in bracket represent cash outflow from respective activities.
- Additions to Property, Plant and Equipment includes movement of Capital Work-in-Progress and Capital advances during the year.

**Consolidated Statement of Cash Flows** for the year ended 31<sup>st</sup> March, 2024

- Cash and cash equivalent at the end of the year consist of : (Refer note no.13)

Particulars	As at 31 <sup>st</sup> March, 2024
a) Cash in hand	29.66
b) Balances with Scheduled Banks in Current Accounts & Cash Credit Accounts (Debit Balance)	721.39
c) In Fixed Deposits (original maturity within 90 days)	705.00
	<b>1,456.05</b>

- Cash and cash equivalent do not include any amount which is not available to the company for its use.

- Change in Liability arising from financing activities

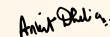
Particulars	As at 1 <sup>st</sup> April, 2023	On Acquisition of Subsidiary	Cash Flow (Net)	Foreign Exchange Movement	As at 31 <sup>st</sup> March, 2024
Short Term Borrowings (Refer Note 20)	-	435.60	(8.70)	264.62	691.53

- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

As per our report of even date attached.

**For and on behalf of the Board**
**For Singhi & Co.**

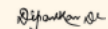
 Chartered Accountants  
 F.R No. 302049E


**(Ankit Dhelia)**  
 Partner  
 Membership No. 069178


**Deepak Jalan**  
 Managing Director  
 DIN:00758600


**Rohit Deepak Jalan**  
 Whole Time Director  
 DIN:06883731


**N. K. Dujari**  
 Director (Finance) & CFO  
 DIN:03160828


**Dipankar De**  
 Company Secretary  
 ACS 32112

Place of Signature: Kolkata

Dated: 02nd May, 2024

## Consolidated Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2024

### A. Equity Share Capital

Particulars	As at 31 <sup>st</sup> March, 2024	
	No. of Shares	₹ in Lakhs
Balances at the beginning of the year	1,48,72,291	1,487.23
Allotment of equity shares during the year	-	-
Balance at the end of the year	1,48,72,291	1,487.23

### B. Reserves and Surplus

(₹ in Lakhs)

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	OCI	Total
					Foreign exchange Translation Reserve	
Balance As on 1st April, 2023	2,096.94	12,806.59	(628.55)	1,960.07	-	16,235.05
Capital Reserve arising on acquisition of subsidiary (Refer Note 44)	-	-	190.65	-	-	190.65
Profit for the year	-	-	-	3,420.73	-	3,420.73
Other Comprehensive Income for the year, (net of tax):	-	-	-	(110.68)	(39.68)	(150.36)
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>3,310.04</b>	<b>(39.68)</b>	<b>3,270.37</b>
Transfer to General Reserves from Retained Earnings	-	3,000.00	-	(3,000.00)	-	-
Payment of Dividend	-	-	-	(743.61)	-	(743.61)
<b>Balance As at 31st March, 2024</b>	<b>2,096.94</b>	<b>15,806.59</b>	<b>(437.90)</b>	<b>1,526.51</b>	<b>(39.68)</b>	<b>18,952.46</b>

#### Material Accounting Policies and Basis of Preparation 1.1

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached.

For and on behalf of the Board

#### For Singhi & Co.

Chartered Accountants

FR No. 302049E

  
(Ankit Dhelia)

Partner

Membership No. 069178

Place of Signature: Kolkata

Dated: 02nd May, 2024



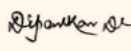
Deepak Jalan  
Managing Director  
DIN:00758600



N. K. Dujari  
Director (Finance) & CFO  
DIN:03160828



Rohit Deepak Jalan  
Whole Time Director  
DIN:06883731



Dipankar De  
Company Secretary  
ACS 32112

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note 1: Corporate Information

Linc Limited (“the Holding Company”) is a public company within the meaning of Companies Act, 2013 listed in a recognized stock exchange and incorporated on 24th October, 1994. Linc Limited (“the Holding Company”) has its manufacturing facilities located in Umbergaon (Gujrat) & Serakole (West Bengal). The Holding company along with its Subsidiary and Joint venture (together referred to as “the Group”) shall be engaged in manufacturing and distribution of Pens, Pencils & other stationery products. Details of subsidiary and joint venture is given below:

Name of the company	Nature of relation	Country of Incorporation	Holding as at March 31 <sup>st</sup> , 2024
Gelx Industries Limited	Subsidiary	Kenya	60.00%
Morris Linc Private Limited	Joint Venture	India	50.01%

These financial statements of the Group as at and for the year ended 31<sup>st</sup> March, 2024 have been approved by the Board of Directors at their meeting held on 2nd May, 2024.

### Note 1.1: Material Accounting Policy and Basis of Preparation

#### A. Basis of Consolidation

##### Subsidiary

Subsidiary are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary are fully consolidated from the date on which control is transferred to the Group and ceases to be consolidated when the Group loses control of the subsidiary. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter the portion of net profit and equity is segregated between the Group’s share and share of non-controlling stakeholders. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group’s accounting policies.

##### Joint Venture

Interest in joint venture is accounted for using the equity method, after initially being recognised at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Holding Company. The consolidated statement of profit and loss includes the Group’s share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealized gains on transactions between the Holding Company and joint ventures are eliminated to the extent of the Holding Company’s interest in these entities.



## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### B. Compliance with Ind AS

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

### C. Classification of current and non-current

The Group 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 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 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 Group 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 Group has identified twelve months as its operating cycle.

### D. Adoptions of new accounting standards

The group has applied the following amendments to Ind AS for the first time from the annual reporting period commencing April 1, 2023:

- Ind AS 1 – Material accounting policies
- Ind AS 8 – Definition of accounting estimates.
- Ind AS 12 – Annual Improvements to Ind AS (2021)

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### E. Historical cost convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- certain financial assets and liabilities those are measured at fair value
- defined benefit plans - plan assets measured at fair value

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

### F. Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Holding Company's functional currency. All financial information presented in Indian Rupees has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

### G. Use of estimates

The preparation of financial statements in conformity with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

#### 1.2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

##### (i) Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

salary increases and the inflation rate. The group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

### (ii) Useful life of Property, Plant & Equipment and Intangible assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets and requirements of Schedule-II of the Act. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of PPE.

### (iii) Extension and Termination Option in Leases

Extension and termination options are included in many of the leases. In determining the lease term the Management considers all the facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the group.

### (iv) Significant judgments when applying Ind AS 115

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the group expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

### (v) Claims, Provisions and Contingent Liabilities

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

### (vi) Allowances for Doubtful Debts/Receivable

The group makes allowances for doubtful debts/receivables through appropriate estimations of irrecoverable amount using models developed for determination of Expected Credit Loss based on ageing and qualitative criteria. The identification of doubtful debts/receivables requires use of judgment and estimates which includes historical credit loss experiences and forward-looking information. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

### 1.3 Material Accounting Policies

#### A. Property, Plant and equipment and Depreciation

Property, Plant and Equipment is stated at cost/deemed 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 neither 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:

Assets	Useful Life (in years)
Factory Building	30
Non-factory Building	60
Plant & Equipment	8 -15
Electrical Installation	10
Furniture & Fixtures	10
Office Equipment	5
Vehicle	8-10
Computers	3

The cost and related accumulated depreciation are eliminated from the Financial Statements upon derecognition 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.

#### B. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### (ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### (iii) Short-term lease and lease of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### C. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Group transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

### D. Interest Income

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

### E. 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.

### F. Taxes

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

### G. 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.

### H. 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 and the carry forward of 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

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

differences and the carry forward 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 reassessed 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.

### I. 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 Group has intangible assets with finite useful lives.

Intangible assets (Computer Software and Trademark) are amortised on a Straight-Line Basis over a period of five years and three years respectively.

### J. 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.

### K. Inventories

Inventories 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 costs 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.

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.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### L. Impairment of Non-Financial Assets

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets 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.

### M. 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 Group operates a defined benefit gratuity plan in India, comprising of Gratuity fund with Life Insurance Corporation of India. The Group'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 Group 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 is recognized in the Statement of Profit & Loss.

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The Group'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 Group 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.

#### iii) Defined Contribution Plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution benefit scheme.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### N. Foreign Currency Translation

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the Balance Sheet date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also reclassified in OCI or the Statement of Profit and Loss, respectively).

### O. Financial Instruments

#### i) Financial Assets

The financial assets are classified in the following categories:

- a) financial assets measured at amortised cost,
- b) financial assets measured at fair value through profit and loss (FVTPL), and
- c) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Group's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Loss. Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for arranging financial assets.

#### a. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the Statement of Profit or Loss.

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment, if any.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

#### b. Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Investments in units of mutual funds, alternate investment funds (AIF's) other than equity and debentures are accounted for at fair value and the changes in fair value are recognised in the statement of Profit and Loss.

#### c. Financial assets at FVOCI

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

#### d. Equity instruments

Investments in Joint Venture are out of scope of Ind AS 109 and hence, the Group has accounted for its investment in Joint Venture at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

#### e. De-recognition of financial asset

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109: Financial Instruments.

#### f. Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Only for Trade receivables, allowances for credit losses have been estimated based on ageing of receivables and customer related specific information in case to case basis. Impairment loss allowance recognised /reversed during the year is charged/written back to Statement of Profit and Loss.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### ii) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments. A financial liability (or a part of financial liability) is de-recognised from Group's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

### iii) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Group or the counterparty.

## P. 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.

## Q. 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

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.

## R. Dividend to Equity Holders

The Holding Company recognises a liability to make cash distributions to equity holders of the holding company when the distribution is authorised and the distribution is no longer at the discretion of the holding 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.

## S. 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.

## T. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group 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 Group 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 group 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 Group does not recognize contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

## Note No. 2 Property, Plant and Equipment

Particulars	GROSS CARRYING VALUE				ACCUMULATED DEPRECIATION				NET CARRYING VALUE			
	1 <sup>st</sup> April, 2023	On acquisition of subsidiary	Additions	Other Adjustments*	Deductions	31 <sup>st</sup> March, 2024	On acquisition of subsidiary	For the year		Other Adjustments*	Deductions	31 <sup>st</sup> March, 2024
Freehold Land	496.80	-	121.46	-	-	618.26	-	-	-	-	-	618.26
Buildings	3,444.50	-	16.52	-	2.99	3,458.03	395.86	86.77	-	0.65	481.98	2,976.05
Plant and Equipment	4,267.68	280.78	507.30	39.87	71.06	5,024.57	2,912.44	430.69	2.74	4.70	3,341.17	1,683.40
Other Equipment	5,929.42	-	1,036.52	-	27.58	6,936.36	3,453.26	-	-	12.51	4,018.10	2,920.26
Furniture and Fixtures	977.00	23.15	49.73	3.07	0.07	1,052.88	278.12	14.05	85.16	2.01	379.34	673.54
Vehicles	495.06	7.77	90.67	1.89	42.81	552.58	196.27	4.13	49.13	0.60	238.83	313.75
Office Equipment	131.99	-	42.61	-	0.78	173.82	70.54	-	19.83	-	90.18	83.64
Electrical Installation & Equipment	323.78	-	12.95	-	5.14	331.59	133.40	-	26.78	-	156.07	175.52
Computers & Data Processing Units	151.13	7.51	30.86	1.03	0.56	189.97	68.08	5.29	41.56	0.76	115.39	74.58
<b>TOTAL</b>	<b>16,217.36</b>	<b>319.21</b>	<b>1,908.62</b>	<b>45.86</b>	<b>150.99</b>	<b>18,340.06</b>	<b>7,507.97</b>	<b>23.47</b>	<b>1,317.27</b>	<b>6.11</b>	<b>8,821.06</b>	<b>9,519.00</b>

\* Includes impact of Foreign Exchange difference related to foreign subsidiary

Notes:

- Property, Plant and Equipment given as security for borrowings (Refer Note No 20)
- Refer Note 34 (a) for disclosure on contractual commitments for acquisition of Property, Plant and Equipment.
- The Holding Company has not revalued its Property, Plant and Equipment during the current financial year.

Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

## Note No. - 3

## 3.1 Capital Work-in-Progress schedule :

Particulars	Amount of CWIP for a period of			As at 31 <sup>st</sup> March, 2024
	Less than 1 year	1 - 2 years	2 - 3 years	
Balance at the Beginning of the Year	-	-	-	98.13
Additions during the Year	-	-	-	1,034.89
Less: CWIP Written Off	-	-	-	1.05
Less: Capitalization during the Year	-	-	-	226.78
<b>Balance at the end of the Year</b>	<b>879.29</b>	<b>25.90</b>	<b>-</b>	<b>905.19</b>

## 3.2 Capital Work-in-Progress ageing schedule:

Particulars	Amount of CWIP for a period of			Total
	Less than 1 year	1 - 2 years	More than 3 years	
Projects in progress	879.29	25.90	-	905.19

Note:

- There are no projects as on each reporting date which have exceeded the cost as compared to its original plan or where completion is overdue.
- Capital Work-in-Progress as at 31<sup>st</sup> March, 2024 mainly comprises of construction cost of building and plant & equipment of the Holding Company.

## Note No. - 4 Right of use - assets

Particulars	GROSS CARRYING VALUE				ACCUMULATED DEPRECIATION				NET CARRYING VALUE			
	1 <sup>st</sup> April, 2023	On acquisition of subsidiary	Additions	Other Adjustments*	Deductions	31 <sup>st</sup> March, 2024	On acquisition of subsidiary	For the year		Other Adjustments*	Deductions	31 <sup>st</sup> March, 2024
Right of use - assets (Buildings)	182.88	-	1,967.29	-	182.88	1,967.29	91.60	148.13	-	99.23	140.50	1,826.79
<b>TOTAL</b>	<b>182.88</b>	<b>-</b>	<b>1,967.29</b>	<b>-</b>	<b>182.88</b>	<b>1,967.29</b>	<b>91.60</b>	<b>148.13</b>	<b>-</b>	<b>99.23</b>	<b>140.50</b>	<b>1,826.79</b>

Note: The Holding Company has not revalued its Right of Use Assets during the current and previous financial year.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. 5 Intangible Assets

(₹ in Lakhs)

Particulars	GROSS CARRYING VALUE				AMORTISATION				NET CARRYING VALUE
	1 <sup>st</sup> April, 2023	Additions /	Deductions	31 <sup>st</sup> March, 2024	1 <sup>st</sup> April, 2023	For the year	Deductions	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2024
Computer Software	167.86	2.14	-	170.00	29.24	32.78	-	62.02	107.98
Trade Mark	19.83	-	-	19.83	19.65	-	-	19.65	0.18
<b>TOTAL</b>	<b>187.69</b>	<b>2.14</b>	<b>-</b>	<b>189.83</b>	<b>48.89</b>	<b>32.78</b>	<b>-</b>	<b>81.67</b>	<b>108.16</b>

Note: The Group has not revalued its Intangible Assets during the current financial year.

### Note No. : 6 Non-Current Investments in Joint Venture

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
(fully paid up unless otherwise stated)	-
<b>A. Investment in Equity shares (Unquoted, at Cost)</b>	-
- Joint Venture Company, Morris Linc Private Limited* (No. of Equity Shares: 2,17,543 @ Face value of Rs 10 each) * (includes share of profit of Joint Venture)	21.84
<b>Total</b>	<b>21.84</b>
Aggregate amount and market value of quoted investments	-
Aggregate carrying value of unquoted investments	21.84
Aggregate amount of impairment in value of investments	-

### Note No. : 7 Financial Assets - Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
(Unsecured, considered good unless otherwise stated)	-
- Security Deposits	108.05
- Fixed deposits with statutory authorities	0.46
(Non current portion with original maturity period of more than 12 months)	-
Interest accrued but not due on fixed deposits	0.07
	0.53
<b>Total</b>	<b>108.58</b>

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 8 (a) Deferred tax Asset (Net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Deferred tax Asset :	
Arising on account of:	
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	(34.87)
Taxable Losses	385.81
Less : Deferred tax liabilities :	
Arising on account of:	
Accelerated Tax Depreciation	
Others	18.68
<b>Deferred tax Asset (Net)</b>	<b>332.26</b>

### Note No. : 8 (b) Deferred tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Deferred tax liabilities :	
Arising on account of:	
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	411.67
Less : Deferred tax asset :	
Arising on account of:	
Provisions for Employee Benefits Expense	107.91
Provisions for expected credit loss	13.92
Others	25.97
<b>Deferred tax liabilities (Net)</b>	<b>263.87</b>

- Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.
- For Movement in Deferred Tax (Assets) /Liabilities: (Refer Note no. 38)

### Note No. : 9 Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
(Unsecured, considered good unless otherwise stated)	-
Capital advances	566.40
Other advances	
- Deposit under Appeal	27.49
- Prepaid expenses	2.65
<b>Total</b>	<b>596.54</b>



## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 10 Income Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	
- Advance Income Tax	4,863.95	
Less: Provision for Taxation	4,723.46	140.49
		<b>140.49</b>

### Note No. : 11 Inventories\*

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	
<b>(At lower of cost and net realisable value)</b>		
Raw materials (Includes Stock in transit of Nil)		3222.81
Work-in-progress		369.00
Finished goods	1603.19	
Add: Goods in transit	208.07	1811.26
Stock-in-trade (Includes Stock in transit of ₹178.58 Lakhs)		4205.09
		<b>9,608.16</b>

\* Includes materials lying with other parties

#### Note:

- 1) Mode of valuation- Refer note no. 1.3 (K) of accounting policies.
- 2) Inventories of Holding Company are hypothecated/pledged against borrowings (refer note 20)

### Note No. : 12 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	
<b>Trade Receivables</b>		
Trade Receivables considered Goods - Secured		61.21
Trade Receivables considered Goods - Unsecured		5,282.54
Trade Receivables which have significant increase in credit risk		-
Trade Receivables - Credit Impaired		-
		<b>5,343.75</b>
Less: Allowance for expected Credit loss (Refer Note below)		55.32
		<b>5,288.43</b>

#### Note:

- 1) Trade Receivables are hypothecated against borrowings (refer note 20)
- 2) No Trade receivables due by the directors and officers of the Group.
- 3) Allowances for credit losses of trade receivables have been estimated based on ageing of receivables and customer related specific information on specific case basis.

## Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

### 4) Trade Receivables ageing Schedule: As at 31<sup>st</sup> March 2024

Particulars	Outstanding for following periods from due dates of payment						Total
	Unbilled Due	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
i. Undisputed Trade Receivables considered Goods	-	4,106.69	813.22	100.58	207.94	28.25	87.07
ii. Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-	-	-	-	-
iv. Disputed Trade Receivables Credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
							<b>55.32</b>
							<b>5,288.43</b>

**Note:** There are no unbilled revenue as on each reporting date.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

5) Movement in Expected credit loss allowances		(₹ in Lakhs)
Particulars	As at	
	31 <sup>st</sup> March, 2024	
Opening Balance	96.53	
Add: Allowance during the year	13.14	
Less: Written off during the year	54.35	
Closing Balance	55.32	

Note No. : 13 Cash and cash equivalents		(₹ in Lakhs)
Particulars	As at	
	31 <sup>st</sup> March, 2024	
Cash on hand	29.66	
Balance with banks		
In current accounts	151.84	
In cash credit accounts (Debit balance)	569.55	
Fixed Deposits with Bank (original maturity within 90 days)	705.00	
	1,456.05	

Note No. : 14 Other bank balances		(₹ in Lakhs)
Particulars	As at	
	31 <sup>st</sup> March, 2024	
Earmarked balances		
- Unpaid dividend accounts	7.79	
Fixed Deposits with Bank (original maturity between 3 to 12 Months)	-	
	7.79	

Note No. : 15 Other Financial Assets		(₹ in Lakhs)
Particulars	As at	
	31 <sup>st</sup> March, 2024	
(Unsecured, considered good unless otherwise stated)		
Security deposits	83.18	
Interest accrued on Fixed Deposit	0.48	
	83.66	

Note No. : 16 Other Current Assets		(₹ in Lakhs)
Particulars	As at	
	31 <sup>st</sup> March, 2024	
(Unsecured, considered good unless otherwise stated)		
- Advances to suppliers and others	288.71	
- Prepaid expenses	84.02	
- Claims receivable	0.98	
- Export Benefits Receivable	68.25	
- Balance with government authorities	517.05	
	959.01	

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

Note No. : 17 Share Capital			(₹ in Lakhs)
Particulars	As at 31 <sup>st</sup> March, 2024		
	No. of shares	Amount	
<b>Authorised</b>			
Equity shares of ₹10/- each	1,55,00,000	1,550.00	
<b>Issued, subscribed and fully paid up</b>			
Equity shares of ₹10/- each	1,48,72,291	1,487.23	
			1,487.23

### a. Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31 <sup>st</sup> March, 2024	
	No. of shares	(₹ in Lakhs)
<b>At the beginning of the year</b>	1,48,72,291	1,487.23
Add: Shares Issued	-	-
<b>At the end of the year</b>	1,48,72,291	1,487.23

### b. Terms & rights attached to equity shares:

The Holding 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 Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c. Shareholders holding more than 5% shares in the Holding Company :

Name of the Shareholders	As at 31 <sup>st</sup> March, 2024	
	No. of Shares held	% of Holding
Mrs. Shobha Jalan	10,16,106	6.83
M/s. Mitsubishi Pencil Co. Ltd.	20,00,000	13.45
Mrs. Sarita Jalan	11,86,790	7.98
Mr. Aloke Jalan	7,79,921	5.24
M/s. Suraj Mal Jalan Trust	9,18,431	6.18

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### d. Share held by promoters at the end of the of March 2024

Promoters Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of Holding	% of change during the year
Deepak Jalan	4,31,302	14,000	4,45,302	2.99%	0.09
Deepak Jalan (HUF)	5,44,928	2,000	5,46,928	3.68%	0.02
Prakash Jalan	100	-	100	0.00%	-
Aloke Jalan	7,79,921	-	7,79,921	5.24%	-
Aloke Jalan (HUF)	20,800	-	20,800	0.14%	-
Suraj Mal Jalan	9,33,431	(9,33,431)	-	0.00%	(6.28)
Suraj Mal Jalan Trust	-	9,18,431	9,18,431	6.18%	6.18
Shobha Jalan	10,16,106	-	10,16,106	6.83%	-
Bimla Devi Jalan	6,12,481	(5,62,481)	50,000	0.34%	(3.78)
Bimla Devi Jalan Trust	-	5,62,481	5,62,481	3.78%	3.78
Rohit Deepak Jalan	4,06,450	-	4,06,450	2.73%	-
Rohit Deepak Jalan (HUF)	7,07,000	-	7,07,000	4.75%	-
Aakash Aloke Jalan	6,57,300	-	6,57,300	4.42%	-
Utkarsh Aloke Jalan	6,45,900	-	6,45,900	4.34%	-
Devanshi Jalan	3,96,057	-	3,96,057	2.66%	-
Sarita Jalan	11,84,290	2,500	11,86,790	7.98%	0.02
Ekta Jalan	4,57,500	22,339	4,79,839	3.23%	0.15
Divya Jalan	18,000	6,000	24,000	0.16%	0.04

### e. Aggregate number of share issued for consideration other than cash:

During the year 2019-20, 16,74,806 shares were issued pursuant to scheme of arrangement.

