

**THE INDIAN
LINK CHAIN
MANUFACTURERS
LIMITED**

**ANNUAL REPORT
2010-2011**

DIRECTORS

S.V.Muzumdar
Vidhu Nevatia
P.K.Nevatia (Managing Director)

BANKERS

Central Bank Of India
Mumbai Main Branch,
M.G.Road, Fort, Mumbai

AUDITORS

M/s. M.L.Bhuwania & Co.
(Chartered Accountants)
F-11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai- 400 020

REGISTERED OFFICE

59, Sonawala Building,
2nd Floor, Mumbai Samachar Marg,
Fort, Mumbai - 400 023

SHARE HOLDER INFORMATION

ANNUAL GENERAL MEETING ON 30th
SEPTEMBER, 2011 AT 3.30 P.M.AT
IEEMA, INDIAN ELECTRICAL & ELECTRONIC
MANUFACTURERS ASSOCIATION, 501, KAKAD
CHAMBERS, 132, DR. ANNIE BESANT ROAD,
WORLI, MUMBAI - 400018.

BOOK CLOSURE DATES
28TH SEPTEMBER, 2011
TO
30TH SEPTEMBER, 2011

FOR SHARE TRANSFER, TRANSMISSION, CHANGE OF ADDRESS, DUPLICATE/MISSING SHARE CERTIFICATE AND ANY OTHER ASSISTANCE PLEASE CONTACT REGISTRAR AND TRANSFER AGENT M/S. UNIVERSAL CAPITAL SECURITIES PVT. LTD., 25, SHAKIL NIWAS, OPP. SATYA SAIBABA TEMPLES, MAHAKALI CAVES ROAD, ANDHERI (E), MUMBAI - 400093 TELEPHONE NO.28366620. SHARES CAN BE DEMATERIALIZED WITH CDSL. THE CODE ALLOTTED TO THE COMPANY IS ISIN INE 359 D 01016

THE INDIAN LINK CHAIN MFRS.LTD.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 53rd ANNUAL GENERAL MEETING OF THE INDIAN LINK CHAIN MFRS. LIMITED WILL BE HELD ON 30th SEPTEMBER 2011 AT 3.30 PM AT 'IEEMA', INDIAN ELECTRICAL & ELECTRONIC MANUFACTURERS ASSOCIATION, 501, KAKKAD CHAMBERS, 132, DR. ANNIE BESANT ROAD, WORLI, MUMBAI – 400018 TO TRANSACT THE FOLLOWING BUSINESS.

1. To consider and adopt Balance Sheet as on 31st March 2011, Profit & Loss Account for the year ended on that date and report of the Board of Directors and auditors thereon.
2. To appoint a director in place of Shri S. V. Muzumdar, who retires by rotation and is being eligible for re-appointment.
3. To appoint auditors of the company for the period commencing from this meeting till the conclusion of the next Annual Meeting of the Company.

NOTES:

- a) A member entitled to attend and vote is entitled to appoint a proxy, to attend and on poll, to vote instead of himself and the proxy need not be a member.
- b) The Register of Members and the Share Transfer Books of the Company will remain closed from 28th September 2011 to 30th September 2011, both days inclusive.

For **THE INDIAN LINK CHAIN MFRS. LTD.**

Place: Mumbai
Dated: 31.05.2011

P.K. NEVATIA
MANAGING DIRECTOR

DIRECTORS' REPORT

Shareholders,

Your Directors present the Annual Report and Audited Accounts for the year ended on 31st March 2011.

