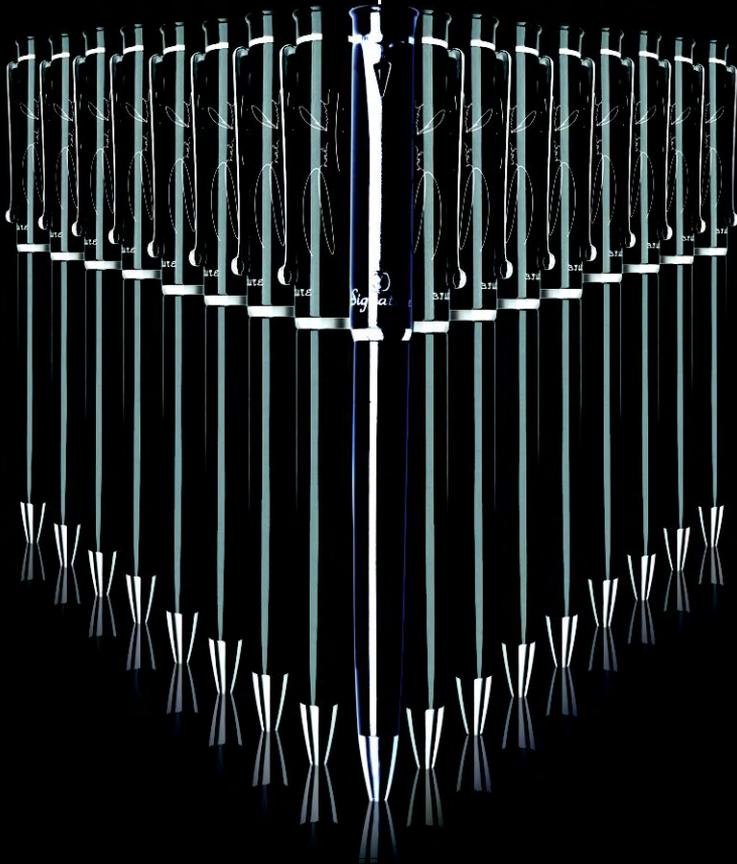


Annual Report

2008-09



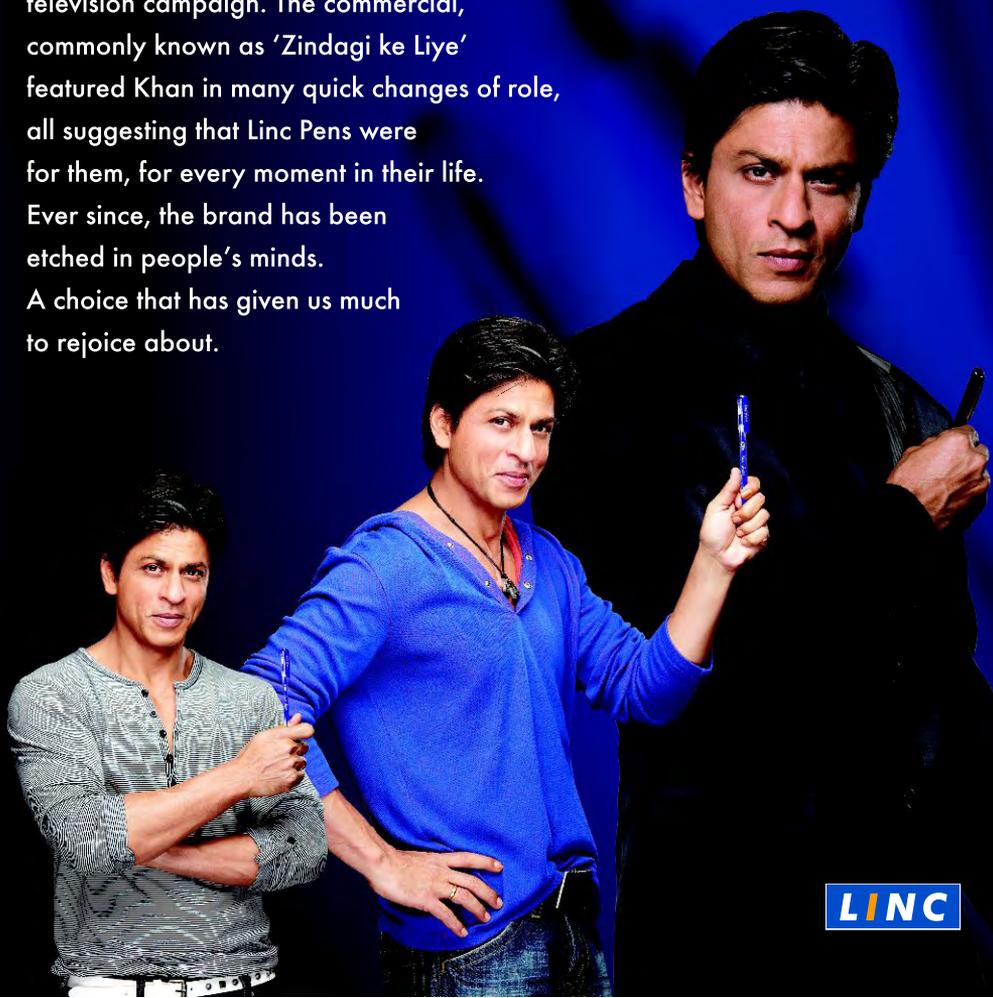
2008 was an eventful year for Linc. A year that saw us launching more than just new pens. It was a year that witnessed our association with one of the most famed, celebrated and loved personalities in the country. 2008 saw us joining hands with Shah Rukh Khan, a name that needs no introduction.

His personification of style and entertainment made him the obvious choice in our lookout for the perfect brand ambassador. Moreover, there were no limitations when it came to SRK's appeal to an audience. From the young to the old, from men to women, he attracts the attention of one and all. These are attributes we wanted people to identify with our pens, as with our ambassador. Hence, Shah Rukh Khan.

This tie-up led to Linc's first large scale television campaign. The commercial, commonly known as 'Zindagi ke Liye' featured Khan in many quick changes of role, all suggesting that Linc Pens were for them, for every moment in their life.

Ever since, the brand has been etched in people's minds.

A choice that has given us much to rejoice about.



LINC



Signature Gold



Safron Roller



Meeting



UMN 207



Jetstream SX 210

premium



Carbon



Pop



Class



Ivy



Siren Neo

fresh

BOARD OF DIRECTORS

	Category
Shri Prahlad Rai Agarwala	<i>Independent, Non-executive</i>
Dr. Ranjan Das	<i>Independent, Non-executive</i>
Shri Sohan Lal Kochar	<i>Independent, Non-executive</i>
Shri Naresh Pachisia	<i>Independent, Non-executive</i>
Shri Kedar Nath Ranasaria	<i>Independent, Non-executive</i>
Shri Aloke Jalan	<i>Whole Time Director</i>
Shri Prakash Jalan	<i>Whole Time Director</i>
Shri Deepak Jalan	<i>Managing Director</i>

COMPANY SECRETARY

N. K. Dujari

REGISTERED OFFICE

Satyam Towers,
3, Alipore Road, Kolkata - 700 027
Phone: (033) 2479 0248, 3041 2100
Fax: (033) 2479 0253
e-mail: investors@lincpen.com
website: www.lincpen.com

WORKS

- 1 Linc Estate
Usthi Road, Serakole, 24 Pgns. (S)
Pin - 743 513, West Bengal
Phone: (033) 2420 4275/76
Fax: (033) 2420 4441
e-mail: production@lincpen.com
- 1 Falta SEZ, Sector-II, Shed No.2
Falta, 24 Pgns. (S), Pin - 743 504
West Bengal
Phone : (03174) 222 925
- 1 D3/12, Tuem Industrial Estate
Tuem, Pernem, Goa, Pin - 403 512
Phone: (0832) 220 1683
e-mail: despatchgoa@lincpen.com

AUDITORS

G. P. Agrawal & Co.
Chartered Accountants
7A, Kiran Shankar Ray Road
Kolkata - 700 001

BRANCH OFFICES

GOA - A2/2, New Horizon, D.B. Marg
Miramar, Panjim - 403 001, Goa
Phone: (0832) 246 5644
Fax: (0832) 246 5747
e-mail: lincgoa@lincpen.com

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

DELHI - B-34/10, G.T.K. Road,
Industrial Area
New Delhi - 110 033
e-mail: lincdelhi@lincpen.com

RANCHI - Rahul Complex
North Market Road, Upper Bazar
Ranchi - 834 001, Jharkand
e-mail: lincranchi@lincpen.com

NOIDA - B-27, Sector - 1, G.B.Nagar
Noida - 201 301, U.P.

SARIGAM - Plot No. 4712, Plastic Zone
G.I.D.C, Sarigam - 396 155, Gujarat

BANKERS

State Bank of India
IDBI Bank Ltd.

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MISSION

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

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

VISION



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 15th Annual Report together with the audited accounts of the Company for the year ended 31st March, 2009.

FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	2008 - 09	2007 - 08
Sales & Other Operational Income	19075.50	17723.45
Other Income	162.98	14.84
Profit before depreciation, interest and taxation	1279.40	1180.31
Interest	285.91	291.82
Depreciation	309.29	288.64
Profit before Tax	684.20	599.85
Provision for Taxation - Current	124.00	71.00
- Deferred	32.88	12.95
- Fringe Benefit Tax	23.50	12.50
Profit after Tax	503.82	503.40
Add : Credit Balance of the previous year	196.11	184.69
Income Tax for earlier years	—	(1.57)
Amount available for Appropriation	699.93	686.51
Less : Transfer to General Reserve	350.00	350.00
Proposed Dividend @ 15%	191.79	120.00
Corporate Tax on Dividend	32.59	20.40
Balance carried to Balance Sheet	125.55	196.11

DIVIDEND

Your Directors recommend a Dividend of Rs.1.50 per equity share (previous year Rs.1.50 per equity share) for the year ended 31st March, 2009.

FINANCIAL PERFORMANCE

Performance: During the year under review, the Company's Sales (incl. Other Operational Income) increased by 7.6% to Rs.19075.50 Lacs as compared to Rs. 17723.45 Lacs during the preceding year. The Company spend Rs.701.78 Lacs (3.7% of Sales) on Advertisement in 2008-9 as compared Rs.290.87 Lacs (1.7% of Sales) in 2007-8. The Profit after Tax during the year was Rs.503.82 which is almost same as previous year on account of higher tax provision.

Loan Cost: The Interest cost was down by 2% at Rs.285.91 Lacs in 2008-09 from Rs.291.82 Lacs in 2007-08. The Interest / Turnover was 1.5% and Interest Cover is 4.5 in 2008-09, which were 1.6% and 4.0 respectively in 2007-08.

The Company retained its "P1" rating as regards to Rs.100 Million Commercial Paper Programme of our Company. As per them, this rating indicates that the degree of safety with regard to timely payment of interest and principal on the instrument is very strong.

Working Capital: The year-end debtors are 37 days of the sales for the year as compared to 52 days in the previous year. The inventory holding is for 114 days' sales as compared to 101 days in the previous year.

Fixed Assets: The Company spent Rs.586.09 Lacs on acquisition of Fixed Assets, mainly consisting of moulds and machines at existing facilities as well as at new facility at Falta SEZ near Kolkata. The new facility commenced production in first week of April, 2008.