- After the Reporting date, the Board of Directors of the Holding Company has proposed a dividend of ₹5.00/- per equity share for the year ended 31<sup>st</sup> March, 2024. 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 ₹743.61 Lakhs.
- The Holding Company has neither issued bonus shares nor has bought back any shares during last 5 years.
- No ordinary shares have been reserved per issue under options and contract/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- No securities convertible into Equity/ Preference shares have been issued by the Holding Company during the year.
- No calls are unpaid by any directors/ officers of the Holding Company during the year.
- The Company does not have any Holding Company or Ultimate Holding Company.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 18 Other Equity

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024	
<b>Securities premium account</b>		
Opening Balance		2,096.94
<b>General Reserve</b>		
Opening Balance	12,806.59	
Add: Transfer from Retained Earnings	3,000.00	15,806.59
<b>Capital Reserve</b>		
Opening Balance	(628.55)	
Add: Arising on acquisition of subsidiary (Refer Note 44)	190.65	(437.90)
<b>Retained Earnings</b>		
Opening Balance	1,960.07	
Add: Net profit for the year	3,420.73	
Add: Remeasurement of defined benefit plans (net of tax)	(110.68)	
Less: Dividend	743.61	
Less: Transfer to General Reserve	3,000.00	1,526.51
Closing balance		
<b>Other Comprehensive Income</b>		
Foreign Exchange Translation Reserve		(39.68)
		<b>18,952.46</b>

### 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.

#### c. Capital Reserve

Capital Reserve represents arisen on business combination on earlier years and due to acquisition of subsidiary during the year.

#### d. Retained Earning

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to investors. This includes remeasurement of defined benefit plans arising due to actuarial valuation of gratuity, that will not be routed through Statement of profit and loss subsequently.

#### e. Foreign Currency Translation Reserve (OCI)

Reserve is created on translation of financial statement of foreign subsidiary into presentation currency.

## Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 19 Provisions- Non Current

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits	
Leave Encashment	72.84
Gratuity (Refer Note No. 33)	352.43
	<b>425.27</b>

### Note No. : 20 Short-term borrowings

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
<b>Secured</b>	
- Working Capital facility from banks (Holding Company)	-
- Short Term Loan from bank (Subsidiary)	88.87
- Working Capital facility from bank (Subsidiary)	298.20
<b>Unsecured</b>	
- Loan from body corporate (Subsidiary)	108.50
- Loan from others (Subsidiary)	195.96
	<b>691.53</b>

#### Notes:

- Working Capital facilities from Banks (Sanctioned Limit = ₹5000.00 Lakhs) are secured by first charge on current assets and second charge on moveable fixed assets of the Holding Company and also secured by personal guarantee of Managing Director and Whole Time Director.
- There is no default on the Balance Sheet date in the repayment of borrowings and interest thereon in respect of Holding Company.
- The subsidiary company has been sanctioned the following working capital facilities from a bank in Kenya

Nature of Facility	Sanction Amount	Rate of Interest
Overdraft -I	KSH 522,000,000	Upto KSH 60,00,000 - Rate of Deposit under lien plus spread of 4%p.a. above KSH 60,00,000 - Minimum rate of 15.50% p.a. plus spread decided by the Bank
Overdraft -II	USD 50,000	Bank's USD currency Base rate plus 2.18% p.a.
Short term Loan cum Letter of Credit	USD 300,000	Minimum rate of 16.00% p.a. plus spread decided by the Bank

The above facilities are secured by the following :

- Fixed and Floating Debenture for an amount of Kshs. 120,000,000 (herein after referred to as the "Debenture") over all the assets of the Borrower.
- Specific Debenture over the Machinery for an amount of Kshs. 5,137,324 (herein after referred to as the "Specific Debenture") financed under the Asset Finance Facility.

## Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

- Corporate Guarantee and Indemnity of M/s Fairmead Limited for Kshs. 120,000,000.
- Joint and Several Personal Guarantees and Indemnities for an amount of Kshs. 120,000,000 each, executed by Arjan Jhamatmal Kimatrai, Sanjiv Prem J Gidoomal, Ranjeev Arjan Kimatrai and Deepesh Pravinchandra Shah
- Letter of Set-off duly executed by the various individuals (directors, shareholders and their relatives) accompanied by Fixed Deposit Receipts for funds held under lien totalling Kshs. 1,00,00,000.
- Subsidiary Company has also taken loan from Body corporate & other individuals which is repayable on demand, at a rate of Interest of 9.5% p.a.

### Note No. : 21 Trade payables

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Total outstanding dues of micro enterprises and small enterprises	263.19
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,547.61
	<b>5,810.80</b>

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

#### Trade Payable Ageing Schedule:-

##### As at 31<sup>st</sup> March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due dates of payment						Total
	Unbilled dues	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
i. MSME	-	263.19	-	-	-	-	263.19
ii. Others	-	5,194.52	350.72	-	2.37	-	5,547.61
iii. Disputed dues - MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-	-

### Note No. : 22 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Unpaid dividends *	7.79
Trade deposits	233.33
Unpaid salaries and other payroll dues	321.72
	<b>562.84</b>

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

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 23 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Advance from customers	184.41
Statutory liabilities	533.45
	<b>717.86</b>

### Note No. : 24 Provisions-Current

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
Provision for employee benefits -leave encashment	3.51
	<b>3.51</b>

### Note No. : 25 Revenue From operations

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	
<b>Sale of goods</b>	50,796.54	
Less: Discounts, Rebates, Incentives etc.	416.45	
		50,380.09
<b>Other operating revenues</b>		
- Scrap sales	34.79	
- Export Incentive	369.95	404.74
<b>Revenue from operations</b>		<b>50,784.83</b>

#### 25.1 Disclosure pursuant to Ind AS 115:

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	
<b>Revenue from Operations</b>		
Sale of Products	50,380.09	
Other Operating Revenues	404.74	
		<b>50,784.83</b>

#### A. Nature of goods and services

The Group is primarily engaged in the manufacturing of Writing instruments and stationeries and generates revenue from the sale of Pen and Refill and the same is only the reportable segment of the Group.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### B Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
i) Primary Geographical Markets (Sales of goods)	
Within India	40,993.73
Outside India	9,802.81
<b>Total</b>	<b>50,796.54</b>
ii) Major Products	
Pen	41,420.44
Refill	1,123.31
Others	8,252.79
<b>Total</b>	<b>50,796.54</b>
iii) Timing of Revenue	
At a point in time	50,796.54
Over time	-
<b>Total</b>	<b>50,796.54</b>
iv) Contract Duration	
Long Term	-
Short Term	50,796.54
<b>Total</b>	<b>50,796.54</b>

### C Other Information

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
a. Transaction price allocated to the remaining performance obligations	Nil
b. The amount of revenue recognised in the current year that was included in the opening contract liability balance	408.56
c. The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil
d. Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil

### D Contract Balances

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
i) Contract Assets	Nil
ii) Contract Liabilities (Refer Note No. 23)	184.41
iii) Trade Receivables (Refer Note No. 12)	5288.43

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 26 Other income

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
<b>Interest income</b>	
- Fixed deposits with banks	112.24
- Others	87.57
<b>Other non operating income</b>	
- Net gain/ (loss) on sale/discard of property, plant & equipment	33.26
- Miscellaneous Income	13.12
- Liabilities no longer required, written back	118.28
- Gain on Modification of Right of use assets	5.72
- Gain on foreign exchange fluctuation/ translation (net)	355.54
	<b>725.73</b>

### Note No. : 27 Cost of materials consumed

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
Plastic powder	3,427.98
Ink	1,989.99
Tips	2,963.29
Others	5,792.20
	<b>14,173.46</b>

### Note No. : 28 Purchase of stock in trade

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
Pens	13,001.35
Refills	219.03
Others	4,347.47
	<b>17,567.85</b>

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 29 Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	
<b>Finished goods</b>		
Opening stock	1588.68	
Add: On acquisition of subsidiary	25.96	
Less: Closing stock	1811.26	(196.63)
<b>Work-in-Progress</b>		
Opening stock	86.09	
Add: On acquisition of subsidiary	135.87	
Less: Closing stock	369.00	(147.04)
<b>Stock-in-Trade</b>		
Opening stock	3165.61	
Add: On acquisition of subsidiary	38.47	
Less: Closing stock	4205.09	(1,001.01)
		<b>(1,344.68)</b>

### Note No. : 30 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
Salaries,wages and Bonus	7,142.46
Contribution to provident and other funds*	370.48
Staff welfare expenses	83.70
	<b>7,596.64</b>

\*For descriptive note on disclosure of Defined benefit obligation. (Refer Note No. 33)

### Note No. : 31 Finance Costs

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	
Interest		
- On borrowings	35.22	
- On Income Tax	2.86	
- On Lease liabilities	140.48	
- On others	59.23	237.79
Other borrowing costs		19.70
		<b>257.49</b>

### Note No. : 32 (a) Depreciation & Amortisation Expense

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
Depreciation on Property, plant & equipment	1,317.27
Depreciation on Intangible Assets	32.78
Depreciation of Right of use assets	148.13
	<b>1,498.18</b>