1. The financial results show a loss of Rs.6.36 Lacs.
2. The Developer, who had entered into MOU for the transfer of land at Tarapur could not complete the formalities of the authorities and therefore a fresh agreement was entered into for Rs.1.65 Crores . The work on getting the permission is in hand and as soon as this is obtained the transfer of the land will be completed. In the meanwhile full consideration of Rs.1.65 Crores has been received by the Company.
3. The demand raised by the Customs is pending. No hearing against our representation has taken place. The Directors are hopeful that this will be decided in favour of the Company.
4. As stipulated in Section 217 (2AA) of the Companies Act, 1956 your Directors subscribe to the "Directors' Responsibility Statement" and Confirm as under :
 - i) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
 - ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair state of affairs of the company at the end of the financial year and the profit and loss account of the company for the period;
 - iii) that the directors have taken proper and sufficient care of the maintenance of adequate account records in accordance with the provisions of this act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities;
 - iv) the directors have prepared the annual accounts on going concern basis.
5. Shri S. V. Muzumdar, Director of the Company retires by rotation but being eligible offers himself for reelection.
6. As required under Section 383A of the Companies Act a certificate of compliance with the provision of the Act from a Secretary in whole time practice is attached herewith.
7. M/s. M.L. Bhuwania & Co., Chartered Accountants, Auditors of the Company, retires, but are eligible for re-appointment and have furnished to the Company Certificate for their eligibility, for their re-appointment. The Directors recommend their reappointment for the year 2011-12 as Auditors of the Company.
8. The Directors refer to the Notes of the Statutory Auditors and of the Company Secretary in their reports as regards deposits with Mahindra & Mahindra Financial Services Ltd. The Directors regret that by oversight the provisions of Section 372A of the Companies Act 1956 were not complied with in advance. Mahindra & Mahindra Financial Services Ltd. is a reputed company and amount deposited is expected to be returned to the company on maturity in Sep. /Oct. 2011. However, in order to regularize the matter approval of shareholders is being obtained thru postal ballots, notice for which is being sent to the shareholders soon.
9. Other observations of the Auditors are self explanatory.

P.K. Nevatia

Place: Mumbai
Dated: 31.05.2011

Vidhu Nevatia

AUDITOR'S REPORT TO THE MEMBERS OF INDIAN LINK CHAIN MANUFACTURES LIMITED.

1. We have audited the attached Balance Sheet of Indian Link Chain Manufactures Limited ('the Company') as at 31st March 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 it appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the Directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that no Director is disqualified as on 31st March 2011 from being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other notes thereon, more particularly Note No. 8 and Note No. 11 of Schedule 19 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India subject to that:
 1. The Company has invested in deposits of other body corporate in violation of Section 372A of the Companies Act, 1956.
 - a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - b. in the case of the Profit and Loss Account, of the Loss 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 and on behalf of
M. L. BHUWANIA & CO.
Chartered Accountants
Firm Registration No. 101484W

Ashish Bairagra
Partner
Membership No. 109931

Place: Mumbai
Date : 31/05/2011

Annexure referred to in paragraph 3 of Auditor's report to the members of Indian Link Chain Manufactures Limited for the year ended 31st March 2011.

On the Basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As per the information provided to us, all the fixed assets have been physically verified by the Management during the year, which in our opinion is reasonable having regard to the size of the Unit and the nature of its assets. Discrepancies noticed between the book records and the physical verification was not material and has been properly dealt with in the accounts.
- (c) In our opinion and based on our verification, we state that the company has disposed off substantial part of the fixed assets during the last few years. Hence it raises substantial doubt about the company's ability to continue as a going concern in the foreseeable future. However, in the opinion of the Board of Directors, the company intends to invest the surplus money from the sale of the assets into a profitable business and also the company is doing trading activity, hence the company should be viewed as a going concern in the foreseeable future.
- (ii) (a) The company does not have any inventory during the year. Accordingly, clause 4 (ii) (a) and (b) of the Order is not applicable to the Company.
- (b) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. Since the company does not have any inventory during the year, the issue of discrepancies on account of physical verification does not arise.
- (iii) During the year, the Company has not granted/taken any loan, secured or unsecured, to/from Companies, firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4 (iii) (a) to (g) of the order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. The company has not provided any services during the year. During the course of our audit, we have not observed any major weakness in internal controls.
- (v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, there are no transactions that need to be entered into the register maintained under section 301. Accordingly, clause 4 (v) (a) and (b) of the Order is not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public during the year covered by the audit. Accordingly, clause 4 (vi) of the Order is not applicable to the Company.
- (vii) The company does not have an internal audit system. However the internal controls are commensurate with the size of the company and nature of its business.
- (viii) The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the products of the Company.
- (ix) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and other statutory dues applicable to it with the appropriate authorities except Gram Panchayat Tax of Rs.2,12,308 which had fallen due for deposit with the appropriate authorities but has not been so deposited. According to the information and explanations given to us, no undisputed amounts payable were outstanding at the year end for a period of more than six months from the date they became payable except Gram Panchayat Tax of Rs.1,92,070, Capital Incentive of Rs. 20,42,000 and Custom Duty of Rs. 36,41,450.