SCHEME OF AMALGAMATION

The Hon'ble High Court of Calcutta vide its order dated 29th January, 2009 has approved the Scheme of Amalgamation between Shree Writing Aid Private Limited ("Transferor Company") with Linc Pen & Plastics Limited ("Transferee Company") and their respective shareholders ("the Scheme"). The respective companies have filed the certified copy of the High Court order with the Registrar of Companies, Kolkata on 14th May, 2009 and the Scheme became effective from this date. The Appointed Date fixed under the Scheme is 1st April, 2008. Accordingly, all the assets and liabilities of the Transferor Company stands transferred to and vests in the Transferee company with effect from the Appointed Date. In terms of the said Scheme, your company had issued 4,785,660 equity shares of Rs.10 each to the shareholders of Shree Writing Aid Private Limited on 19.05.09, as per the approved share exchange ratio. The financial statements of your Company for the year reflect the consolidated financials of the merged entities.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that :-

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed;
- ii) appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

The Company had complied with the requirements of Corporate Governance in terms of clause 49 of the Listing Agreement with Stock Exchanges. A separate report each on Corporate Governance and Management Discussion and Analysis is attached to this report as Annexure – “A” and Annexure – “B” along with Auditors’ Certificate on its due compliance.

LISTING

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

DIRECTORS

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Shri Naresh Pachisia and Shri Aloke Jalan, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

A statement pursuant to section 217(1)(e) of the Companies Act, 1956, giving details of measures taken towards conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1998 is annexed as Annexure - C.

PARTICULARS OF EMPLOYEES

Information to be provided under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of the Employees) Rules, 1975, is given in Annexure - D forming part of this report.

AUDITORS

Your Directors request you to appoint Auditors / Branch Auditors for the Current Financial Year.

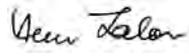
ACKNOWLEDGEMENT

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



Aloke Jalan
Whole Time Director

Place : Kolkata
Dated : 29th June, 2009

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENTS

The size of the Writing Instrument Industry in India is estimated at about Rs.2200 crores, of which organized players account for about Rs.1700 crores and unorganized players for the rest. Low capital requirements, simple manufacturing processes and sub-contracting of manufacturing activities are characteristic of the industry. As a result, there is proliferation of several small, local and regional brands. The Industry is highly competitive due to low entry barriers. The trade push plays a critical role in the low price segment. However, the share of the organized sector is increasing on account of emphasis on brand building, product innovation & differentiation and better distribution.

Most Indian Brands cater to the "Value for Money" segment upto Rs.30 each, while International Brands like Uniball, Parker, Cross, Lamy, Sheaffers etc cater to the semi-premium and premium segment, operating through exclusive distributors / franchisees.

OPPORTUNITIES AND THREATS

The Indian sub-continent with population in excess of one billion and median age in the mid twenties, provides Writing Instrument companies with a large consumer base. The government's emphasis on education is expected to further expand the market and increase the consumption levels for writing instruments.

However, the opportunities may attract new players in the Industry due to low entry barrier and can intensify competition and put pressure on the margins. The upward fluctuation in the input cost also affect the profitability of the Industry.

PRODUCT WISE PERFORMANCE

During 2008-9, about 71% of the sales was from manufacturing operations as compared to 77% in the previous year, on account of increased outsourcing. The Company's continued emphasis on high value products in its product mix resulted in increased realisation per unit.

Pen: The Company sold 479.9 Million Pens in 2008-9 as compared to 491.5 Million Pens in 2007-8, registering a drop of 2.4% in volume. In value terms, the total sales from Pens increased to Rs.14126 Lacs in 2008-9 as compared to Rs.13233 Lacs in the previous year, a growth of 9.3%, as a result of increase in the per unit realisation from Rs.2.69 to Rs.2.94.

Refill: The Company sold 167.9 Million Refills in 2008-9 as compared to 136.8 Million Refills in 2007-8, a growth of 22.8%. However in value terms the total sales from Refills decreased from Rs.2540 Lacs to Rs.2289 Lacs in 2008-9 a drop of 9.9%.

Pencil: The Company sold about 58 Million Pencils in 2008-9 as compared to 34.8 Million Pencils in 2007-8 an increase of 66.6%. The total sales from Pencils during 2008-9 was Rs.935 Lacs as compared to Rs. 506 Lacs in 2007-8, a whopping growth of 85%. The average realisation per Pencil increased from Rs.1.45 to Rs.1.61 during the year.

Export: The total exports were at Rs.3943 Lacs in 2008-9 as compared to Rs.3862 Lacs in 2007-8. Despite global slowdown, the Company was able to maintain the export sales,

by tapping unexploited territories in new overseas markets. The Exports contributed 21% to the total sales in 2008-9.

OUTLOOK

The overall operating performance for the year under review was better than previous year. The Company up till now was catering primarily to under-Rs.10/- segment of pens. Although this segment is fraught with high competition, both from the organised and unorganised players, the Company has maintained its healthy presence. Having established its position in this price segment, the Company continued its impetus on improving its product mix by adding higher-value pens in its product portfolio. An increasing presence in the higher-value-segment is expected to improve the company's profitability over the long term. In line with this strategy, the company is focussing on enhancing its brand positioning with increased investments in advertisements and promotional activities. During the year, the Company roped in Shah Rukh Khan as brand ambassador for endorsing its products. The Company launched an aggressive advertisement campaign featuring Shah Rukh Khan during the last quarter of 2008-9. This initiative is expected to help increase the Company's brand recall over large geographical base and make the Company widely dispersed.

With clear focus on expanding its value chain, the Company will continue its launch program of products in higher price segments. The Company received and expects to receive reasonable success from most of these new products, enabling itself to improve its margin going forward. The Company also launched new products in the other complementary stationery categories to leverage its brand and distribution network.

The Company's presence in the high-value segment is also supported by its strategic alliances with international players. The Company has been associated with Mitsubishi Pencil Co Ltd, Japan for more than 15 years for marketing its "Uniball" brand in India. The Company also has a tie up with C. Josef Lamy GmbH, Germany for marketing its premium brand "Lamy", in India. These associations will enhance Company position across the high-value segment in the domestic writing instruments industry over the long term.

The Company's presence in the overseas market is also likely to strengthen in the medium term to long term, as some of its product have gained good acceptance globally.

The diverse product portfolio, well established brands, increased focus in the high value segment and dispersed distribution network should enable the Company to post better operating performance in ensuing years.

RISK AND CONCERNS

The retail environment both in India and overseas is competition intensive. The Companies needs to focus on branding, product development, innovation and distribution to ensure their healthy survival.

Success rate for new product launches in Writing Instruments is low. Introduction of new products carry risks, as well as the possibility of unexpected consequences, which may include non-acceptance of the products by the consumers, non achievement of anticipated sales targets on account of failure of marketing strategy to reach a predefined market share, etc. Cost overruns and cannibalization of sales in existing products also cannot be ruled out.

Advertising and promotion are some methods used to combat competition and to protect / expand existing market share in competitive environment. Such expenditures carry the inherent risk of failure. Counter campaigning by competition may also reduce the efficacy of promotions.

The Company's focus on differentiating itself through improved brand positioning and increased presence in the high-value segment is expected to offset these risks. Exports in addition to providing geographical diversity, also de-risks the Company's revenue profile.

The rise in competition or a significant increase in input costs or forex market fluctuations may affect business and financial performance. The Company is keeping a close watch on these and is taking possible proactive strategic steps as and when required to address these concerns.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate Internal Control Systems and procedures in all areas of operation, which is commensurate with its size. Its comprehensive system of internal control ensures optimal use of resources. The internal control is supplemented by internal audit, which is done by an independent firm of Chartered Accountants. Internal audit and other controls are reviewed periodically by Audit Committee and found to be adequate.

In view of ISO 9001 certification the Company's Manufacturing Facilities are subject to Quality / Systems Audit on recurring basis.

INFORMATION TECHNOLOGY

As reported last year, your Company had undertaken implementation of the ERP solutions from S A P. The implementation could not be completed as yet. With the full implementation of S A P your Company will have robust business intelligence platform which would help in bringing working capital efficiencies and improved supply chain management.

HUMAN RESOURCES

The Industrial relations during the year remained cordial. The Company as on 31st March, 2009 had 561 employees on its roll. The Board wishes to place on record its appreciation for the sustained efforts and devoted contribution made by all the employees towards the Company objectives.

CAUTIONARY STATEMENT

Statements in the Directors' Report and Management discussion and Analysis describing the Company's position and expectations may be "Forward Looking Statements" within the meaning of applicable securities laws & regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the market in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors.

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
- | 5 Independent, Non-Executive Directors.

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

Name of the Director	Category	No. of Other Directorship*	No. of Membership of other Board Committee	No. of Board Committee for which Chairperson
Shri Deepak Jalan	Promoter, Executive	1	Nil	Nil
Shri Prakash Jalan	Promoter, Executive	1	Nil	Nil
Shri Alope Jalan	Promoter, Executive	Nil	Nil	Nil
Shri S. L. Kochar	Independent, Non- Executive	1	1	1
Shri P. R. Agarwala	Independent, Non- Executive	2	Nil	Nil
Shri Naresh Pachisia	Independent, Non- Executive	5	6	1
Shri K. N. Ranasaria	Independent, Non- Executive	1	Nil	Nil
Dr. Ranjan Das	Independent, Non- Executive	Nil	Nil	Nil

* Directorships in Private Companies are not included.

There is no permanent Chairman in the Board. None of the Directors is a member of more than ten committees or Chairman of more than five committees across all companies.

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

During the financial year ended March 31, 2009, five Board Meetings were held on 7th April, 2008, 30th June 2008, 31st July, 2008, 31st October 2008 and 28th January, 2009. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under :

Name of the Directors	No. of Board meetings attended	Attendance at last AGM held on 12.09.2008
Shri S. L. Kochar	5	Present
Shri P. R. Agarwala	2	Leave of Absence
Shri Naresh Pachisia	5	Present
Shri K. N. Ranasaria	4	Present
Dr. Ranjan Das	2	Leave of Absence
Shri Deepak Jalan	5	Present
Shri Prakash Jalan	2	Leave of Absence
Shri Alope Jalan	3	Present

3. CODE OF CONDUCT :

In line with the amended Clause 49 of the listing agreement, the Company adopted a Code of Conduct and ethics for its Directors and Senior Executives. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct. A declaration to this effect signed by the Managing Director is attached and forms part of the Annual Report of the Company. The Code of Conduct of the Company has been posted on the Website at www.lincpen.com for general viewing.

4. AUDIT COMMITTEE :

The Audit Committee presently comprises of three Directors, who are Independent and Non-Executive. All these Directors possess knowledge of corporate finance, accounts and law. During the financial year ended March 31, 2009, five Audit Committee Meetings were held on 7th April, 2008, 30th June, 2008, 31st July, 2008, 31st October, 2008 and 28th January, 2009. The attendance of the Members were as under-

Members	No. of Meetings Attended
Shri S. L. Kochar, Chairman	5
Shri Naresh Pachisia	5
Shri K. N. Ranasaria	4

The role, powers, duties and terms of reference of the Audit Committee cover the matter specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, 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 are permanent invitee at the meetings of the Committee.

5. REMUNERATION COMMITTEE :

The Committee comprises of Shri Naresh Pachisia, Chairman, Shri S. L. Kochar, and Shri Deepak Jalan. The terms of reference of the remuneration committee inter alia consists of formulating a remuneration policy of the Company and to supervise its implementation and fixing remuneration of the working directors including Managing Director(s), Whole Time Director(s) and Manager(s) and to revise the same from time to time.