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 32 (b) Other Expenses

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
Consumption of stores and spares	152.77
Power and fuel	535.16
Processing charges	673.04
Rent	190.11
Repairs and Maintenance	
Building	10.07
Machinery	23.46
Others	145.17
Insurance	86.65
Rates and taxes	84.02
Payment to auditor	19.55
Directors sitting fees & Commission	35.80
Travelling & conveyance	1,055.39
Postage, telegram & telephone	76.36
Professional & Consultancy Expenses	458.06
Freight & transportation	718.05
Advertisement expenses	1,181.60
Commission on Sales	135.57
Other selling expenses	863.04
Corporate social responsibility expense	39.90
Bad debts written off	54.35
Provision for Expected Credit Loss	13.14
Miscellaneous expenses	597.89
	<b>7,149.14</b>

### Note No. :33 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	Year Ended 31 <sup>st</sup> March, 2024
Employers' Contribution to Provident Fund	248.39
Employers' Contribution to Employee State Insurance Scheme	28.86
<b>Total</b>	<b>277.25</b>

#### b) Defined Benefit Plan :

The Holding 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 favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

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)

	Gratuity (Funded)
	Year Ended 31 <sup>st</sup> March, 2024
1 Current Service Cost	63.49
2 Past Service Cost	-
3 Interest Cost	11.48
4 Settlement Cost	-
5 Re-measurement -Due to Financial Assumptions	-
6 Re-measurement - Due to Experience Adjustments	-
Components of defined benefit cost recognised in P/L	<b>74.97</b>
7 Re-measurement - Due to Financial Assumptions	81.30
8 Re-measurement - Due to Experience Adjustments	46.92
9 Expected Return on Plan Asset	19.68
Components of defined benefit cost recognised in OCI	<b>147.90</b>
<b>Total Expense</b>	<b>222.87</b>

### II. Change in Obligation during the year

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
1 Present Value of Defined Benefit Obligation at the Beginning of the year	<b>580.81</b>
2 Interest Cost	40.57
3 Current Service Cost	63.49
4 Settlement Cost	-
5 Acquisition Cost/(Credit)	-
6 Plan Amendments Cost/(Credit)	-
7 Benefits Paid	(34.58)
8 Re-measurement - Due to Financial Assumptions	81.30
9 Re-measurement - Due to Experience Adjustments	46.92
10 Present Value of Defined Benefit Obligation at the End of the year	<b>778.51</b>

### III. Change in the Fair Value of Plan Assets during the year

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
1 Plan Assets at the Beginning of the year	<b>391.25</b>
2 Interest Income	29.09
3 Contribution by Employer	60.00
4 Re-measurement - Return on Assets (Excluding Interest Income)	(19.68)
5 Benefits Paid	(34.58)
6 Plan Assets at the end of the year	<b>426.08</b>

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

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

Particulars	As at 31 <sup>st</sup> March, 2024
1 Present value of Defined Benefit Obligation	(778.51)
2 Fair Value of Plan Assets	426.08
3 Funded Status (Surplus/(deficit))	(352.43)
4 Net Asset/(Liability) recognized in Balance Sheet	(352.43)

### V. Actuarial Assumptions (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024
1 Discount Rate (per annum)	7.00%
2 Expected rate of return on Plan Assets	6.80%
3 Salary Increase	6.50%
4 Retirement/Superannuation Age	58
5 Mortality Rate	Indian Assured Lives Mortality (2006 - 08)

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

**Particulars**  
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

**Particulars**  
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 :

Particulars	As at 31 <sup>st</sup> March, 2024
Others (including assets under Schemes of Insurance)	100%

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

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

Assumptions	Discount Rate Year Ended 31 <sup>st</sup> March, 2024	
	1% Increase (₹ in Lakhs)	1% Decrease (₹ in Lakhs)
Sensitivity level	(70.29)	82.35
Impact on Gratuity	(70.29)	82.35

Assumptions	Future Salary Increase Year Ended 31 <sup>st</sup> March, 2024	
	1% Increase (₹ in Lakhs)	1% Decrease (₹ in Lakhs)
Sensitivity level	78.55	(68.32)
Impact on Gratuity	78.55	(68.32)

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. Risk Exposure

- i) Interest Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- ii) Salary Inflation Risk : Higher than expected increase in salary will increase the defined benefit obligation.
- iii) Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long service employee.

### XI. Maturity Profile of Expected Benefit Payments: (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
1 Year 1	55.92
2 Year 2	55.11
3 Year 3	32.42
4 Year 4	43.17
5 Year 5	47.15
6 Next 5 Years	309.12



## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### XII. Other Disclosures

Particulars
1 The Gratuity and Provident Fund Expenses have been recognized under "Contribution to provident and other funds" under Note no. 30.
2 Expected employers' contribution for next year is not available and therefore, not disclosed.

### Note No. :34 Commitments and Contingencies

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
<b>a) Capital and Other Commitments:</b>	
i) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	1,195.91
ii) Advance paid against above (Refer Note No. 9)	566.40
<b>b) Contingent Liabilities:</b>	
(i) Demand/Claims by various Government Authorities and others not acknowledged as debts:	
Custom Duty (Amount deposited under appeal ₹27.49 Lacs)	363.79
Entry Tax	170.70

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

- (ii) The Code on Social Security 2020, (the 'code') received Presidential assent on 28th September 2020. However, the date on which the Code will come into effect has not yet been notified. The Group will assess the impact of the Code in the period(s) in which the provisions of the Code become effective.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 35 Related Party Disclosure:

#### I) Names and description of relationship of related parties:

Related Party	Relationship
M/s Morris Linc Private Limited	Joint venture (incorporated on 28th June 2023)

#### Key Managerial Personnel (KMP)

Mr. Deepak Jalan	Managing Director (MD)
Mr. Rohit Deepak Jalan	Whole Time Director (WTD)
Mr. Alope Jalan	Whole Time Director (WTD)
Mr. Naresh Pachisia	Independent / Non-Executive Director
Mr. Anil Kochar	Independent / Non-Executive Director
Ms. Supriya Newar	Independent / Non-Executive Director
Mr. Sanjay Jhunjhunwalla	Independent / Non-Executive Director
Mr. N.K.Dujari	Director (Finance) & CFO
Mr. Dipankar De	Company Secretary (w.e.f. 8th Feb'24)
Mr. Kaushik Raha	Company Secretary (Resigned w.e.f. 5th Jan'24)

#### Enterprises in which KMP and their relatives have control/ substantial interest :

Linc Retail Ltd.	Substantial interest of KMP along with relatives
Turtle Ltd.	Substantial interest of KMP along with relatives

#### Relatives of KMP :

Deepak Jalan (HUF)	Mr. Deepak Jalan is Karta of HUF
Mr. S.M. Jalan	Father of Mr. Deepak Jalan
Mrs. Divya Jalan	Daughter of Mr. Deepak Jalan
Mr. Rohit Deepak Jalan	Son of Mr. Deepak Jalan
Mrs. Ekta Jalan	Wife of Mr. Rohit Deepak Jalan
Mrs. Sarita Jalan	Wife of Mr. Deepak Jalan
Alope Jalan (HUF)	Mr. Alope Jalan is Karta of HUF
Mrs. Shobha Jalan	Wife of Mr. Alope Jalan
Mr. Aakash Alope Jalan	Son of Mr. Alope Jalan
Mr. Utkarsh Alope Jalan	Son of Mr. Alope Jalan
Mr. S.M. Jalan	Father of Mr. Alope Jalan
Mrs. Bimla Devi Jalan	Wife of Mr. S.M. Jalan
Rohit Deepak Jalan (HUF)	Mr. Rohit Deepak Jalan is Karta of HUF

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### II) Details of transactions with Related Parties:

(₹ in Lakhs)

Description	Year	Joint Ventures	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP ( R )	Total
<b>Purchase of Goods</b>						
Turtle Limited	F Y 2023-24	-	-	159.49	-	159.49
Linc Retail Ltd.	F Y 2023-24	-	-	6.08	-	6.08
<b>Purchase of Land</b>						
Deepak Jalan	F Y 2023-24	-	12.92	-	-	12.92
<b>Sale of Goods</b>						
Linc Retail Ltd.	F Y 2023-24	-	-	106.18	-	106.18
Morris Linc Private Limited	F Y 2023-24	3.33	-	-	-	3.33
<b>Interest income on loan given</b>						
<b>Investment in Equity shares</b>						
Morris Linc Private Limited	F Y 2023-24	21.76	-	-	-	21.76
<b>Reimbursement of Expenses</b>						
Morris Linc Private Limited	F Y 2023-24	1.93	-	-	-	1.93
<b>Receiving of Services (Remuneration)</b>						
Mr. Deepak Jalan*	F Y 2023-24	-	211.20	-	-	211.20
Mr. Alope Jalan*	F Y 2023-24	-	150.96	-	-	150.96
Mr. Rohit Deepak Jalan	F Y 2023-24	-	80.64	-	-	80.64
Mr. N. K. Dujari	F Y 2023-24	-	24.34	-	-	24.34
Mr. Kaushik Raha	F Y 2023-24	-	6.96	-	-	6.96
Mr. Dipankar De	F Y 2023-24	-	1.71	-	-	1.71
Mrs. Ekta Jalan	F Y 2023-24	-	-	44.45	-	44.45
Mrs. Divya Jalan	F Y 2023-24	-	-	48.55	-	48.55
Mr. Aakash Alope Jalan	F Y 2023-24	-	-	12.07	-	12.07
Mr. Utkarsh Alope Jalan	F Y 2023-24	-	-	12.07	-	12.07

\*Includes commission of ₹60 Lakhs and ₹30 Lakhs to Mr. Deepak Jalan & Mr. Alope Jalan respectively for FY 2023-24

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs)