According to the records of the Company, there are no dues of Income Tax, Wealth Tax, Service Tax, Excise Duty, and Cess, which have not been deposited on account of any dispute. The the disputed amounts in respect of Custom Duty is as under:

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Central Board of Excise and Customs	Differential custom duty	2004-2005 and 2005-2006	1,09,24,351	Assistant Commissioner of Customs (Preventive)

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- (x) The accumulated losses of the Company are more than fifty percent of its net worth at the end of the financial year March 31, 2011. Further, the Company has incurred cash losses during the current financial year and has incurred cash losses in the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loan from banks, financial institutions and has not issued debentures during the year. Accordingly, clause 4 (xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances during the year on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies. Accordingly, clause 4 (xiii) of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4 (xv) of the Order is not applicable to the Company.
- (xvi) The Company has not taken any term loans during the year. Accordingly, clause 4 (xvi) of the Order is not applicable to the Company.
- (xvii) According to the information and explanations given to us and on an 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 by the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year. Accordingly, clause 4 (xix) of the Order is not applicable to the Company.
- (xx) The Company has not raised any money by way of public issue during the year. Accordingly, clause 4 (xx) of the Order is not applicable to the Company.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2011.

For and on behalf of

M. L. BHUWANIA & CO.

Chartered Accountants

Firm Registration No. 101484W

Ashish Bairagra

Partner

Membership No. 109931

Place: Mumbai

Date : 31/05/2011

To,
SHIV HARI JALAN
B.COM., F.C.A., A.C.S.
COMPANY SECRETARY
104, MAHAVIR BUILDING,
44/46, POPATWADI LANE,
KALBADEVI, MUMBAI-2.

COMPLIANCE CERTIFICATE

U/S 383 A of the companies Act, 1956 & Rule 3 of the companies (compliance certificate) Rules, 2001.

Registration No.: 11-009882
Nominal capital: Rs.100 Lacs

To,
The Members,
THE INDIAN LINK CHAIN MANUFACTURES LIMITED
59, Sonawala Building, 2nd Floor,
Mumbai Samachar Marg,
Mumbai – 400023.

I have examined the registers, records, books and papers of THE INDIAN LINK CHAIN MANUFACTURES LIMITED (Registration No.: 11-009882) (the company) as required to be maintained under the companies Act, 1956. (THE ACT) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31.03.2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in the respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms & returns as stated in Annexure "B" to this certificate, with the Registrar of companies, Regional Director, Central Government, Company law Board or other authorities within the time prescribed under the Act and the rules made there under
3. The company is a Public Limited company and hence comments are not required.
4. The board of Directors duly met Six times on 14.04.2010, 30.05.2010, 09.08.2010, 08.11.2010, 01.01.2011 & 10.02.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the Minutes Book maintained for the purpose.
5. The company closed its Register of members from 28.09.2010 to 30.09.2010.
6. The Annual General Meeting for the financial year ended on 31.03.2010 was held on 29.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The company has not advanced any loan to its Directors and/or persons firms or companies referred in Section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The company was not required to make any entries in the register maintained under Section 301 of the Act.
11. There were no instances falling within the purview of Section 314 of the Act.
12. The company has not issued any duplicate share certificates during the financial year under review.
13. The company has:
 - (i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) Not deposited any amount in a separate bank Account as no dividend was declared during the financial year.
 - (iii) Not posted Warrants for Dividends to any members of the company as no dividend was declared during the financial year.

THE INDIAN LINK CHAIN MFRS.LTD.