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 and Allowances to Managing Director and Whole Time Director, as approved by the members and as permitted under Schedule XIII to the Companies Act, 1956. The Details of Remuneration paid to Directors are as under:

Name of the Director	Relation with other Directors	Salary Rs.	Benefits Rs.	Sitting Fees Rs.	Commission Rs.	Total Rs.	Service contract/ Notice period/ Severance fees
Shri Deepak Jalan	Brother of Whole Time Director	30,00,000	3,75,000	—	—	33,75,000	Terms of office valid upto 30.09.10. No notice period & severance fee.
Shri Prakash Jalan	Brother of Managing Director	15,00,000	180,000	—	—	16,80,000	-do-
Shri Aloke Jalan	-do-	24,00,000	296,777	—	—	26,96,777	-do-
Shri S. L. Kochar	None	—	—	50,000	130,000	180,000	Retire by rotation
Shri P. R. Agarwala	None	—	—	15,000	130,000	145,000	-do-
Shri Naresh Pachisia	None	—	—	52,500	130,000	182,500	-do-
Shri K. N. Ranasaria	None	—	—	44,000	130,000	174,000	-do-
Dr. Ranjan Das	None	—	—	20,000	130,000	150,000	-do-

6. SHAREHOLDERS' COMMITTEE :

i) Share Transfer Committee :

The Share Transfer Committee comprises of Shri Deepak Jalan and Shri Naresh Pachisia. The Committee deals with various matters relating to share transmission, issue of duplicate share certificates, approving the split and consolidation requests and other matters relating to transfer and registration of shares. During the financial year ended 31st March, 2009, 10 Share Transfer Committee Meetings were held. Number of Shares pending for transfer as on 31st March, 2009 were 10.

ii) Shareholder/Investor Grievances Committee :

The Shareholder / Investor Grievances Committee comprises of Shri K. N. Ranasaria as the Chairman and Shri Deepak Jalan. The Committee is to oversee the redressal of the Shareholders' and Investors' grievances in relation to transfer of shares, non-receipt of Annual Report, non-receipt of dividend etc. The total number of complaints received and replied, to the satisfaction of the shareholders during the year were 8. There were no outstanding complaints as on 31st March, 2009.

iii) Compliance Officer :

The Board has designated Shri N. K. Dujari, G. M. – Finance & Company Secretary as the compliance officer.

7. GENERAL BODY MEETING

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

Financial Year	Date	Location of the Meeting	Time
2005 – 2006	25.09.2006	Shripati Singhanian Hall, 94/2, Chowringhee Road, Kolkatta – 700 020	3.30 p.m.
2006 – 2007	14.09.2007	Shripati Singhanian Hall, 94/2, Chowringhee Road, Kolkatta – 700 020	3.30 p.m.
2007 – 2008	12.09.2008	Shripati Singhanian Hall, 94/2, Chowringhee Road, Kolkatta – 700 020	3.30 p.m.

One special resolution was passed at the 14th Annual General Meeting of the Company held on 12.09.2008 but no postal ballot resolution was required to be passed by the Company. No special resolution is proposed to be conducted through postal ballot at the forthcoming AGM to be held on 23rd September, 2009.

8. DISCLOSURES :

- i) Details of related party transactions during the year have been set out under Note No. 'B-9' of Notes on Accounts of Schedule '18' of the Annual Accounts. However, the Company does not have any 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.
- ii) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it during the last three years.
- iii) The Company is regularly complying with all the mandatory requirements of Clause 49 of the Listing Agreement regarding Board Composition, Code of Conduct, Audit Committee, quarterly and annual disclosures etc. The Company has adopted the non-mandatory requirement of remuneration committee.
- iv) The Non-executive Directors do not hold any shares of the Company as on 31st March, 2009.
- v) The particulars of directors seeking reappointment are given in the explanatory statement to the notice of Annual General Meeting.
- vi) The Company has no subsidiary as on 31st March, 2009.
- vii) The Company has laid down risk assessment and minimization 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.

9. MEANS OF COMMUNICATION :

- i) A half-yearly report was not sent to each household of the shareholders. Shareholders were intimated through the press and the Company's website – www.lincpen.com about the quarterly performance and financial results of the Company.
- ii) The quarterly and half yearly results are published in the leading newspapers in English and Bengali such as The Business Standard, Aaj Kal, Kalantar and Financial Express.
- iii) As per the newly inserted Clause 51 of the Listing Agreement with the stock exchanges, certain documents / information such as quarterly / annual financial results, shareholding pattern and corporate governance are accessible on the Website www.sebiedifar.nic.in.
- iv) The Company results and official news release are displayed on the Company's Website: www.lincpen.com.
- v) No presentation has been made to institutional investors or analysts etc.
- vi) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

10. 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 : 23rd September, 2009 at 3.30 p.m.
 - Venue : Shripati Singhania Hall,
94/2, Chowringhee Road,
Kolkatta – 700 020
- ii) Financial Calendar :
 - Financial Year : 1st April to 31st March
 - Results : 1st Qtr – end July, 2009
2nd Qtr – end October, 2009
3rd Qtr – end January, 2010
4th Qtr – end June, 2010
- iii) Book closure date : 16.09.2009 to 23.09.2009 on account of AGM and Dividend.
- iv) Dividend payment date : After 23rd September, 2009
- v) Listing of Equity Shares on Stock Exchanges at :
 - i) The Calcutta Stock Exchange Association Ltd
7, Lyons Range, Kolkatta – 700 001
 - ii) Bombay Stock Exchange Ltd,
The Corporate Relationship Department
Rotunda Building, PJ Tower,
Dalal Street, Fort, Mumbai – 400 001
- vi) Listing Fees : Listing fee for the year 2008 – 2009 has been paid to the above Stock Exchanges.
- vii) Stock Code : Bombay Stock Exchange – 531241
Calcutta Stock Exchange – 10022035
Demat ISIN No. – INE 802B01019

- viii) Market Price Data – High /Low during each month of the year ended 31st March, 2009, at the Bombay Stock Exchange.

Month	High (Rs.)	Low (Rs.)
April, 2008	41.45	35.15
May, 2008	39.80	33.05
June, 2008	34.90	27.00
July, 2008	32.20	23.75
August, 2008	38.75	28.00
September, 2008	35.80	24.00
October, 2008	26.85	18.10
November, 2008	22.00	16.10
December, 2008	22.80	17.50
January, 2009	23.25	19.15
February, 2009	23.75	20.00
March, 2009	23.40	19.35

- ix) Share Price performance in 2008-09 comparison to broad based indices – BSE Sensex
 % Change in Linc's Share Price:(-) 40.7 % % Change in BSE Sensex (-) 37.9%

- x) Share Transfer System : Presently, the share transfers which are received in physical form are normally effected within a maximum period of 30 days from the date of receipt and Demat are confirmed within a maximum period of 14 days by Registrar and Share Transfer Agent – M/s.Maheshwari Datamatics Pvt. Ltd, 6, Mangoe Lane, Kolkata-700 001.

- xi) Distribution of Shareholding :

Distribution of Shareholding by Ownership

Holding Pattern	No. of Shares	Shareholding %
1 Promoters & Associates	39,92,524	49.90
2 NRI, FIIs, etc.	66,143	0.83
3 Private Corporate Bodies	15,12,041	18.90
4 Indian Public	24,29,592	30.37
Total	80,00,300	100.00

Distribution of Shareholding by Size

Range of Shares	Shareholders		Shares	
	Number	%	Nos.	%
1 to 500	4709	84.66	6,62,643	8.28
501 to 1000	392	7.05	3,32,026	4.15
1001 to 5000	364	6.54	8,55,587	10.70
5001 to 10000	36	0.65	2,61,765	3.27
10001 & above	61	1.10	58,88,279	73.60
Total	5562	100.00	80,00,300	100.00

xii) Dematerialisation of Shares :

Holding	No. of Holder	%	No. of Shares	%
Physical	926	16.65	3,02,180	3.78
Demat	4636	83.35	76,98,120	96.22
Total	5562	100.00	80,00,300	100.00

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

xiv) The manufacturing facilities of the Company are located at Serakole & Falta SEZ in West Bengal and at Goa.

xv) Address for Correspondence : For Share Transfer and related queries -
M/s. Maheswari Datamatics Pvt. Ltd
6, Mangoe Lane, 2nd Floor,
Kolkata – 700 001
Phone – 22435029/5809, Fax – 2248 4787
e-mail – mdpl@cal.vsnl.net.in

For General Assistance

Mr. N. K. Dujari,

G. M. - Finance & Company Secretary

Linc Pen & Plastics Ltd

3, Alipore Road, Kolkata – 700 027

Phone – 3041 2100 / 2479 0248, Fax – 2479 0253

e-mail – investors@lincpen.com

Declaration

As provided under Clause 49 of the Listing Agreement with Stock Exchanges, all the Directors and Senior Management have affirmed compliance with the Companies Code of Conduct during the financial year ended 31st March, 2009.



Deepak Jalan
Managing Director

Kolkata, 29th June, 2009

CEO / CFO CERTIFICATION

The Board of Directors
Linc Pen & Plastics Limited
Kolkata

Re: Financial Statements for the financial year 2008 - 09 — Certification by MD and GM Finance

We, Deepak Jalan, Managing Director and N. K. Dujari, G. M. - Finance & Company Secretary, of Linc Pen & Plastics Limited, on the review of financial statements and cash flow statement for the year ended 31st March, 2009 and to the best of our knowledge and belief, hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2009 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 to 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.

Kolkata
29th June, 2009


N. K. Dujari
G. M. - Finance &
Company Secretary


Deepak Jalan
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
LINC PEN & PLASTICS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Linc Pen & Plastics Limited for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained, there were no investors grievances remaining unattended/ pending for more than 30 days as at 31st March, 2009.

We further 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 G.P. AGRAWAL & CO.
Chartered Accountants



CA. Sunita Kedia

Partner

Membership No. 60162

7A, Kiran Shankar Ray Road
Kolkata - 700 001

Date: The 29th day of June, 2009

A. CONSERVATION OF ENERGY

- a) The following energy conservation measures are taken on continuing basis :-
1. Regular preventive maintenance of all equipment to keep them in good condition.
 2. Improvement of electrical power load factor.
 3. Systematic Study of power consumption of various machines.
 4. Optimise the use of energy through improved operational method.
- b) Additional investments and proposals being implemented for reduction of consumption of energy.
No major specific investment proposals are envisaged. The Company is however, carrying on continuous education and awareness programs for its employees for energy conservation.
- 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 :-
New products are developed by the Company for export markets along with improvement in quality and cost. The Company regularly participates in important international fairs / exhibitions held across the globe.
- b) Total Foreign Exchange used and earned :-
The foreign exchange used and earned during the year by the Company are as under :-
Foreign Exchange Used – Rs. 3114.13 Lacs
Foreign Exchange Earned – Rs. 3890.83 Lacs

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules and forming part of the Directors' Report for the year ended 31st March, 2009

Name	Designation	Remuneration subject to tax (Rs.)	Qualification	Age / Experience (Years)	Date of Commencement of Employment	Details of last employment
Shri Deepak Jalan	Managing Director	3,375,000	B.Com	47 / 23	01.04.1995	Self employed
Shri Alope Jalan	Whole Time Director	2,696,777	B.Com	40 / 18	01.05.2004	Self employed

Notes:

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

AUDITORS' REPORT

TO THE MEMBERS OF
LINC PEN AND PLASTICS LIMITED

We have audited the attached Balance Sheet of LINC PEN AND PLASTICS LIMITED as at 31st March, 2009 and the relative Profit and Loss Account and the Cash Flow Statement for the year ended on that date (in which are incorporated the accounts of Company's branches at Goa 2, audited by other Auditors), all of which we have signed under reference to this report. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

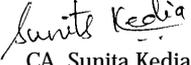
As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditors' Reports have been forwarded to us and have been appropriately dealt with in this report;
- iii) The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the Books of account and with the audited returns from the branches;
- iv) In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;

- v) On the basis of written representations received from such directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement together with the Notes thereon and attached thereto, give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - b) in the case of the Profit and Loss Account, of the PROFIT for the year ended on that date: and
 - c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For G.P. AGRAWAL & CO.
Chartered Accountants


CA. Sunita Kedia
Partner
Membership No. 60162

7A, Kiran Shankar Ray Road
Kolkata - 700 001
The 29th day of June 2009

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Auditors' Report to the members of LINC PEN AND PLASTICS LIMITED for the year ended 31st March 2009:

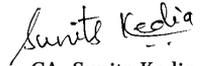
- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified during the year by the management. To the best of our knowledge, no material discrepancies were noticed on such verification.
- c) The Company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
- ii) a) The inventories have been physically verified during the year by the management at reasonable intervals. In respect of inventories lying with third parties, confirmation has been obtained from them.
- b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c) On the basis of our examination, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification of inventories by the management as compared to book records were not material and these have been properly dealt with in the books of account.
- iii) a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- b) As the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act, the provisions of para (iii)(b) to (iii)(d) of the paragraph 4 of the said order are not applicable to the company.
- c) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- d) As the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act, the provisions of para (iii)(f) to (iii)(g) of the paragraph 4 of the said order are not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system, commensurate with the size of the company

and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system.