Description	Year Ended	Joint Ventures	Key Managerial Personnel (KMP)	Enterprises in which KMP and their relatives have substantial interest	Relatives of KMP ( R )	Total
<b>Receiving of Services (Director Sitting Fees &amp; Commission)</b>						
Mr. Naresh Pachisia	F Y 2023-24	-	9.35	-	-	9.35
Mr. Anil Kochar	F Y 2023-24	-	9.25	-	-	9.25
Ms. Supriya Newar	F Y 2023-24	-	8.00	-	-	8.00
Mr. Sanjay Jhunjhunwalla	F Y 2023-24	-	9.20	-	-	9.20
<b>Receiving of Services (Rent &amp; Advertisement)</b>						
Mrs. Shobha Jalan	F Y 2023-24	-	-	-	11.01	11.01
Mr. Aakash Alope Jalan	F Y 2023-24	-	-	-	10.33	10.33
Mr. Utkarsh Alope Jalan	F Y 2023-24	-	-	-	11.32	11.32
Alope Jalan (HUF)	F Y 2023-24	-	-	-	11.32	11.32
<b>Dividend Paid to Shareholders</b>						
Mr. Deepak Jalan	F Y 2023-24	-	22.27	-	-	22.27
Deepak Jalan (HUF)	F Y 2023-24	-	-	-	27.25	27.25
Mr. Alope Jalan	F Y 2023-24	-	39.00	-	-	39.00
Alope Jalan (HUF)	F Y 2023-24	-	-	-	1.04	1.04
Mrs. Sarita Jalan	F Y 2023-24	-	-	-	59.34	59.34
Mr. S. M. Jalan	F Y 2023-24	-	-	-	45.92	45.92
Mrs. Shobha Jalan	F Y 2023-24	-	-	-	50.81	50.81
Mrs. Bimla Devi Jalan	F Y 2023-24	-	-	-	30.62	30.62
Mr. Rohit Deepak Jalan	F Y 2023-24	-	20.32	-	-	20.32
Mr. Rohit Deepak Jalan (HUF)	F Y 2023-24	-	-	-	35.35	35.35
Mrs. Ekta Jalan	F Y 2023-24	-	-	-	23.05	23.05
Mrs. Devanshi Jalan	F Y 2023-24	-	-	-	19.80	19.80
Mr. Aakash Alope Jalan	F Y 2023-24	-	-	-	32.87	32.87
Mr. Utkarsh Alope Jalan	F Y 2023-24	-	-	-	32.30	32.30
Others	F Y 2023-24	-	-	-	0.90	0.90
<b>Balance Outstanding as at reporting date :</b>						
<b>a) Trade Receivable</b>						
Linc Retail Ltd.	F Y 2023-24	-	-	149.31	-	149.31
Morris Linc Pvt. Ltd.	F Y 2023-24	5.26	-	-	-	5.26
<b>b) Remuneration &amp; Commission Payable</b>						
Mr. Deepak Jalan	F Y 2023-24	-	38.60	-	-	38.60
Mr. Alope Jalan	F Y 2023-24	-	19.30	-	-	19.30
Mr. Naresh Pachisia	F Y 2023-24	-	4.50	-	-	4.50
Mr. Anil Kochar	F Y 2023-24	-	4.50	-	-	4.50
Ms. Supriya Newar	F Y 2023-24	-	4.50	-	-	4.50
Mr. Sanjay Jhunjhunwalla	F Y 2023-24	-	4.50	-	-	4.50

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

- 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) The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as it is determined on an actuarial basis for the Group as a whole.

### Note No. : 36 Fair Value Measurement of Financial Assets & Liabilities

(₹ in Lakhs)

Particulars	CARRYING AMOUNT
	As at 31 <sup>st</sup> March, 2024
<b>Non Current Financial Assets</b>	108.58
<b>Current Financial Assets</b>	
i) Trade Receivables	5,288.43
ii) Cash & Cash Equivalents	1,456.05
iii) Other Bank Balances	7.79
iv) Others	83.66
<b>Total Financial Assets</b>	<b>6,944.51</b>
<b>Non-Current Financial Liabilities</b>	
i) Lease Liabilities	1,842.74
<b>Current Financial Liabilities</b>	
i) Borrowings	691.53
ii) Lease Liabilities	58.35
iii) Trade Payables	5,810.80
iv) Other current financial liabilities	562.84
<b>Total Financial Liabilities</b>	<b>8,966.26</b>

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 Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 37 Income Tax

(₹ in Lakhs)

Particulars	CARRYING AMOUNT
	Year Ended 31 <sup>st</sup> March, 2024
Current income tax	1,162.50
<b>Deferred Tax:</b>	
Relating to organisation and reversal of temporary differences	11.01
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,173.51</b>
<b>OCI Section</b>	
Deferred Tax related to items recognised in OCI during the year	
Net loss/ (gain) on remeasurement of defined benefit plans	37.22
<b>Income tax charged to OCI</b>	<b>37.22</b>

37.1 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31<sup>st</sup> March, 2024:

	(₹ in Lakhs)
	Year Ended 31 <sup>st</sup> March, 2024
<b>Accounting profit before income tax</b>	<b>4,612.48</b>
At India's statutory income tax rate of 25.17%	1,160.87
Tax effect of Non deductible expenses	10.04
Permanent difference	0.18
Others	2.42
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,173.51</b>

### Note No. : 38 Movement in Deferred Tax Liabilities

(₹ in Lakhs)

Particulars	As at 1 <sup>st</sup> April, 2023	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 <sup>st</sup> March, 2024
<b>Deferred tax liabilities</b>				
<u>Arising on account of:</u>				
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	391.91	19.76	-	411.67
(A)	391.91	19.76	-	411.67
<b>Less: Deferred tax assets</b>				
<u>Arising on account of:</u>				
Provisions for Employee Benefits Expense	63.81	6.88	37.22	107.91
Provisions for expected credit loss	24.29	(10.37)	-	13.92
Others	1.45	24.52	-	25.97
(B)	89.55	21.03	37.22	147.80
<b>Net deferred tax liabilities / (assets) (A-B)</b>	<b>302.36</b>	<b>(1.27)</b>	<b>(37.22)</b>	<b>263.87</b>

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Movement in Deferred Tax Asset:

(₹ in Lakhs)

Particulars	As at 1 <sup>st</sup> April, 2023	Arising on acquisition of subsidiary	Recognised in profit or loss	Other Adjustments*	As at 31 <sup>st</sup> March, 2024
<b>Deferred tax Assets</b>					
Arising on account of:					
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	-	(31.50)	0.65	(4.02)	(34.87)
Taxable Losses	-	337.86	3.32	44.63	385.81
(A)	-	306.36	3.97	40.61	350.94
<b>Less: Deferred tax Liabilities</b>					
Arising on account of:					
Others	-	-	16.25	2.43	18.68
(B)	-	-	16.25	2.43	18.68
<b>Net deferred tax Assets (A-B)</b>	-	<b>306.36</b>	<b>(12.28)</b>	<b>38.18</b>	<b>332.26</b>

\* Includes impact of Foreign Exchange difference related to foreign subsidiary

### Note No. :39 Financial Risk Management Objectives and Policies

The Group'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 Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents and deposits.

The Group is exposed to market risk and credit risk. The Group 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 Group. The audit committee provides assurance to the Group's management that the Group's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group'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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group has a treasury department which monitors the

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Group.

### Unhedged Foreign Currency Exposure

The Group's exposure to foreign currency at the end of the reporting period expressed in INR is as follows :

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024
<b>Financial Assets</b>	
Trade Receivables	
USD	2,155.71
EURO	183.66
GBP	14.56
<b>Total</b>	<b>2,353.93</b>
<b>Financial Liabilities</b>	
Trade Payables	
USD	491.71
JPY	762.91
<b>Total</b>	<b>1,254.62</b>
<b>Net Exposure*</b>	
USD	1,664.00
EURO	183.66
GBP	14.56
JPY	762.91
<b>Total Net Exposure</b>	<b>2,625.13</b>

\* Considered as natural hedge

### 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 Group 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
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2024
5%	131.26	98.22
-5%	(131.26)	(98.22)

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### 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.

(₹ in Lakhs)	
Particulars	As at 31 <sup>st</sup> March, 2024
<b>Fixed Rate Instruments</b>	
Financial Assets	6,944.51
Financial Liabilities	8,579.19
<b>Variable Rate Instruments</b>	
Financial Assets	-
<b>Financial Liabilities</b>	387.07

### 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 Group 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
31 <sup>st</sup> March, 2024	+50	(1.94)	(0.49)
	-50	1.94	0.49

Interest Rate Sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables remain constant.

### (ii) Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

#### Trade Receivables

Customer credit risk is managed by the Group'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 Group operates, an impairment analysis is performed at each reporting date for trade receivables. Based on above, the Group has made provision for expected credit loss of Rs 55.32 Lakhs for the current financial year.

#### 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.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### (iii) Liquidity Risk

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Group 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 Group 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 Group financial liabilities:

(₹ in Lakhs)						
Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year Ended 31 <sup>st</sup> March 2024						
Borrowings	691.53	-	-	-	-	691.53
Lease Liabilities	58.35	39.33	52.49	120.85	1,630.07	1,901.09
Trade payables	5,810.80	-	-	-	-	5,810.80
Other financial liabilities	562.84	-	-	-	-	562.84
<b>Total</b>	<b>7,123.52</b>	<b>39.33</b>	<b>52.49</b>	<b>120.85</b>	<b>1,630.07</b>	<b>8,966.26</b>

### Note No. : 40 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 Holding Company and its Joint Venture primarily operates in India. The Subsidiary Company primarily operates in Kenya. Hence, analysis of geographical segment is demonstrated into Indian and overseas operation as under:

(₹ in Lakhs)	
Particulars	Year Ended 31 <sup>st</sup> March, 2024
<b>Segment Revenue from external Customer (Sale of Goods)</b>	
Within India	40,993.73
Outside India	9,802.81
<b>Carrying value of Non-Current assets (Other than financial instruments)*</b>	
Within India	12,434.72
Outside India	1,015.55

\* Non current assets for this purpose consist of Property Plant & Equipment, Capital work in progress, Right of use of assets, Intangible assets, Intangible assets under development, Non current tax and other non current assets.

#### Note:

No Single customer contributed 10% or more of the total revenue of the group for the year ended 31<sup>st</sup> March 2024.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 41 Earnings Per Share:

Particulars	Year Ended 31 <sup>st</sup> March, 2024
The numerator and denominator used to calculate Basic/ Diluted Earnings per Share	
a) Amount used as the numerator Profit after tax (₹ in Lakhs)	3420.73
b) Basic / Diluted weighted average number of Equity Shares used as the denominator (Nos. in Lakhs)	148.72
c) Nominal value of Equity Shares (₹)	10.00
d) Basic / Diluted Earnings Per Share (a/b) (₹)	23.00

### Note No. : 42 Lease

#### As Lessee

The Holding Company has lease contracts for various items of buildings (including godowns) used in its operations. The Holding Company's obligations under its lease are secured by lessor's title to the leased assets.

The Group also has certain leases of godowns with lease term of twelve months or less with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amount of right-of-use assets (Buildings) are disclosed in the Note 4 to the Financial Statements.

42.1 The carrying amount of lease liabilities and its movement during the year are as under:

Particulars	As at 31 <sup>st</sup> March, 2024
Balance at the beginning of the year	97.04
Add: Additions during the year	1,937.80
Less: Reversal due to lease modification	(89.37)
Add: Interest during the year	140.48
Less: Payment during the year	(184.86)
<b>Balance at the end of the year</b>	<b>1,901.09</b>
Non-current	1,842.74
Current	58.35
	<b>1,901.09</b>

42.2 The maturity analysis of lease liabilities on an undiscounted basis are as under:

Particulars	As at 31 <sup>st</sup> March, 2024
Less than one year	208.33
One to two years	185.05
Two to five years	587.04
More than five years	2,344.48
<b>Total</b>	<b>3,324.90</b>

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

Lease liabilities is being measured by discounting the lease payments using the incremental borrowing rate i.e. 8% p.a.

42.3 The following are the amounts recognised during the year in profit or loss:

Particulars	Year Ended 31 <sup>st</sup> March, 2024
Interest on lease liabilities (Note 31)	140.48
Depreciation on right-of-use assets (Note 32 (a))	148.13
Expenses relating to short-term and low-value leases (Note 32 (b))	190.11
<b>Total</b>	<b>478.72</b>

There is no significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when due.