- v) a) In our opinion and according to the information and explanations given to us, particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) In our opinion and according to the information and explanation given to us, these transactions made in pursuance of such contracts have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit within the meaning of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) In our opinion, the internal audit system of the company is commensurate with the size of the company and the nature of its business.
- viii) The provision regarding maintenance of cost records is not applicable to the Company.
- ix) a) According to the records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Custom Duty, Cess and other statutory dues with appropriate authorities. As explained to us the provisions of Wealth Tax and Excise Duty are not applicable to the company. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March, 2009 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us by the management, there are no disputed dues payable in respect of statutory dues as aforesaid.
- x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- xi) The Company has not defaulted in payment of dues to a bank. The Company has no dues of financial institution or debenture holders.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Society are not applicable to this Company.
- xiv) The Company is not dealing or trading in shares, securities, debentures or other investments. However, the investments made by the Company in Government securities have been held in its own name.

- xv) According to the records of the Company and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) On the basis of our examination and according to the information and explanation given to us, the term loans have been applied for the purpose for which the loans were obtained.
- xvii) According to the records of the Company and according to the information and explanation given to us and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) The Company has not issued any debenture.
- xx) The Company has not raised any money during the year by public issue.
- xxi) In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statements materially misstated.

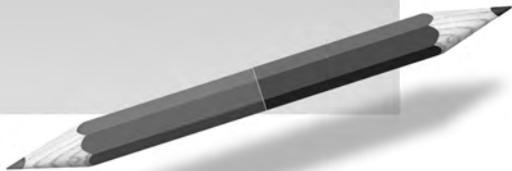
For G.P. AGRAWAL & CO.
Chartered Accountants


CA. Sunita Kedia
Partner

7A, Kiran Shankar Ray Road
Kolkata - 700 001
The 29th day of June, 2009

Membership No. 60162

Audited
Accounts
2008-09



BALANCE SHEET

(Amount in Rupees)

As at 31st March,	Schedule No.	2009	2008
I SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Share Capital	1	127,859,600	80,003,000
b) Reserves & Surplus	2	231,639,669	245,389,954
		359,499,269	325,392,954
2. Loan Funds			
a) Secured Loans	3	272,161,299	281,477,596
b) Unsecured Loans		25,741,085	58,813,107
		297,902,384	340,290,703
3. Deferred Tax Liability			
(Refer Note No. B-12 of Schedule 18)		15,848,699	12,584,825
Total		673,250,352	678,268,482
II APPLICATION OF FUNDS			
1. Fixed Assets			
a) Gross Block	4	339,913,238	301,968,448
b) Less: Depreciation		180,388,846	157,244,268
c) Net Block		159,524,392	144,724,180
d) Capital Work In Progress		19,464,556	43,865,730
		178,988,948	188,589,910
2. Current Assets, Loans and Advances			
a) Inventories	5	586,904,376	479,865,055
b) Sundry Debtors	6	191,201,527	248,691,606
c) Cash & Bank Balances	7	5,751,554	5,648,023
d) Loans & Advances	8	50,749,165	35,338,569
		834,606,622	769,543,253
Less : Current Liabilities & Provisions			
a) Current Liabilities	9	311,776,642	264,922,279
b) Provisions	10	28,568,576	14,942,402
		340,345,218	279,864,681
Net Current Assets		494,261,404	489,678,572
Total		673,250,352	678,268,482

Significant Accounting Policies and Notes on Accounts 18

Schedules 1 to 10 and 18 referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date.

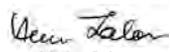
For G. P. Agrawal & Co.
Chartered Accountants

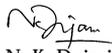

CA. Sunita Kedia
Partner

Membership No.60162
7A, Kiran Shankar Ray Road
Kolkata - 700 001
The 29th day of June, 2009

For and on behalf of the Board


Deepak Jalan
Managing Director


Alok Jalan
Whole Time Director


N. K. Dujari
G.M.- Finance &
Company Secretary

PROFIT AND LOSS ACCOUNT

(Amount in Rupees)

For the year ended 31st March,	Schedule No.	2009	2008
INCOME			
Sales	11	1,875,803,839	1,740,050,274
Other Operational Income	12	31,745,859	32,294,741
Other Income	13	16,297,947	1,484,478
Increase / (Decrease) In Stocks	14	90,223,979	48,700,445
		<u>2,014,071,624</u>	<u>1,822,529,938</u>
EXPENDITURE			
Raw Materials & Components Consumed	15	819,972,278	871,507,349
Purchases of Trading Goods		460,386,192	293,185,345
Manufacturing, Administrative, Selling & General Expenses	16	605,773,488	539,805,852
Interest	17	28,590,575	29,182,082
Depreciation		30,928,996	28,864,275
		<u>1,945,651,529</u>	<u>1,762,544,903</u>
Profit Before Taxation		<u>68,420,095</u>	<u>59,985,035</u>
Provision For Taxation			
– Current Tax		12,400,000	7,100,000
– Fringe Benefit tax		2,350,000	1,250,000
– Deferred Tax		3,288,086	1,295,041
Profit After Taxation		<u>50,382,009</u>	<u>50,339,994</u>
Balance Brought Forward		19,611,385	18,468,589
Income Tax for Earlier Years		—	(157,272)
Profit Available for Appropriation		<u>69,993,394</u>	<u>68,651,311</u>
APPROPRIATIONS			
General Reserve		35,000,000	35,000,000
Proposed Dividend		19,178,940	12,000,450
Tax on Proposed Dividend		3,259,461	2,039,476
Balance Carried to Balance Sheet		<u>12,554,993</u>	<u>19,611,385</u>
		<u>69,993,394</u>	<u>68,651,311</u>
Significant Accounting Policies and Notes on Accounts 18			
Earning Per Share - Basic & Diluted			
(Face Value Rs.10/- each)		3.94	6.29
(Refer Note No. B-8 of Schedule 18)			

Schedules 11 to 18 referred to above form an integral part of the Profit & Loss Account

This is the Profit & Loss Account referred to in our report of even date.

For G. P. Agrawal & Co.
Chartered Accountants

 CA. Sunita Kedia
 Partner

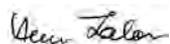
Membership No.60162

7A, Kiran Shankar Ray Road
Kolkata - 700 001

The 29th day of June, 2009

For and on behalf of the Board


 Deepak Jalan
 Managing Director


 Alokjeet Jalan
 Whole Time Director


 N. K. Dujari
 G.M.- Finance &
 Company Secretary

SCHEDULES TO THE BALANCE SHEET

(Amount in Rupees)

As at 31st March,	2009	2008
SCHEDULE - 1		
SHARE CAPITAL		
Authorised		
13,000,000 (P.Y. 10,000,000) Equity Shares of Rs.10/- each	130,000,000	100,000,000
Issued, Subscribed and Paid up		
8,000,300 Equity Shares of Rs.10/-		
each Fully Paid up in Cash	80,003,000	80,003,000
Equity Share Capital Suspense *	47,856,600	—
	127,859,600	80,003,000
* 4,785,660 (P.Y. Nil) Equity Shares of Rs. 10/- each Fully Paid up to be issued pursuant to a Scheme of Amalgamation without payment being received in cash (Refer Note No. B-3 of Schedule 18)		
SCHEDULE - 2		
RESERVES & SURPLUS		
General Reserve		
As per last account	196,084,569	161,084,569
Add : Transferred from		
Profit & Loss Account	35,000,000	35,000,000
Less: Adjustment on Amalgamation	41,693,893	—
	189,390,676	196,084,569
(Refer Note No. B-3 of Schedule 18)		
Securities Premium Account		
As per last account	29,694,000	29,694,000
Profit & Loss Account		
Surplus as per Profit & Loss Account	12,554,993	19,611,385
	231,639,669	245,389,954
SCHEDULE - 3		
LOAN FUNDS		
Secured Loans		
From Scheduled Banks *		
Term Loan	5,747,166	10,889,512
Short Term Loan	—	40,012,608
Packing Credit	128,311,784	109,323,295
Cash Credit	122,445,548	105,034,313
Foreign Currency Loan	15,656,801	15,823,395
*Secured by hypothecation of Plant & Machinery, Moulds & Current Assets of the Company and first charge by way of Equitable Mortgage of Immovable Properties and Other Fixed Assets of the Company and also guaranteed by Managing Director, Whole Time Director and associate concerns of the Company.		
From Others		
Secured against hypothecation of Cars	—	394,473
	272,161,299 **	281,477,596
** Includes Term Loan repayable within one Year Rs. 14,669,700/- (P.Y. Rs. 72,696,854/-)		
Unsecured Loans		
Short Term Loan From Bank	—	20,000,000
Trade Deposits*	25,741,085	38,813,107
*Includes Interest Accrued and due Rs. 14,92,830/- (P.Y. Rs.1,729,218/-)		
	25,741,085	58,813,107

SCHEDULE TO THE BALANCE SHEET

SCHEDULE - 4

FIXED ASSETS

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK			
	As at 1st April 2008	Acquired On Amalgamation	Additions During the Year	Deductions During the Year	As at 31st March 2009	Up to 31st March 2008	Acquired On Amalgamation	Less : On sales	Up to 31st March 2009	As at 31st March 2009	As at 31st March 2008
	(Amount in Rupees)										
Freehold Land	4,441,760	—	—	2,911,450	1,530,310	—	—	—	—	1,530,310	4,441,760
Buildings	14,057,784	750,522	135,953	3,094,951	11,849,308	2,424,116	614,576	1,235,061	2,078,729	9,770,579	11,633,668
Plant & Machinery	51,874,735	857,546	23,132,422	5,129,939	70,734,764	26,206,618	777,168	6,146,570	30,655,088	40,079,676	25,668,117
Other Equipment	210,478,238	2,290,533	24,436,576	11,630,270	225,575,077	123,408,141	1,597,390	21,915,761	140,659,388	84,915,689	87,070,097
Furniture & Fixtures	8,811,074	3,154,646	7,586,305	2,116,602	17,435,423	2,665,316	1,450,543	975,690	3,749,763	13,685,660	6,145,758
Vehicles	7,981,697	187,353	2,862,806	3,022,046	8,009,810	1,677,546	123,589	707,231	1,033,665	6,535,109	6,304,151
Computer Software * (Intangible Assets)	4,323,160	—	455,386	—	4,778,546	862,531	—	908,646	1,771,177	3,007,369	3,460,629
Total	301,968,448	7,240,600	58,609,448	27,905,258	339,913,238	157,244,268	4,563,266	30,928,996	12,347,684	180,388,846	144,724,180
Previous Year	272,561,781	—	42,732,651	13,325,984	301,968,448	131,778,618	—	28,864,275	3,398,625	157,244,268	144,724,180

* Acquired

SCHEDULES TO THE BALANCE SHEET

(Amount in Rupees)

As at 31st March,	2009	2008
SCHEDULE - 5		
INVENTORIES *		
(As taken, valued and certified by the management)		
Raw Materials & Components	289,628,319	288,146,234
Finished Goods	97,102,601	89,473,839
Trading Goods	193,376,571	92,895,509
Work in Process	6,792,420	9,337,556
Scrap	4,465	11,917
	<u>586,904,376</u>	<u>479,865,055</u>

* Includes Materials lying with third parties

SCHEDULE - 6

SUNDRY DEBTORS

(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	8,913,012	7,601,024
Other Debts	182,288,515	241,090,582
	<u>191,201,527</u>	<u>248,691,606</u>

SCHEDULE - 7

CASH & BANK BALANCES

Cash in Hand (As certified)	1,266,401	1,304,982		
Balances with Scheduled Banks in:				
Current Accounts	716,882	185,722		
Unpaid Dividend Accounts	833,207	736,262		
Fixed Deposit Account*	2,935,064	4,485,153	3,421,057	4,343,041
*(Lodged with Bank as Margin Money)				
	<u>5,751,554</u>	<u>5,648,023</u>		

SCHEDULE - 8

LOANS & ADVANCES

(Unsecured, considered good)				
Advances recoverable in cash or in kind or for value to be received or pending adjustments	34,084,339	18,995,560		
Advance Payment of Tax	31,733,593	21,223,865		
Less: Provision for Tax	31,733,593	—	21,223,865	—
Export Benefits Receivable	9,193,399	8,893,119		
Security Deposits	7,471,427	7,449,890		
	<u>50,749,165</u>	<u>35,338,569</u>		

SCHEDULES TO THE BALANCE SHEET*(Amount in Rupees)*

As at 31st March,	2009	2008
SCHEDULE - 9		
CURRENT LIABILITIES		
Sundry Creditors		
- Due to Micro, Small and Medium Enterprises (Refer Note No.B-6 of Schedule 18)	65,607,427	72,640,150
- Due to Others	242,723,223	186,898,558
Investor Education and Protection Fund *		
- Unclaimed Dividend	833,207	736,262
Advances against Sale of Assets	—	2,200,000
Advances from Customers	2,612,785	2,447,309
	<u>311,776,642</u>	<u>264,922,279</u>

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

SCHEDULE - 10**PROVISIONS**

Provision for Tax	36,529,704	21,596,745
Less: Advance Payment of Tax	31,733,593	4,796,111
		21,223,865
Employees Benefits	1,334,064	529,596
Proposed Dividend	19,178,940	12,000,450
Tax on Proposed Dividend	3,259,461	2,039,476
	<u>28,568,576</u>	<u>14,942,402</u>

SCHEDULES TO THE PROFIT & LOSS ACCOUNT*(Amount in Rupees)*

For the year ended 31st March,	2009	2008
SCHEDULE - 11		
SALES		
Domestic	1,481,467,349	1,353,892,411
Exports	394,336,490	386,157,863
	<u>1,875,803,839</u>	<u>1,740,050,274</u>

SCHEDULE - 12**OTHER OPERATIONAL INCOME**

Export Benefits Received	31,745,859	32,294,741
	<u>31,745,859</u>	<u>32,294,741</u>

SCHEDULES TO THE PROFIT & LOSS ACCOUNT

(Amount in Rupees)

For the year ended 31st March,	2009	2008
SCHEDULE - 13		
OTHER INCOME		
Interest Received (Gross)*		
Fixed Deposit	263,508	202,156
Others	14,567	12,275
Insurance Claim	78,163	176,458
Profit on Sale of Fixed Assets (Net)	12,431,277	—
Miscellaneous Income	3,510,432	1,093,589
	<u>16,297,947</u>	<u>1,484,478</u>

* Includes Tax Deducted At Source

Rs. 4,07,646/- (P.Y. Rs.3,25,651/-)

SCHEDULE - 14

INCREASE / (DECREASE) IN STOCKS

Closing stock				
Finished Goods	97,102,601		89,473,839	
Trading Goods	193,376,571		92,895,509	
Work in Process	6,792,420	297,271,592	9,337,556	191,706,904
Less: Opening stock				
Finished Goods	89,473,839		53,829,138	
Trading Goods	92,895,509		76,069,628	
Work in Process	9,337,556		13,107,693	
	191,706,904		143,006,459	
Add: Acquired on Amalgamation				
Trading Goods	15,340,709	207,047,613	—	143,006,459
Increase/(Decrease) in Stock		<u>90,223,979</u>		<u>48,700,445</u>

SCHEDULE - 15

RAW MATERIALS & COMPONENTS CONSUMED

Opening Stock of Raw Materials	288,158,151	266,782,762
Add: Acquired on Amalgamation	849,078	—
	289,007,229	266,782,762
Add: Purchases during the year	820,597,833	892,882,738
	1,109,605,062	1,159,665,500
Less: Closing Stock of Raw Materials	289,632,784	288,158,151
	<u>819,972,278</u>	<u>871,507,349</u>

SCHEDULES TO THE PROFIT & LOSS ACCOUNT

(Amount in Rupees)

For the year ended 31st March,	2009		2008	
SCHEDULE - 16				
MANUFACTURING, ADMINISTRATIVE, SELLING & GENERAL EXPENSES				
Stores and Spare Parts Consumed		1,857,543		5,406,247
Power & Fuel		9,638,521		8,227,545
Processing Charges		192,153,528		211,896,517
Rent		11,018,035		7,866,825
Repairs & Maintenance				
Machinery	2,277,093		2,639,833	
Building	52,792		92,689	
Others	2,402,925	4,732,810	1,301,300	4,033,822
Other Manufacturing Expenses		995,770		769,638
Payments to and Provisions for Employees				
Salaries, Wages, Bonus & Allowances	71,334,729		52,196,291	
Contribution to Provident & Other Funds	5,271,182		4,394,957	
Workmen and Staff Welfare & Training Expenses	2,472,876	79,078,787	2,089,320	58,680,568
Auditors Remuneration		339,574		238,204
(Refer Note No. B-5 of Schedule 18)				
Miscellaneous Expenses		22,510,219		19,576,516
Insurance Charges		3,052,566		3,327,670
Rates & Taxes		233,570		485,871
Directors' Sitting Fees		181,500		129,750
Travelling & Conveyance		24,398,257		14,476,950
Postage, Telegram & Telephone		5,184,957		4,038,552
Freight & Transportation		30,550,869		29,963,345
Advertisement Expenses		70,178,393		29,086,697
Sales Promotion Expenses		13,149,944		4,340,217
Incentives on Sales		27,819,136		47,815,560
Commission on Sales		2,560,529		4,421,042
Discount Allowed		41,012,562		29,869,488
Rebate & Claim		23,635,011		30,321,893
Bad Debts		1,309,160		—
Other Selling & Distribution Expenses		21,547,434		15,536,080
Loss on Sale of Fixed Assets		—		429,096
Loss on Exchange Fluctuation		18,634,813		8,867,759
		<u>605,773,488</u>		<u>539,805,852</u>
SCHEDULE - 17				
INTEREST				
To Bank				
Fixed Loans	3,815,065		7,740,661	
Other than Fixed Loans	22,341,288	26,156,353	18,172,882	25,913,543
To Others (Other than Fixed Loans)		2,434,222		3,268,539
		<u>28,590,575</u>		<u>29,182,082</u>

SCHEDULE TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

SCHEDULE – 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting

- a) The Company prepares its accounts on accrual basis, except otherwise stated, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.
- b) Insurance and other claims/refunds are accounted for on actual receipt/acceptance basis, due to uncertainty in realization.

2. Revenue Recognition

- a) Revenue from Sale of Goods is recognized upon passage of title to the customers.
- b) Sales is exclusive of Sales Tax/Vat, rebate etc.
- c) All other incomes are accounted for on accrual basis.

3. Expenses

All the expenses are accounted for on accrual basis.

4. Fixed Assets

- a) All fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses, erection/ commissioning expenses and interest etc. up to date the asset is ready for intended use.
- b) Depreciation on Fixed Assets is provided on straight-line method at the rates specified in Schedule XIV to The Companies Act, 1956 (as amended).
- c) Depreciation on fixed assets added/ disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.

5. Foreign Currency Transactions

- a) Transactions in foreign currency are initially recorded at the exchange rate at which the transaction is carried out.
- b) Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the year end are translated at the year end rate.
- c) Forward exchange contract entered into for hedging purpose are accounted for separately from the underlying transactions. The premium/ discount on forward exchange contract is amortised over the period of respective contracts. Exchange differences on such contracts at the year end / upon termination are taken to Profit & Loss Account.

6. Investments

Investments are stated at cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments.

7. Inventories

- a) Inventories (Other than Scrap) are valued at lower of cost and net realisable value. The basis for determination of cost of various categories of inventory is as follows:

SCHEDULE – 18 (Contd.)

Raw Material and Components : FIFO

Finished Goods : Material cost plus an appropriate share of labour and manufacturing overheads wherever applicable on weighted average basis.

Work in Process : Material cost plus an appropriate share of labour and manufacturing overheads wherever applicable on weighted average basis.

(b) Scrap are valued at Net Realisable Value.

8. Employee Benefits

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered.
- b) Post employment and other long-term employee benefits are recognized as an expense in the Profit & Loss Account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuations. Actuarial gains and losses in respect of post employment and other long-term employee benefits are recognized in the profit and loss account.

9. Taxes on Income

Tax expense comprises both current and deferred taxes. Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantially enacted at the Balance Sheet date. Deferred tax assets (including unrecognized deferred tax assets of earlier years) are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

10. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred. No borrowing costs were eligible for capitalisation during the year.

11. Impairment of Assets

Impairment losses, if any, are recognized in accordance with the Accounting Standard – 28 on Impairment of Assets as specified in the Companies (Accounting Standard) Rules, 2006.

12. Provisions, Contingent liabilities and Contingent Assets

- a) Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.
- b) Contingent Liabilities are shown by way of Notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- c) Contingent Assets are not recognized in the Accounts.

SCHEDULE – 18 (Contd.)