### Note No. : 43 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

#### The Group's objective when managing capital are to:

- to maximise shareholders value and provide benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Group has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

For the purpose of the Group's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

Particulars	31 <sup>st</sup> March, 2024
Debt Equity Ratio	0.03

### Note No. : 44 Business Combination :

#### Acquisition of 60% stake in Gelx Industries Limited

Linc Limited ('the Holding Company') had entered into an agreement on 5th April, 2023 for acquisition of 60% shareholding of Gelx Industries Ltd, Kenya for which approval by Competition Authority of Kenya was received during the year and post completion of the acquisition formalities, Gelx Industries Limited, Kenya has become a subsidiary of the company w.e.f. 3rd October, 2023. In view of the aforesaid acquisition, consolidated financial statement for the year ended 31st March, 2024 includes figures of the subsidiary for the period 3rd October, 2023 to 31st March, 2024.

## Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

Particulars	(₹ in Lakhs)	
		Fair Value recognised on Acquisition
Total Assets		1,264.36
Total Liabilities		946.47
<b>Total identifiable net assets at fair value as at acquisition date (A)</b>		<b>317.90</b>
Company's share of net assets (60% of A)		190.74
Less: Non-Controlling Interest (B)		127.16
Less: Purchase consideration transferred (C)		0.08
<b>Capital Reserve on Acquisition( A-B-C)</b>		<b>190.65</b>

### Note No. : 45 Interest In Joint Venture :

#### Morris Linc Limited (Proportion of Ownership Interest 50.01%)

Linc Limited ('the Holding Company') had incorporated an entity in the name of "Morris Linc Private Limited " on 28th June, 2023. The Holding Company entered into a Joint Venture Agreement dated 23rd October, 2023 with Morris Co. Ltd. ("Morris") via the aforesaid company to carry out manufacture and sale of anti-ink dry marker with automatic air tight sealing mechanism in a Profit Share Ratio of 50.01 : 49.99 for the Holding Company & Morris respectively. Investment in the aforesaid company has been considered as a 'Joint Venture' in terms of IND AS 111 "Joint Arrangements" and has been accounted as per Equity method of Accounting.

Particulars	(₹ in Lakhs)	
	For the Period from 28 <sup>th</sup> June 2023 to 31 <sup>st</sup> March 2024	
Total Income		7.01
Total Expenses		6.80
<b>Profit/ (Loss) before tax for the Year/ Period</b>		<b>0.21</b>
Income tax expense/(credit)		0.04
<b>Profit/ (Loss) for the Year/ Period</b>		<b>0.17</b>
Other comprehensive income for the period		0.00
<b>Total comprehensive income for the Year/ period</b>		<b>0.17</b>
<b>Group's share of profit/(loss) after tax for the year/ period</b>		<b>0.09</b>

## Notes to Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2024

Note No. 46 Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Associates as per Schedule III of Companies

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	2023-24		2023-24		2023-24		2023-24	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit/ Loss	As % of Consolidated Other Comprehensive Income	Other Comprehensive Income	As % of Consolidated Total Comprehensive Income	Total Comprehensive Income
<b>Parent</b>								
<b>Linc Limited</b>	98.51	20,278.72	99.18	3,410.73	73.61	(110.68)	100.35	3,300.05
<b>Subsidiaries</b>								
Geix Industries Limited	0.87	178.56	0.80	27.50	26.39	(39.68)	(0.37)	(12.18)
<b>Non-Controlling interest</b>	0.71	145.49	0.53	18.33	-	-	0.56	18.33
<b>Joint Venture</b>								
Morris Linc Private Limited	0.11	21.84	-	0.09	0.00	-	-	0.09
<b>Sub Total</b>	<b>100.19</b>	<b>20,624.61</b>	<b>100.51</b>	<b>3,456.65</b>	<b>100.00</b>	<b>(150.36)</b>	<b>100.53</b>	<b>3,306.29</b>
Adjustment arising out of Consolidation	(0.19)	(39.44)	(0.51)	(17.59)	-	-	(0.53)	(17.59)
<b>Consolidated Net Assets/Profit after Tax</b>	<b>100.00</b>	<b>20,585.18</b>	<b>100.00</b>	<b>3,439.06</b>	<b>100.00</b>	<b>(150.36)</b>	<b>100.00</b>	<b>3,288.70</b>

**Note:** Figures given herein above are as per standalone financial statements of the respective companies included in the Group and hence effect of inter company and other adjustments carried out on consolidation has not been considered for the purpose of above disclosure.

## Notes to Consolidated Financial Statements

as at and for the year ended 31<sup>st</sup> March, 2024

### Note No. : 47 Other Statutory disclosures:

- (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iv) The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- (v) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March, 2024.
- (vii) As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014, the Holding Company and its Joint Venture uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year and was not disabled, tampered with during the year. Only exception being for the database and application layer in payroll software situations of the Holding Company where in during the year the audit trail feature was not enabled.

**Note No : 48** No corresponding figures for the year ended 31<sup>st</sup> March, 2023 have been presented in respect of the consolidated financial statements since the Group did not have any subsidiary, associate or joint venture in previous financial year.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached.

#### For Singhi & Co

Chartered Accountants  
F.R No. 302049E

*Ankit Dhelia*

**(Ankit Dhelia)**

Partner

Membership No. 069178

Place of Signature:Kolkata

Dated: 02nd May, 2024

For and on behalf of the Board

*Deepak Jalan*  
**Deepak Jalan**  
Managing Director  
DIN:00758600

*N. K. Dujari*  
**N. K. Dujari**  
Director (Finance) &CFO  
DIN:03160828

*Rohit Deepak Jalan*  
**Rohit Deepak Jalan**  
Whole Time Director  
DIN:06883731

*Dipankar De*  
**Dipankar De**  
Company Secretary  
ACS 32112

## Director's Profile

### MR. DEEPAK JALAN

#### Managing Director

- Commerce graduate with 37 years of experience
- Responsible for the overall operations with a specialization in international operations
- Responsible for the Company's strategic direction

### MR. ANIL KOCHAR

#### Independent, Non-Executive Director

- BCom Hons. LLB, Advocate with more than four decades of experience in the field of direct taxes
- Eminent advisor on income tax matters covering corporate and non-corporate sectors

### MR. NARESH PACHISIA

#### Independent, Non-executive Director

- Founder & Managing Director of SKP Securities Ltd., Eastern India's leading boutique investment banker, engaged in institutional equities, private wealth, merchant banking, M & A and corporate finance advisory, stock broking and distribution services to a large cross section of institutional, corporate, business families and retail clients. SKP is a three time winner of CNBC TV18 Best Regional Financial Advisor (East) and is listed on BSE.
- Commerce Graduate from St. Xaviers' College, Kolkata, an AMP from ISB, Hyderabad and a Certified Financial Planner (CFP).

- Carries over 42 years' experience in Capital Markets and is an industry thought leader.
- Currently serving as Senior Vice President, Bharat Chamber of Commerce and has held leadership positions in and is actively associated with Entrepreneurs Organisation (EO), CII – Family Business Network (FBN), Financial Planning Standards Board etc. and serves as an Independent Director on the boards of renowned companies

### MR. SANJAY JHUNJHUNWALLA

#### Independent, Non-executive Director

- B.Com from Calcutta University with more than 37 years of experience across diverse areas
- Whole Time Director and driving force behind Turtle Limited
- Member of various reputed trade committees and organization
- Specialisation in retail-driven growth

### MS. SUPRIYA NEWAR

#### Independent, Non-executive director

- Holding a Master of Arts, (MA) acclaimed author, writer and communications consultant, Supriya Newar wears several hats with consummate ease and infectious passion. Her nuanced pen resonates effortlessly with its readers. She has mentored individuals and teams and can often be found in classrooms as visiting faculty. Supriya may be reached at connect@supriyanewar.com.



## MR. MOHIT KAMPANI

### Independent, Non-executive Director

- Specialisation in retail-driven growth B.Com from Calcutta University and MBA from Xavier Institute of Management.
- Carries over 30 years of experience in the retail and consumer industries
- Ex-Chief Executive Officer in both Aditya Birla Retail and Spencer's Retail
- Also associated with Colgate Palmolive, Nokia and ICI Paints across various functions and leadership positions as well as served in various Industry bodies

## MR. ALOKE JALAN

### Whole Time Director

- Commerce graduate with 33 years of experience in the business
- Looks after the Company's marketing operations with special emphasis on Western and Southern regions

## MR. ROHIT DEEPAK JALAN

### Whole Time Director

- BA Hons. in Management studies from University of Nottingham, UK and PG Diploma in Business Management with specialization in Marketing
- Heading International Business and Marketing Department of the Company

## MR. N.K.DUJARI

### Director - Finance and CFO

- Chartered Accountant with 34th rank (All India) and Company Secretary
- Alumnus of St. Xavier's College, Calcutta, with over 35 years of professional experience in varied fields
- Joined Linc in 2000

## Performance in US\$

In million

Year	2023-24	2022-23	2021-22	2020-21	2019-20
<b>Source of Funds</b>					
Share Capital	1.78	1.81	1.96	2.02	1.97
Reserves & Surplus	22.54	19.75	16.88	16.30	16.20
<b>Networth</b>	<b>24.33</b>	<b>21.56</b>	<b>18.84</b>	<b>18.32</b>	<b>18.17</b>
Borrowings	-	-	0.39	1.10	6.07
Defd. Tax Liab.	0.32	0.37	0.47	0.53	0.72
<b>Funds Employed</b>	<b>24.65</b>	<b>21.93</b>	<b>19.70</b>	<b>19.95</b>	<b>24.96</b>
<b>Operating Results</b>					
Domestic Sales	49.15	46.87	36.85	28.31	42.64
Exports	11.04	12.33	9.97	6.61	10.41
<b>Total Sales</b>	<b>60.20</b>	<b>59.20</b>	<b>46.82</b>	<b>34.92</b>	<b>53.05</b>
<b>E B I D T A</b>	<b>7.51</b>	<b>7.89</b>	<b>3.22</b>	<b>1.58</b>	<b>5.47</b>
Interest	0.25	0.08	0.10	0.37	0.72
Depreciation	1.77	1.72	1.69	1.73	1.66
Profit before tax	5.48	6.09	1.43	(0.52)	3.09
<b>Profit after tax</b>	<b>4.09</b>	<b>4.55</b>	<b>1.07</b>	<b>0.00</b>	<b>2.55</b>
<b>Avg. Realisation/Pen (Cents)</b>	<b>0.068</b>	<b>0.066</b>	<b>0.065</b>	<b>0.061</b>	<b>0.057</b>
<b>Market Cap</b>	<b>91.52</b>	<b>95.60</b>	<b>54.48</b>	<b>30.34</b>	<b>26.26</b>
Conversion Rate (INR per US\$)	83.37	82.22	75.81	73.50	75.39