B. NOTES ON ACCOUNT (Amount in Rupees)

As on 31st March	2009	2008
1. a) Estimated amount of contracts remaining to be executed for Capital Expenditure and not provided for	3,778,777	3,301,500
b) Advance paid against above	4,425,447	8,556,786
2. i) Contingent Liabilities Not Provided For :		
a) Bank Guarantees issued in favour of The President of India and others*	20,368,043	19,326,043
*Fixed Deposit lodged as Margin Money against the above	2,530,064	3,216,057
b) Bills Discounted from Bank	98,506	707,685
ii) The Contingent Liabilities referred to in (i) above depends upon non discharge of export obligation/ outcome of appeal invocation of bank guarantee etc.		
iii) No reimbursement is expected in respect of contingent liabilities shown in (i) above.		
3. Pursuant to a Scheme of Amalgamation duly approved by Hon'ble High Court of Calcutta vide their order dated 29th January 2009, business of M/s. Shree Writing Aid Private Limited have been transferred to the Company on a going concern basis with effect from 1st April, 2008. As a consideration for such transfer, the shareholders of M/s. Shree Writing Aid Private Limited are to be issued 165 Equity Shares of Rs. 10/- each of the Company for every 1 Equity Shares of Rs. 100/- each held by them. Pursuant to above 4,785,660 Equity Shares of Rs. 10/- each are to be issued to the shareholders of M/s. Shree Writing Aid Private Limited without payment being received in cash.		

Amalgamation has been accounted for under the “pooling of interest” method as prescribed by Accounting Standard (AS 14) notified under the Companies (Accounting Standards) Rules, 2006. Accordingly, the Assets and Liabilities and other Reserves of M/s. Shree Writing Aid Private Limited as at 1st April, 2008 have been taken over at their Book Values.

Adjustment to the General Reserve arising out of the aforesaid Scheme of Amalgamation has been worked out as under:

	Amount (Rs.)
Fixed Assets	2,677,334
Current Assets	26,082,721
Deferred Tax Assets	24,212
	28,784,267
Less:	
Loan Funds	15,008,164
Current Liabilities & Provisions	7,613,396
Net Assets Transferred	6,162,707
Less:	
Equity Shares of Rs. 10/- each to be issued as per Scheme of Amalgamation	47,856,600
Amount Adjusted with the General Reserve	41,693,893

SCHEDULE – 18 (Contd.)

(Amount in Rupees)

For the year	2008-09	2007-08
4. Managerial Remuneration		
Computation of Net Profit for the purpose of calculating Directors' remuneration:		
Profit Before Tax (as per profit & loss account)	68,420,095	59,985,035
Add: Directors' Sitting Fees	181,500	129,750
Directors' Remuneration	8,401,777	5,702,100
Bad Debt Written Off	1,309,160	—
Loss on Sale of Fixed Assets	—	429,096
	<u>78,312,532</u>	<u>66,245,981</u>
Less: Profit on sale of fixed assets	12,431,277	—
Net Profit for the purpose of Directors' remuneration (As per Section 349 of the Companies Act, 1956)	<u>65,881,255</u>	<u>66,245,981</u>
Commission Payable to Non Executive Directors		
@ 1% of Net Profit	658,813	662,460
Restricted to	650,000	650,000
Remuneration paid to Managing, Whole Time and Non Executive Directors:		
Salary	6,923,777	4,512,100
Commission	650,000	650,000
Contribution to Provident & Other Funds	828,000	540,000
Total	<u>8,401,777</u>	<u>5,702,100</u>
The total remuneration as above is within the maximum permissible limit under the Act.		
The above figure do not include Gratuity, since the same is provided on actuarial basis for the company as a whole.		
5. a) Statutory Auditors' Remuneration		
Audit Fees	165,450	112,360
Tax Audit Fees	55,150	50,562
Other Matters	105,738	50,562
	<u>326,338</u>	<u>213,484</u>
b) Branch Auditors' Remuneration		
Audit Fees	11,030	20,224
Tax Audit Fees	2,206	4,496
	<u>13,236</u>	<u>24,720</u>
Total (a+b)	<u>339,574</u>	<u>238,204</u>

SCHEDULE – 18 (Contd.)

6. Sundry Creditors

The Information required to be disclosed under the Micro, Small and Medium Enterprise Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

The disclosure pursuant to the said act is as under:

i) Principal amount due to suppliers under MSMED Act, 2006	Rs.	65,607,427
ii) Interest accrued and due to suppliers under MSMED Act, 2006 on the above amounts, unpaid.	Rs.	Nil
iii) Payment made to suppliers (other than interest) beyond the appointed day during the year.	Rs.	Nil
iv) Interest paid to suppliers under MSMED Act (other than Section 16)	Rs.	Nil
v) Interest paid to suppliers under MSMED Act (Section 16)	Rs.	Nil
vi) Interest due and payable towards suppliers under MSMED Act against payments already made.	Rs.	Nil
vii) Interest accrued and remaining unpaid at the end of the year to suppliers against payments already made under MSMED Act.	Rs.	Nil

7. Segment Reporting

The business of the company falls under a single segment i.e. "Writing Instruments and Stationeries" therefore the disclosure requirements as per Accounting Standard 17 "Segment Reporting" are not applicable to the Company.

8. Earnings Per Share 2008-09 2007-08

The numerator and denominator used to calculate

Basic/ Diluted Earnings Per Share

a) Amount used as the numerator - Profit after Tax	(Rs.)	50,382,009	50,339,994
b) Basic / Diluted weighted average number of Equity Shares used as the denominator		12,785,960	8,000,300
c) Nominal value of Equity Shares	(Rs.)	10	10
d) Basic / Diluted Earnings Per Share (a/b)	(Rs.)	3.94	6.29

9. Related Party transactions

Related party disclosure as per Accounting Standard 18 for the year ended 31st March 2009 are given in the following table :

SCHEDULE – 18 (Contd.)

I) Details of transactions with related parties

Description	Associates (A)	Key Managerial Personnel (KMP)	Other Related Parties (ORP)	Relatives of KMP (R)	Total
Purchase of Goods					
Linc Retail Ltd.	1,786,703 (—)	— (—)	— (—)	— (—)	1,786,703 (—)
Shree Writing Aid Pvt. Ltd	— (4,611,803)	— (—)	— (—)	— (—)	— (4,611,803)
Linc Writing Aids Pvt. Ltd.	— (—)	— (—)	32,250 (405,164)	— (—)	32,250 (405,164)
Radhika Writing Instruments	— (—)	— (—)	2,593,133 (12,893,549)	— (—)	2,593,133 (12,893,549)
Linc Marketing Services (Goa)	— (—)	— (—)	— (2,450,752)	— (—)	— (2,450,752)
Sale of Goods					
Linc Retail Ltd.	7,105,139 (549,508)	— (—)	— (—)	— (—)	7,105,139 (—)
Shree Writing Aid Pvt. Ltd	— (12,466,125)	— (—)	— (—)	— (—)	— (12,466,125)
Linc Writing Aids Pvt. Ltd.	— (—)	— (—)	193,912,664 (172,994,669)	— (—)	193,912,664 (172,994,669)
Radhika Writing Instruments	— (—)	— (—)	19,292 (563,645)	— (—)	19,292 (563,645)
S.M. Homes	— (—)	— (—)	26,739 (—)	— (—)	26,739 (—)
Purchase of Fixed Assets					
Radhika Writing Instruments	— (—)	— (—)	474,240 (—)	— (—)	474,240 (—)
S.M. Homes	— (—)	— (—)	128,925 (—)	— (—)	128,925 (—)
Linc Engineering	— (—)	— (—)	312,000 (309,000)	— (—)	312,000 (309,000)
Linc Writing Aids Pvt. Ltd.	— (—)	— (—)	— (275,600)	— (—)	— (275,600)
S.M. Pen & Plastics Industries	— (—)	— (—)	— (16,875)	— (—)	— (16,875)
Sale of Fixed Assets					
Linc Engineering	— (—)	— (—)	104,000 (—)	— (—)	104,000 (—)
S.M. Homes	— (—)	— (—)	150,000 (—)	— (—)	150,000 (—)
Receiving of Services					
Shree Writing Aid Pvt. Ltd	— (202,333)	— (—)	— (—)	— (—)	— (202,333)
Mr. Deepak Jalan	— (—)	3,000,000 (1,800,000)	— (—)	— (—)	3,000,000 (1,800,000)
Mr. Prakash Jalan	— (—)	1,536,000 (1,572,000)	— (—)	— (—)	1,536,000 (1,500,000)

SCHEDULE – 18 (Contd.)

Description	Associates (A)	Key Managerial Personnel (KMP)	Other Related Parties (ORP)	Relatives of KMP (R)	Total
Mr. Alope Jalan	— (—)	2,400,000 (1,200,000)	— (—)	— (—)	2,400,000 (1,200,000)
Linc Writing Aids Pvt. Ltd.	— (—)	— (—)	1,446,000 (1,260,000)	— (—)	1,446,000 (1,260,000)
Radhika Writing Instruments	— (—)	— (—)	125,000 (306,000)	— (—)	125,000 (306,000)
Mr. S. M. Jalan	— (—)	— (—)	— (—)	100,000 (—)	100,000 (—)
Ms. Divya Jalan	— (—)	— (—)	— (—)	176,542 (—)	176,542 (—)
M/s. Deepak Jalan (HUF)	— (—)	— (—)	— (—)	360,000 (360,000)	360,000 (360,000)
Mrs. Bimla Devi Jalan	— (—)	— (—)	— (—)	72,000 (—)	72,000 (—)
Mrs. Shobha Jalan	— (—)	— (—)	— (—)	960,000 (195,000)	960,000 (195,000)
M/s. Alope Jalan (HUF)	— (—)	— (—)	— (—)	792,000 (198,000)	792,000 (198,000)
Rendering of Services					
Linc Retail Ltd.	1,369,567 (—)	— (—)	— (—)	— (—)	1,369,567 (—)
Shree Writing Aid Pvt. Ltd	— (860,772)	— (—)	— (—)	— (—)	— (860,772)
Dividend Paid to Shareholders					
Mr. Deepak Jalan	— (—)	883,957 (683,166)	— (—)	— (—)	883,957 (683,166)
Mr. Prakash Jalan	— (—)	300,000 (288,000)	— (—)	— (—)	300,000 (288,000)
Mr. Alope Jalan	— (—)	379,029 (287,623)	— (—)	— (—)	379,029 (287,623)
Guarantees (Given for the Loans obtained by the Company)					
Mr. Deepak Jalan	— (—)	272,161,299 (281,477,596)	— (—)	— (—)	272,161,299 (281,477,596)
Balance Outstanding					
a) Accounts Receivable					
Linc Retail Ltd.	5,834,506 (3,225)	— (—)	— (—)	— (—)	5,834,506 (3,225)
Shree Writing Aid Pvt. Ltd	— (3,780,597)	— (—)	— (—)	— (—)	— (860,772)
Linc Writing Aids Pvt. Ltd.	— (—)	— (—)	18,950,380 (33,412,859)	— (—)	18,950,380 (33,412,859)
Radhika Writing Instruments	— (—)	— (—)	— (522,217)	— (—)	— (522,217)
b) Amount Outstanding against Guarantees given for the Loans obtained by the Company					
Mr. Deepak Jalan	— (—)	272,161,299 (281,477,596)	— (—)	— (—)	272,161,299 (281,477,596)

SCHEDULE – 18 (Contd.)

II) Names and description of relationship of related parties as on 31st March, 2009:

Related Party	Relationship
Associates;	
Linc Retail Ltd.	Associates
Key Managerial Personnel; (KMP)	
Deepak Jalan	Managing Director
Prakash Jalan	Whole Time Director
Aloke Jalan	Whole Time Director
Other Related Parties (ORP)	
S.M. Pen & Plastics Industries	Proprietorship Concerns owned by
Radhika Writing Instruments	Sri S.M. Jalan father of M.D. and W.T.D.
Linc Marketing Services (Goa)	Proprietorship Concerns owned by
Linc Engineering	Smt. Bindu Jalan wife of W.T.D.
S.M. Homes	
Linc Writing Aids Pvt. Ltd.	} Substantial interest of the relatives of M.D. and W.T.D.
Relatives;	
Mr. Deepak Jalan	Deepak Jalan (HUF) Mr. Deepak Jalan is Karta of HUF Mr. S.M. Jalan (Father) Mrs. Bimla Devi Jalan (Mother) Ms. Divya Jalan (Daughter)
Mr. Prakash Jalan	} Mr. S.M. Jalan (Father) Mrs. Bimla Devi Jalan (Mother)
Mr. Aloke Jalan	Aloke Jalan (HUF) Mr. Aloke Jalan is Karta of HUF Mrs. Shobha Jalan (Wife) Mr. S.M. Jalan (Father) Mrs. Bimla Devi Jalan (Mother)

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.

10. Capital Work In Progress includes Capital Advance of Rs 4,425,447/- (Rs. 8,556,786/-).

11. a) 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 are as under:

Defined Contribution Plan	Amount (Rs.)	
	2008-09	2007-08
Employers' Contribution to Provident Fund	3,731,064	3,048,729
Employers' Contribution to Employee State Insurance Scheme	1,193,118	937,228
Total	4,924,182	3,985,957

SCHEDULE – 18 (Contd.)

b) Post employment and other long-term employee benefits in the form of gratuity is considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognized in the Balance Sheet represent the present value of the obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amount recognized in the profit and loss account for the year ended 31st March, 2009 in respect of Employees Benefit Schemes based on actuarial reports as on 31st March, 2009 is as follows:

Gratuity (Funded)		Amount (Rs. in Lacs)	
		2009	2008
I.	Components of Employer Expense:		
1.	Current Service Cost	4.97	3.93
2.	Past Service Cost	—	—
3.	Interest Cost	2.01	1.61
4.	Expected Return on Plan Asset	(3.80)	(3.04)
5.	Actuarial gain/loss recognized in the year	0.29	1.59
6.	Net Expense/(Income) Recognized in Statement of Profit & Loss Account	3.47	4.09
II.	Change in Present Value of Defined Benefit Obligation:		
1.	Present Value of Defined Benefit Obligation at the Beginning of the year	23.71	20.38
2.	Interest Cost	2.01	1.61
3.	Current Service Cost	4.97	3.93
4.	Actuarial Gain/(Losses)	(0.04)	1.20
5.	Benefit Payments	(1.28)	(3.41)
6.	Present Value of Obligation at the End of the year	29.37	23.71
III.	Change in Fair Value of Plan Assets		
1.	Plan Assets at the Beginning of the year	38.81	30.35
2.	Expected Return on Plan Assets	3.80	3.04
3.	Actual Company Contribution	6.63	9.22
4.	Actuarial Gain/(Losses)	(0.33)	(0.39)
5.	Benefit Payments	(1.28)	(3.41)
6.	Plan Assets at the End of the year	47.63	38.81
IV.	Net Asset/(Liability) recognized in the Balance Sheet		
1.	Present value of Defined Benefit Obligation	29.37	23.71
2.	Fair Value on Plan Assets	47.63	38.81
3.	Funded Status (Surplus/(deficit))	18.26	15.10
4.	Net Asset/(Liability) recognized in Balance Sheet	18.26	15.10

SCHEDULE – 18 (Contd.)

Gratuity (Funded)		2009	2008
V.	Actuarial Assumptions		
1.	Discount Rate (per annum)	8.40 %	8.70 %
2.	Expected Return on Plan Assets (per annum)	9.15 %	9.15 %
3.	Salary Increases	5.00 %	5.00 %
4.	Retirement/Superannuation Age	58	58
5.	Mortality	LIC (1994 - 96)	LIC (1994 - 96)

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

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

VII. Basis of estimates of rate of escalation in salary

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

VIII. Other Disclosures

1. The Gratuity and Provident Fund Expenses have been recognized under "Contribution to Provident and Other Funds" and Leave Encashment under "Salaries, Wages, Bonus & Allowances" under Schedule - 16.
2. The amount of the Present value of Obligation, fair value of Plan Assets, Surplus/Deficit in the plan and experience adjustment arising on Plan Liabilities and Plan Assets for the previous four annual periods are not available and therefore, not disclosed.
3. The amount of Expected Employer's contribution for next year is not available and therefore, not disclosed.

12. The Break up of Deferred Tax Liability as follows: *(Amount in Rupees)*

As at 31st March,	2009	2008
Tax effect of timing differences on account of:	12,560,613	11,289,784
Difference between book and tax depreciation (DTL)		
Less : Expenses allowable for tax purpose on payment basis.(DTA)	(3,288,086)	(1,295,041)
Deferred Tax Liability (Net)	15,848,699	12,584,825

13. Additional Information Pursuant to paragraph 3, 4C & 4D of Part II of Schedule VI to the Companies Act, 1956 :

SCHEDULE – 18 (Contd.)

a) Licenced & Installed Capacities and Actual Production for the year.

(Quantity in Lacs)

Class of Products	Unit	Installed Capacity	Actual Production
Pens & Plastics Components	Pcs.	*	4041.860 (4380.246)
Refills	Pcs.	*	4035.054 (4526.014)

* The company's products are non standardised and are of various shapes & sizes, hence there is no proper measure to assess and indicate the same.

Note: I. No specific licence is required for the manufacture of products mentioned above.

II. Production includes products manufactured on job basis.

b) Opening & Closing Stock of Finished Goods Produced for Sale Amount (Rs.)

Sl. No.	Description	Unit	Opening Stock		Closing Stock		Sales	
			Quantity	Amount	Quantity	Amount	Quantity	Amount
I)	Pens	Pcs.	36,659,376 (19,249,863)	66,612,134 (36,778,615)	39,578,848 (36,659,376)	78,898,344 (66,612,134)	401,223,905 (420,615,669)	1,094,386,334 (1,084,168,30)
II)	Refills	Pcs.	32,013,681 (19,663,737)	20,908,527 (15,521,720)	20,117,623 (32,013,681)	13,670,425 (20,908,527)	153,643,407 (125,502,672)	189,771,059 (221,755,751)
III)	Others	—		1,953,178 (1,528,803)		4,533,832 (1,953,178)		45,791,416 (35,714,957)
	Total			89,473,839		97,102,601		1,329,948,809
	Total (Previous Year)			(53,829,138)		(89,473,839)		(1,341,639,009)

c) Opening and Closing Stock of Goods Traded in

Sl. No.	Description	Unit	Opening Stock		Acquired on Amalgamation		Purchases		Sales		Closing Stock	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
I)	Pens	Pcs.	10,233,086 (5,724,059)	74,872,815 (61,894,695)	501,299 (—)	4,800,676 (—)	86,847,811 (75,373,957)	293,151,890 (188,612,721)	78,643,371 (70,864,930)	318,254,076 (239,141,683)	18,938,825 (10,233,086)	160,330,906 (74,872,815)
II)	Refills	Pcs.	2,336,201 (2,140,375)	5,286,080 (4,622,613)	530,874 (—)	1,301,016 (—)	14,088,630 (11,472,059)	16,599,156 (8,138,687)	14,263,281 (11,276,233)	39,119,859 (32,204,977)	2,692,424 (2,336,201)	9,172,967 (5,286,080)
III)	Pencils	Pcs.	2,153,461 (1,644,859)	3,886,239 (2,802,638)	174,554 (—)	348,764 (—)	60,881,281 (35,308,888)	84,868,699 (41,816,644)	57,960,305 (34,800,286)	93,544,577 (50,550,362)	5,248,991 (2,153,461)	8,782,343 (3,886,239)
IV)	Others	—		8,850,375 (6,749,682)		8,890,253 (—)		65,766,447 (54,617,293)		94,936,518 (76,514,243)		15,090,355 (8,850,375)
	Total			92,895,509		15,340,709		460,386,192		545,855,030		193,376,571
	Total (Previous Year)			(76,069,628)		(—)		(293,185,345)		(398,411,265)		(92,895,509)

d) Raw Materials Consumed

Sl. No.	Items	Unit	Quantity	Amount
I)	Plastic Powder	Kgs.	4,262,191 (3,019,566)	263,901,585 (234,068,989)
II)	Ink	Kgs.	202,114 (219,153)	75,951,869 (71,840,717)
III)	Tips	Pcs.	534,772,129 (635,376,752)	175,236,684 (200,016,198)
IV)	Components for Pen / Ball Pen/ Pencils	Pcs.	644,988,299 (924,770,767)	157,692,835 (277,839,283)
V)	Others	—		147,189,305 (87,742,161)
	Total			819,972,278
	Total (Previous Year)			(871,507,349)

SCHEDULE – 18 (Contd.)

e) Value of Raw Materials Consumed

Particulars	Amount	Percentage
Imported	104,874,454	12.79%
	(104,668,033)	12.01%
Indigeneous	715,097,824	87.21%
	(766,839,316)	87.99%
Total	819,972,278	100.00%
Total (Previous Year)	(871,507,349)	(100.00%)

f) Value of Stores & Spares Consumed

Particulars	Amount	Percentage
Imported	359,738	19.37%
	(113,345)	2.10%
Indigeneous	1,497,805	80.63%
	(5,292,902)	97.90%
Total	1,857,543	100%
Total (Previous Year)	(5,406,247)	(100%)

	2008-09	2007-08
g) CIF Value of Imports		
Raw Materials, Components & Spares	85,962,332	85,968,222
Trading Goods	212,025,521	111,940,977
Capital Goods	8,288,725	14,586,687
h) Expenditure in Foreign Currency (On Payment Basis)		
I) Bank Interest & Commission	1,119,049	1,708,500
II) Travelling	1,608,747	1,522,743
III) Exhibition Expenses	1,964,122	1,193,799
IV) Product Designing & Testing Charges	444,326	—
i) Earnings in Foreign Exchange (On Accrual Basis)		
Exports on FOB Basis	389,082,871	382,565,766

14. I) Figures in brackets represents figures for the previous years.
- II) Figures for current year are not comparable with that of previous years as these includes Assets, Liabilities, Income and Expenditures of erstwhile Shree Writing Aid Pvt. Ltd. consequent to merger with the Company.
- III) The previous year figures have been regrouped and rearranged wherever necessary.

SCHEDULE – 18 (Contd.)

15. Information Pursuant to Part IV of Schedule VI to the Companies Act, 1956 :

1. Registration Details
 Registration No.

6	5	5	8	3
---	---	---	---	---

 State Code

2	1
---	---

 Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

2. Capital raised during the year (Amount in Rs. '000s)
 Public Issue

--	--	--	--	--	--	--	--

 N I L Rights Issue

--	--	--	--	--	--	--	--

 N I L
 Bonus Issue

--	--	--	--	--	--	--	--

 N I L Private Placement

--	--	--	--	--	--	--	--

 N I L

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000s)
 Total Liabilities*

6	7	3	2	5	0
---	---	---	---	---	---

 Total Assets

6	7	3	2	5	0
---	---	---	---	---	---

 Sources of Funds
 Paid-up Capital

1	2	7	8	6	0
---	---	---	---	---	---

 Reserves & Surplus

2	3	1	6	3	9
---	---	---	---	---	---

 Secured Loans

2	7	2	1	6	1
---	---	---	---	---	---

 Unsecured Loans

--	--	--	--	--	--	--	--

 2 5 7 4 1
 Other Liabilities

--	--	--	--	--	--	--	--

 1 5 8 4 9
 Application of Funds
 Net Fixed Assets

1	7	8	9	8	9
---	---	---	---	---	---

 Investments

--	--	--	--	--	--	--	--

 N I L
 Net Current Assets

4	9	4	2	6	1
---	---	---	---	---	---

 Miscellaneous Expenditure

--	--	--	--	--	--	--	--

 N I L
 * (Excluding current liabilities & provisions of Rs. 340345 thousands)

4. Performance of Company (Amount in Rs. '000s)
 Turnover & Other Income

1	9	2	3	8	4	7
---	---	---	---	---	---	---

 Total Expenditure

1	8	5	5	4	2	7
---	---	---	---	---	---	---

 + - Profit/Loss Before Tax

+							
---	--	--	--	--	--	--	--

 6 8 4 2 0 + - Profit/Loss After Tax

+							
---	--	--	--	--	--	--	--

 5 0 3 8 2
 Earning Per Share in Rs.