## 10 Year Financial Highlights

	Year	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
<b>Source of Funds</b>											
Share Capital		14.87	14.87	14.87	14.87	14.87	14.79	14.79	14.79	14.79	14.79
Reserves & Surplus		187.92	162.35	127.98	119.83	122.1	105.78	105.98	103.50	86.34	73.35
<b>Networth</b>		<b>202.79</b>	<b>177.22</b>	<b>142.85</b>	<b>134.71</b>	<b>136.97</b>	<b>120.57</b>	<b>120.77</b>	<b>118.29</b>	<b>101.13</b>	<b>88.14</b>
Borrowings		-	-	2.99	8.12	45.75	62.05	65.58	50.80	30.94	17.78
Debt Tax Liab		2.64	3.02	3.53	3.92	5.45	7.19	5.93	3.96	2.76	1.85
<b>Funds Employed</b>		<b>205.43</b>	<b>180.24</b>	<b>149.37</b>	<b>146.75</b>	<b>188.17</b>	<b>189.81</b>	<b>192.28</b>	<b>173.05</b>	<b>134.83</b>	<b>107.77</b>
<b>Operating Results</b>											
Domestic Revenue		409.82	385.35	279.36	208.07	321.48	278.46	252.18	245.85	247.12	231.13
Exports		92.07	101.41	75.60	48.59	78.48	88.48	79.71	104.64	97.02	87.17
<b>Total Revenue</b>		<b>501.89</b>	<b>486.76</b>	<b>354.96</b>	<b>256.66</b>	<b>399.96</b>	<b>366.94</b>	<b>331.89</b>	<b>350.49</b>	<b>344.14</b>	<b>318.30</b>
EBIDTA		62.58	64.84	24.40	11.62	41.26	27.82	26.93	34.05	32.13	25.55
Finance Cost		2.08	0.64	0.73	2.74	5.46	6.29	4.85	2.17	1.53	1.48
Depreciation		14.78	14.11	12.82	12.69	12.54	10.46	9.60	7.93	5.96	5.86
Profit before tax		45.72	50.09	10.85	(3.81)	23.26	11.07	12.48	23.95	24.64	18.21
<b>Profit after tax (PAT)</b>		<b>34.11</b>	<b>37.40</b>	<b>8.13</b>	<b>0.03</b>	<b>19.25</b>	<b>5.15</b>	<b>7.84</b>	<b>17.26</b>	<b>18.32</b>	<b>14.32</b>
EBIDTA Margin (%)		12.5%	13.3%	6.9%	4.5%	10.3%	7.6%	8.1%	9.7%	9.3%	8.0%
PAT / Total Sales (%)		6.8%	7.7%	2.3%	0.0%	4.8%	1.4%	2.4%	4.9%	5.3%	4.5%
<b>EPS</b>		<b>22.93</b>	<b>25.15</b>	<b>5.47</b>	<b>0.03</b>	<b>12.94</b>	<b>3.46</b>	<b>5.30</b>	<b>11.68</b>	<b>12.39</b>	<b>9.69</b>
<b>Dividend %</b>		<b>50%</b>	<b>50%</b>	<b>18%</b>	<b>-</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>30%</b>	<b>30%</b>	<b>25%</b>
Dividend Payout %		20%	20%	33%	-	49%	49%	34%	31%	29%	31%
Networth per Share (₹)		136.38	119.18	96.07	90.58	91.93	81.47	81.68	80.00	68.39	59.61
Return on Capital Employed %		23.0%	28.0%	7.8%	(0.7%)	15.3%	9.1%	9.0%	15.1%	19.4%	18.3%
Return on Equity %		18.0%	23.0%	5.9%	0.0%	14.9%	4.3%	6.6%	15.7%	19.4%	17.2%
Average Realisation/pen (₹)		5.67	5.42	4.90	4.52	4.32	3.96	3.65	3.90	3.90	3.86
Deb Equity Ratio		-	-	0.02	0.06	0.33	0.51	0.54	0.43	0.31	0.20
Current Ratio		2.41	2.56	2.14	1.92	1.85	1.68	1.57	1.81	1.78	1.94
Market Cap		765	786	413	223	198	286	611	431	279	216

₹ In Crs.

## Corporate Information

### BOARD OF DIRECTORS

<b>Mr. Deepak Jalan</b>	<i>Managing Director</i>
<b>Mr. Anil Kochar</b>	<i>Independent, Non-executive</i>
<b>Mr. Naresh Pachisia</b>	<i>Independent, Non-executive</i>
<b>Mr. Sanjay Jhunjhunwalla</b>	<i>Independent, Non-executive</i>
<b>Ms. Supriya Newar</b>	<i>Independent, Non-executive</i>
<b>Mr. Mohit Kampani</b>	<i>Independent, Non-executive</i>
<b>Mr. Rohit Deepak Jalan</b>	<i>Whole Time Director</i>
<b>Mr. Aloké Jalan</b>	<i>Whole Time Director</i>
<b>Mr. N. K. Dujari</b>	<i>Director Finance &amp; CFO</i>

### COMPANY SECRETARY

**Mr. Dipankar De**

### REGISTERED OFFICE

Aurora Water Front, 18th Floor  
 GN 34/1, Sector-V, Kolkata - 700 091  
 Phone: (033) 6826 2100,  
 CIN: L36991WB1994PLC065583  
 e-mail: investors@linclimited.com  
 website: www.linclimited.com

### WORKS

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

OHM Industrial Infrastructure Park  
 Plot no.7/8/11/12, Umbergaon  
 Dist:Valsad, Gujarat - 396155

### 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  
 Fax: (022) 6694 2963  
 e-mail: lincmumbai@lincpn.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 - 700001

### BANKERS

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





Think it. Linc it.



Think it. Linc it.

## Linc Limited

(Formerly known as Linc Pen & Plastics Limited)

CIN: L36991WB1994PLC065583

Regd. Office: Aurora Water Front, 18<sup>th</sup> Floor,  
GN 34/1, Salt Lake, Sector-V, Kolkata- 700 091

Website: [www.linclimited.com](http://www.linclimited.com),

Tel: 033 6826 2100, Email: [investors@linclimited.com](mailto:investors@linclimited.com)

### NOTICE

To The Members of  
**Linc Limited**

NOTICE is hereby given that the 30<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Wednesday, 28<sup>th</sup> August, 2024, at 11.00 A.M. (IST) through Video Conferencing ("VC") or other Audio Visual Means ("OAVM") to transact the following business:

1. To consider and adopt the Audited Financial Statements (both Standalone and Consolidated) for the year ended 31<sup>st</sup> March, 2024 together with the reports of the Auditors and Directors.
2. To declare Dividend of ₹5/- per Equity Share of face value of ₹10/- each (50%) of the Company for the year ended 31<sup>st</sup> March, 2024.
3. To appoint Shri Narayan Kumar Dujari (DIN: 03160828), as a Director, who retires by rotation and being eligible offers himself for re-appointment.

#### **Special Business:**

To consider and if thought fit, to pass, with or without modification(s), the following resolutions

4. As Ordinary Resolution

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with Mitsubishi Pencil Co., Ltd., a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however,

that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

FURTHER RESOLVED THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard."

5. As Ordinary Resolution

"RESOLVED THAT pursuant to Sections 197 and other applicable provisions of the Companies Act, 2013, and Article 125 of the Article of Association of the Company, the Company do hereby approve the payment of commission to its non-executive directors, upto 1% of the net profits of the Company in any financial year, to be computed in accordance with the provisions of the Companies Act, 2013, over and above the sitting fees, for a period of 5 years commencing from 1<sup>st</sup> April 2024 and upto 31<sup>st</sup> March, 2029, and said commission be divided amongst the non-executive directors in such amounts or proportion and in such manner as may be determined by the Board from time to time and in absence of such determination, equally in proportion to the period of their respective directorship during the relevant financial year."

By order of the Board



**DIPANKAR DE**

Company Secretary & Compliance Officer  
ACS 32112

Place: Kolkata

Dated: 2<sup>nd</sup> May, 2024

**Registered Office:**

Aurora Water Front, 18<sup>th</sup> Floor,

GN 34/1, Sector-V, Salt Lake,

Kolkata - 700 091

Ph: (033) 68262100,

E-mail: [investors@linclimited.com](mailto:investors@linclimited.com)

Website: [www.linclimited.com](http://www.linclimited.com),

CIN: L36991WB1994PLC065583

## NOTES

1. Pursuant to various circulars issued by the Ministry of Corporate Affairs (“MCA”) followed by the latest General Circular No. 09/2023 dated 25<sup>th</sup> September, 2023 and various circulars issued by Securities and Exchange Board of India (“SEBI”) followed by latest Circular No. SEBI/HO/CFD/CFDPoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October, 2023 of (hereinafter collectively referred to as the “Circulars”), companies are permitted to hold Annual General Meeting (“AGM”/“Meeting”) through **VC/OAVM facility, without the physical presence of the Members at a common venue**. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. **SINCE THIS AGM IS BEING HELD PURSUANT TO MCA AND SEBI CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**
3. Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate Authorisation Letter together with attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail at dcsahoo123@rediffmail.com with a copy marked to evoting@nsdl.com or upload the same by clicking “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login. Further details in this regard are annexed separately and form part of this Notice.
4. The statement pursuant to Section 102 of the Companies Act, 2013 is annexed thereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> August, 2024 to 28<sup>th</sup> August, 2024 (both days inclusive) for the purpose of Annual General Meeting.
6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 21<sup>st</sup> August, 2024 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting. Any person, who acquires shares of the Company and become member of the Company after sending the notice and holding shares as of the cut-off date may obtain the login ID and password by sending a request at evoting@nsdl.com or RTA at mdpldc@yahoo.com.
7. Members who have not yet encashed their dividend warrant for the financial years 2016-17 to 2022-23 are requested to claim the said dividend. Members are requested to submit their bank account details along with an original cancelled cheque or a xerox copy of the cheque to the registrars, M/s Maheshwari Datamatics Pvt. Ltd., in case you hold shares in physical form and to the depository participants in respect of shares held in dematerialised form, for payment of dividend by electronic mode directly into

the bank account of members. The Members may also update their above mentioned details directly in the website of RTA at [mdpl.in/form](http://mdpl.in/form).

Further, the shares in respect of which dividend is unpaid/unclaimed for 7 consecutive years from financial year 2016-17 onwards are liable to transfer to the demat account of Investor Education and Protection Fund (IEPF) Authority. The Company would send letters, in due course, to those Members who have not encashed their dividend warrant for the financial year ended 2016-17 onwards, requesting them to claim the amount of dividend from the Company immediately to avoid transfer shares to demat account of IEPF Authority.