--	--	--	--	--	--	--	--

 3 . 9 4 Dividend rate (%)

--	--	--	--	--	--	--	--

 1 5

5. Generic Name of three principal products of the Company (in monetary terms)
 Item Code No. (ITC Code)

9	6	0	8	1	0
---	---	---	---	---	---

 Product Description

B	A	L	L	P	O	I	N	T	P	E	N
---	---	---	---	---	---	---	---	---	---	---	---

 Item Code No. (ITC Code)

9	6	0	8	6	0
---	---	---	---	---	---

 Product Description

R	E	F	I	L	L	S
---	---	---	---	---	---	---

 Item Code No. (ITC Code)

9	6	0	9	9	0
---	---	---	---	---	---

 Product Description

P	E	N	C	I	L	S
---	---	---	---	---	---	---

Signatories to Schedules 1 to 18 forming part of the Accounts.

For G. P. Agrawal & Co.

Chartered Accountants

Sunita Kedia

CA. Sunita Kedia

Partner

Membership No.60162

7A, Kiran Shankar Ray Road

Kolkata - 700 001

The 29th day of June, 2009

For and on behalf of the Board

Deepak Jalan
 Deepak Jalan
 Managing Director

Aloke Jalan
 Aloke Jalan
 Whole Time Director

N. K. Dujari
 N. K. Dujari
 G.M.- Finance &
 Company Secretary

CASH FLOW STATEMENT

(Amount in Rupees)

For the year ended 31st March,	2009		2008	
A. Cash flow from operating activities :				
Net profit before tax		68,420,095		59,985,035
Adjustments for				
Depreciation	30,928,996		28,864,275	
(Profit) / Loss on sale/ Discard of Fixed Assets	(12,431,277)		429,096	
Interest Income	(278,075)		(214,431)	
Unrealised loss/(gain) on foreign exchange fluctuation (Net)	422,208		1,673,968	
Interest expense	28,590,575	47,232,427	29,182,082	59,934,990
Operating profit before working capital changes		115,652,522		119,920,025
(Increase) / Decrease in Trade and other receivables	63,812,976		(59,172,193)	
(Increase) / Decrease in Inventories	(90,849,534)		(70,075,829)	
(Increase) / Decrease in Loans & Advances	(12,688,599)		—	
Increase / (Decrease) in Trade Payables	38,947,965	(777,192)	57,088,302	(72,159,720)
Cash generated from operations		114,875,330		47,760,305
Less: Direct taxes paid		10,509,728		4,345,477
Net cash from operating activities		104,365,602		43,414,828
B. Cash flow from investing activities :				
Purchase of Fixed Assets	(34,208,274)		(65,546,694)	
Fixed Deposit with Banks	485,993		7,611,858	
Sale of Fixed Assets	27,988,851		9,498,265	
Sale of Investments	—		15,000	
Interest Received	1,456,198		1,334,228	
		(4,277,232)		(47,087,343)
Net cash from investing activities		(4,277,232)		(47,087,343)
C. Cash flow from financing activities :				
Proceeds (Repayment) of Long Term Borrowings	(5,142,346)		(4,704,354)	
Proceeds from Other Borrowings	(53,287,268)		46,986,537	
Interest Paid	(27,557,444)		(27,879,467)	
Unclaimed Dividend	96,945		(47,702)	
Dividend Paid	(12,000,450)		(9,600,360)	
Dividend Tax Paid	(2,039,476)	(99,930,039)	(1,631,581)	3,123,073
Net cash from financing activities		(99,930,039)		3,123,073
Net increase in cash and cash equivalents (A+B+C)		158,331		(549,442)
Cash and cash equivalents - Opening balance		2,226,966		2,776,408
		2,385,297		2,226,966
Cash and cash equivalents - Closing balance		2,385,297		2,226,966

Notes :

- 1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement as specified in Companies (Accounting Standard) Rules, 2006.
- 2) The Amalgamation of Shree Writing Aid Private Limited with the Company (Refer note B-3 of Schedule 18) is a non-cash transaction during the year and hence is not considered in the Cash Flow Statement above.
- 3) Figures in bracket represent cash outflow.

CASH FLOW STATEMENT (Contd.)

4) Cash and cash equivalent at the end of the year consist of :

As at 31st March,	2009	2008
a) Cash in hand	1,078,903	1,304,982
b) Balances with Scheduled Banks in Current Accounts	473,187	185,722
c) Balances in Unpaid Dividend Accounts	833,207	736,262
	<u>2,385,297</u>	<u>2,226,966</u>
Add: Acquired on Amalgamation		
a) Cash in hand	187,498	—
b) Balance with Scheduled Banks in Current Accounts	243,695	—
	<u>431,193</u>	<u>—</u>
Add: Fixed Deposits shown under Investment Activities	2,935,064	3,421,057
	<u>5,751,554</u>	<u>5,648,023</u>

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

For G. P. Agrawal & Co.

Chartered Accountants

Sunita Kedia

CA. Sunita Kedia

Partner

Membership No.60162

7A, Kiran Shankar Ray Road

Kolkata - 700 001

The 29th day of June, 2009

For and on behalf of the Board

Deepak Jalan
Deepak Jalan
Managing Director

Aloke Jalan
Aloke Jalan
Whole Time Director

N. K. Dujari
N. K. Dujari
G.M.- Finance &
Company Secretary

DIRECTORS' PROFILE

SHRI PRAHLAD RAI AGARWALA,

71, director, a commerce and law graduate, he possesses vast experience in the manufacturing and marketing of fast moving consumer goods. He is the Chairman of Rupa & Co. Ltd., a well known inner and casual wear company.

DR. RANJAN DAS,

60, director, an M.Sc (Applied Mathematics) and a Doctorate in Strategic Management. He is currently a Professor of Strategic Management at Indian Institute of Management, Calcutta. He has an impeccable record as a leading advisor in Strategic Planning and Management to several corporates. He has over 13 years experience in strategic & functional management, teaching, training, consulting and research. Prior to that he had 20 years of industry experience during which he held senior positions as GM of an MNC and MD of a Joint Sector Company.

SHRI SOHAN LAL KOCHAR,

77, director, a postgraduate in commerce and LLB, is a leading advisor on Income Tax matters. He brings with him a wide experience to the Board. He has been a guiding force since the very inception of the Company.

SHRI NARESH PACHISIA,

46, director, a Certified Financial Planner (CFP) is the Promoter-Managing Director of SKP Securities Ltd, a leading stock broking and wealth management service provider.

SHRI KEDAR NATH RANASARIA,

75, director, he is a post-graduate and brings with him more than four decades of experience in finance, manufacturing and other allied areas. He is associated with Balrampur Chini Mills Limited, one of India's leading sugar company.

SHRI ALOKE JALAN,

40, wholetime director, a commerce graduate with 18 years of experience in the business, he looks after the Company's marketing operations with special emphasis on the western region and southern region.

SHRI PRAKASH JALAN,

43, wholetime director, a commerce graduate with 21 years of experience in the business, he looks after Goa operations and advises on manufacturing functions of the Company..

SHRI DEEPAK JALAN,

47, managing director, a commerce graduate with 23 years of experience in the business, he is responsible for the overall operations of the Company with a specialisation in international operations.



SPELLING **WORD CRACKING**

The Winners of 2008 West Bengal



MAHADEVI BIRLA GIRLS' HIGHER SECONDARY SCHOOL

Represented by: Aesa Dey
Apala Kundu
Paulami Pan



MODERN HIGH SCHOOL FOR GIRLS

Represented by: Mohona Bhadra
Rini Choudhury
Shruti Menon



BHARATIYA VIDYA BHAVAN

Represented by: Reeka Choudhury
Shubhechhya Ghosal
Sourajit Debnath

A PROJECT BY:

LINC
Zindagi Ke Liye



SPELLING
WORD CRACKING

The Winners of 2008
Bangalore



BEL VIDYALAYA

Represented by: Ashika A K
R. Sneha
Sahana S.



DEVA MATHA CENTRAL SCHOOL

Represented by: S Balaji
Atho A Rekhum
Avinash R Udupa



MOUNT CARMEL HIGH SCHOOL

Represented by: Monica Cesilia Jones B.
S Naveen
M Joshua

A PROJECT BY:

LINC
Zindagi Ke Liye

5 YEAR FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	2008-09	2007-08	2006-07	2005-06	2004-05
Source of Funds					
Share Capital	1278.60*	800.03	800.03	800.03	800.03
Reserves & Surplus	2316.39	2453.90	2081.63	1863.22	1650.31
Networth	3594.99	3253.93	2881.66	2663.25	2450.34
Borrowings	2979.02	3402.91	2967.06	2676.50	2100.57
Funds Employed	6574.01	6656.84	5848.72	5339.75	4550.91
Operating Results					
Domestic Sales	14814.67	13538.92	11719.93	11374.98	10682.45
Exports	3943.37	3861.58	2663.79	2042.34	1500.74
Total Sales	18758.04	17400.50	14383.72	13417.32	12183.19
P B I D T	1279.40	1180.31	900.65	826.74	918.32
Interest	285.91	291.82	215.64	179.90	123.06
Depreciation	309.29	288.64	281.15	275.49	223.53
Profit before tax	684.20	599.85	403.86	371.35	571.73
Profit after tax	503.82	503.40	330.72	322.38	472.68
EPS	3.94	6.29	4.13	4.03	5.91
Cash EPS	6.36	9.90	7.65	7.47	8.70
Networth per Share (Rs.)	28.12	40.67	36.02	33.29	30.63
Dividend (%)	15	15	12	12	17

* Increase on account of Scheme of Amalgamation

LINC



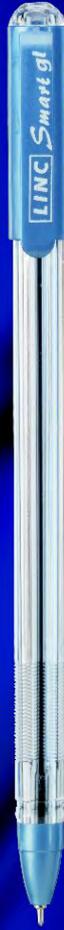
Markline pencil



Starline



Ocean Gel



Smart Gel



Glycer



Executive Gel

classic



Siren



Cosmo



Gliss



Supreme



Miler

regular

LINC PENS
Zindagi Ke Liye

LINC Executive
LINC Stream
LINC Glacier
LINC Ocean
LINC Smart gel

LINC Zindagi Ke Liye

LINC Zindagi Ke Liye

LINC Zindagi Ke Liye

Exam ke liye

Study hard...
Do well...
All the best for
your exam!

LINC Executive
LINC Glacier

LINC Zindagi Ke Liye

Rs. 5/- per piece

LINC Smart gel

LINC Executive

Zindagi Ke Liye

LINC Zindagi Ke Liye

Rs. 10/- per piece

LINC Executive Gel

Gel ink writing redefined.

LINC Ocean

Zindagi Ke Liye

Waterproof



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