During the financial year 2023-24, unclaimed dividend for the financial year 2015-16 aggregating ₹2,07,402/- has been transferred by the company to Investor Education and Protection Fund (IEPF). Unpaid Dividend Details as on 31<sup>st</sup> March, 2024 is as under:

Financial Year	Date of Declaration	Total Dividend (Rs.)	Unpaid Dividend(Rs.)	Due Date of transfer to IEPF
2016-17	01.09.17	4,43,57,880	2,34,066.00	08.10.24
2017-18	11.09.18	2,21,78,940	92,842.50	18.10.25
2018-19	26.08.19	2,21,78,940	68,875.50	02.10.26
2019-20	25.09.20	2,23,08,436	70,096.50	02.11.27
2021-22	05.09.22	2,67,70,123	1,78,058.60	12.10.29
2022-23	28.08.23	7,43,61,455	1,34,844.00	04.10.30

Effective 1<sup>st</sup> April, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details viz. (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature, shall be eligible to get dividend only in electronic mode. Accordingly, payment of dividend (as and when declared), subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA, Maheshwari Datamatics Pvt.Ltd. The forms for updating the same are available at Company's website [www.linclimited.com](http://www.linclimited.com) and RTA [www.mdpl.in](http://www.mdpl.in)

- Pursuant to the changes introduced by the Finance Act, 2020 in the Income-tax Act, 1961 (the "IT Act"), w.e.f. 1<sup>st</sup> April, 2020, the dividend paid or distributed by a company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, the Company shall make the payment of dividend after necessary deduction of tax at source. The withholding tax rates would vary depending on the residential status of every shareholder and the eligible documents submitted by them and accepted by the Company. Members are hereby requested to refer to the IT Act in this regard. In general, to enable compliance with TDS requirements, Members are requested to update the details like Residential Status, PAN and category as per the IT Act with their Depository Participants or in case shares are held in physical mode, with the Company / the RTA.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) on or before Wednesday, 21<sup>st</sup> August, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them during financial year 2024-



25 does not exceed ₹5,000. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by e-mail to [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) on or before Wednesday, 21<sup>st</sup> August, 2024. Any documents submitted after Wednesday, 21<sup>st</sup> August, 2024 will be accepted at the sole discretion of the Company. Tax deducted in accordance with the communication made by the Company in this regard, shall be final and the Company shall not refund/adjust said amount subsequently.

9. Members desiring any information or having any query on the Accounts are requested to write to the Company at [investors@linclimited.com](mailto:investors@linclimited.com) at least 7 days before the meeting so that the information / answers may be readily available at the meeting.
10. Members are requested to comply with SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 regarding furnishing of PAN, full dividend details and Nomination by the holders of physical securities to avoid freezing of folios. The Company has intimated the concerned security holders about the folios which are incomplete in terms of the said SEBI Circular.
11. In conformity with the applicable regulatory requirements, the Notice of 30<sup>th</sup> Annual General Meeting and the Annual Report 2024 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.

Members who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the aforesaid documents are required to register their e-mail addresses by sending an e-mail to [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) / [investors@linclimited.com](mailto:investors@linclimited.com).

Members may also note that the Notice of 30<sup>th</sup> AGM and the Annual Report 2024 will also be available on company's website: [www.linclimited.com](http://www.linclimited.com) for download.

12. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meeting (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The Board of Directors has appointed Mr. Dhruba Charan Sahoo, Practicing Company Secretary, as the Scrutiniser for this purpose.

The facility for voting through remote e-Voting shall also be made available during the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-Voting

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on **Saturday, 24<sup>th</sup> August, 2024 (9:00 a.m. IST) and ends on Tuesday, 27<sup>th</sup> August, 2024 (5:00 p.m. IST)**. During this period members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of **Wednesday, 21<sup>st</sup> August, 2024**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter at 5.00 p.m. on Tuesday 27<sup>th</sup> August, 2024. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently

The process and manner for remote e-voting and attending the AGM are as under:

**A. The process for remote e-voting:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





**Step 1: Access to NSDL e-Voting system**

**I. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="342 882 923 1233">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="342 1246 923 1355">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

Type of shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="398 710 768 925" style="border: 1px solid black; padding: 5px; text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>  <b>App Store</b>     <b>Google Play</b> </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing Myeasi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p>

Type of shareholders	Login Method
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no.1800-21-09911

**II. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below:
    - In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate

(front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investors@linclimited.com](mailto:investors@linclimited.com).

- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investors@linclimited.com](mailto:investors@linclimited.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
  - Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
    - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
  7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: How to cast your vote electronically on NSDL e-Voting system ?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

### **General Guidelines for shareholders**

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [dcsahoo123@rediffmail.com](mailto:dcsahoo123@rediffmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- b) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 21<sup>st</sup> August, 2024, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 21<sup>st</sup> August, 2024 may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system" (Above).
- c) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- d) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.com](mailto:evoting@nsdl.com)

## **Instructions for e-voting during the AGM**

- a) The procedure for e-Voting during the AGM is the same as mentioned above for remote e-voting.
- b) The aforesaid facility will be available only to those Members who participate in the AGM and who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, prior to AGM may also attend / participate in the AGM through VC/OAVM, but will not be entitled to cast their votes once again

## **B. Process of attending the AGM through VC/OAVM**

- a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General Meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
  - b) The facility for the Members to join this AGM through VC / OAVM will be available from 30 minutes before the time scheduled for the meeting and may close not earlier than 30 minutes after the commencement of the meeting.
  - c) Members are requested to login to the NSDL e-voting system using their laptops / desktops/ tablets with stable Wi-Fi or LAN connection for better experience. Members logging in from mobile devices or through laptops / desktops / tablets connecting via mobile hotspot or with low bandwidth, may experience audio / video loss due to fluctuation in their respective network.
  - d) Members who would like to express their views or ask questions during the meeting will be required to register themselves as speaker by sending e-mail to investors@linclimited.com from their registered e-mail address, mentioning their name, DP ID and Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 5.00 p.m. on Wednesday, 23<sup>rd</sup> August, 2023 will be able to speak at the meeting.
  - e) Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com or call 022 - 4886 7000
13. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting through e-Voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility earlier. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting



system and shall make a consolidated scrutiniser's report of the total votes cast in favour or against, if any., and send to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

15. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.lincpen.com](http://www.lincpen.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where shares of the Company are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.
16. **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013, Disclosure under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Secretarial Standard – 2 (Revised) as issued by the Institute of Company Secretaries of India.**

### **Item No. 3 -**

Shri Narayan Kumar Dujari (DIN: 03160828) retires from the Board by rotation and being eligible offers himself for re-appointment.

Shri Narayan Kumar Dujari, aged about 57, is graduate in Commerce from St. Xaviers College, Kolkata and Fellow Member of Institute of Chartered Accountants of India (ICAI) and Institute of Company Secretaries of India, having cleared all his examinations in first attempt. He secured 34<sup>th</sup> Rank (All India) in the final exam of ICAI and 23<sup>rd</sup> rank in Calcutta University at the time of graduation.

He has more than 36 years of professional experience. He started his professional journey in 1988 with Landis & Gyr Ltd. (earlier known as VXL Landis & Gyr Ltd) and worked with them for 6 years as Manager – Accounts & Company Secretary. During his tenure, he was sent for 14 days overseas training to the headquarters of Landis & Gyr in Switzerland. From 1994 to 2000 he worked with 2 listed Companies and an Infrastructure Company as Finance Controller & Company Secretary.

He joined Linc Ltd. (earlier known as Linc Pen & Plastics Ltd) in the year 2000 as GM-Finance & Company Secretary and is working with the Company for the last 23 years. He has been the CFO of the Company for the last 11 years and was Company Secretary of the Company till the year 2021.

The remuneration paid to Shri Dujari, in the capacity of Director Finance & CFO, has been disclosed in the Report on Corporate Governance which is a part of this Annual Report. Remuneration payable as per approval of the Shareholders accorded through Postal Ballot deemed to be passed on 14<sup>th</sup> April, 2022.

Shri Dujari is holding 500 shares in our Company. He is not related to any of the Directors of the Company. He is not holding directorship in any other listed company. He is a member of Share Transfer Committee and Finance and Management Committee. Please refer to the Corporate Governance Report, which is a part of the Annual Report, for the details of number of meetings of the Board attended during the year.

Except Shri Narayan Kumar Dujari and his relatives, to the extent of their shareholding, if any, in the Company, none of the Directors or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the proposed resolution.

#### Item No. 4 -

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective 1<sup>st</sup> April, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from 1<sup>st</sup> April, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

The Company proposes to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), may exceed the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations and as an abundant precaution, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company. All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on 2<sup>nd</sup> May, 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

The Board considered and recommended passing of the resolution at Item No. 4 of this Notice by way of an Ordinary Resolution.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22<sup>nd</sup> November, 2021 is provided herein below:

Sl.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Mitsubishi Pencil Co., Ltd. It holds 13.45% Equity Shares in the Company.
2	Type, tenure, material terms and particulars	Purchase of UNI-Ball and other products for sale pursuant to a marketing alliance for India for the last 29 years
3	Value of the transaction	Up to ₹100 crores.
4	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	9% of annual consolidated turnover of the Company for FY2023-24

Sl.	Particulars	Details
5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i) details of the source of funds in connection with the proposed transaction;	Not Applicable
	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
	iv) the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
6	Justification as to why the RPT is in the interest of the listed entity	The Company is distributing Mitsubishi Pencil's products for over 29 years since 1995. Whereas a 13.45% stake in equity of the Company was taken up by Mitsubishi Pencil Co Ltd in the year 2012. These products are an integral part of Company's offering to the various sections of the Company's customers. This business contributes about 15% of the total revenue of the Company and also contributes significantly to the profits of the Company. Hence the RPT is very much in the interest of the Company.
7	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
8	Any other information that may be Relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013

As per the SEBI Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction(s), shall abstain from voting on the said resolution.

Except Shri Deepak Jalan, Shri Aloke Jalan, Shri Rohit Deepak Jalan and his relatives, to the extent of their shareholding, if any, in the Company, none of the Directors or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the proposed resolution set out at Item No. 4 of this Notice.

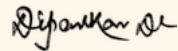
#### **Item No. 5 -**

In recognition of their valuable contribution to the growth in volume and profitability of the Company, it is desirable that a commission upto 1% of the net profits of the Company, over and above the sitting fees, be continued to be paid to the non-executive directors of the Company. This will be divided amongst them as provided in the resolution. The Board recommends the resolution for approval of the Members under Section 197(1) of the Companies Act, 2013 for payment of commission for a period upto 31<sup>st</sup> March, 2029. All the non-executive Directors may be deemed to be interested in the passing of the resolution to the extent of beneficial effect of the resolution in the matter of their respective commission.

The Board considered and recommended passing of the resolution at Item No. 5 of this Notice by way of an Ordinary Resolution.

Except the non-executive directors and their relatives, to the extent of their shareholding, if any, in the Company, none of the directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in the proposed resolution set out at Item No. 5 of this Notice.

By order of the Board



**DIPANKAR DE**

Company Secretary & Compliance Officer  
ACS 32112

Place: Kolkata

Dated: 2<sup>nd</sup> May, 2024

#### **Registered Office:**

Aurora Water Front, 18<sup>th</sup> Floor,

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