- (iv) No Transaction Necessitating to transfer the amounts in unpaid dividend account, applications money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
- (v) Duly complied with the requirements of section 217 of the Act.
14. The board of Directors of the company is duly constituted and there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year under certification.
 15. The appointment of Managing Director has been made in compliance with the provisions of section 269 read with schedule XIII to the Act and no approval is required to be obtained from the Central Government, in terms of schedule XIII
 16. The company has not appointed any sole-selling Agent during the financial year.
 17. The company was not required to obtain any approvals of the Central Government, Company Law Board /Regional Director/ Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
 18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provision of the Act and the rules made there under.
 19. The company has not issued any shares, debentures or other securities during the financial year.
 20. The company has not bought back any shares during the financial year.
 21. The company has not redeemed any preference shares / debentures, during the financial year.
 22. There was no transaction necessitating to keep in abeyance rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
 23. The company has not invited or accepted any Deposits including any unsecured loans falling within the purview of section 58A of the Act read with companies (Acceptance of Deposit) Rules 1975, during the financial year under review form public.
 24. The company has not made any borrowings during the financial year ended 31.03.2011.
 25. The company has made fixed deposit with other body corporate without complying with the provision of the Act and has made necessary entries in the register kept for the purpose.
 26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
 27. The company has not altered the provisions of the memorandum with respect to the object of the company during the year under scrutiny.
 28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
 29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
 30. The company has not altered its articles of association during the year under scrutiny.
 31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on company during the financial year, for offences under the Act.
 32. The company has not received any money as security from its employees during the financial year under certification.
 33. The company has not constituted its Provident Fund u/s.418 of the companies Act, 1956 and hence provisions of section 418 of the Act do not apply to the company.

Place: Mumbai

Date: 23.05.2011

SHIV HARI JALAN
COMPANY SECRETARY
C.P.NO.: 4226

Annexure "A"

Registers as maintained by the company

1. Register of Members u/s. 150(1).
2. Register of Transfers.
3. Copies of Annual Return prepared u/s. 163(1)
4. Minutes of proceedings of meetings of Board of Directors and of general meeting u/s.193 (1).
5. Books of Accounts u/s. 209(1).
6. Register of contracts, companies and firms in which directors are interested u/s 301(1).
7. Register of Directors, Manager and Secretary u/s. 303(1).
8. Register of Directors shareholding u/s. 307(1).

Annexure "B"

Forms and Returns as filed by company with the Registrar of the companies, Regional Director, Central Government or other authorities during the financial year ending on 31.03.2011:

Sr.No.	FormNo/return	Filed under section	For	Date of filing	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1.	Annual Return Form 20B	159	2009-10	27.10.10	Yes	N/A
2.	Balance sheet(with required annexure and schedules) Form 23AC/aca	220	2009-10	27.10.10	Yes	N/A
3.	CCOM Form 66	383A	2009-10	27.10.10	Yes	N/A

Place: Mumbai

Date: 23.05.2011

SHIV HARI JALAN
COMPANY SECRETARY
C.P.NO.: 4226

THE INDIAN LINK CHAIN MFRS.LTD.

BALANCE SHEET AS AT 31ST MARCH 2011

	SCHEDULE	AS AT 31ST MARCH 2011	AS AT 31ST MARCH 2010
I. SOURCES OF FUNDS :			
SHARE HOLDERS FUNDS :			
Share Capital	1	5,000,000	5,000,000
Reserve & Surplus	2	-	-
		5,000,000	5,000,000
LOANS FUNDS :			
Unsecured Loans	3	93,583	318,162
DEFERRED TAX LIABILITIES	4	63,969	75,240
	TOTAL	5,157,552	5,393,402
II. APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block:	5	2,372,203	2,356,703
Less :Accumulated Depreciation		976,804	934,921
Net Block		1,395,399	1,421,782
DEFERRED TAX ASSETS	6	65,573	59,350
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	7	-	65,289
Cash and Bank Balances	8	14,670,809	5,321,190
Other Current Assets	9	1,085,838	1,750,260
Loans and Advances	10	6,630,778	379,174
		22,387,425	7,515,913
Less :			
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	11	22,467,830	6,721,605
Provisions	12	2,900	26,270
		22,470,730	6,747,875
NET CURRENT ASSETS		(83,305)	768,038
Profit & Loss Account (Debit Balance)		3,779,885	3,144,232
	TOTAL	5,157,552	5,393,402

Notes as per Schedule 19 and other Schedules referred to herein form an integral part of the accounts.

As per our report of even date
For and on behalf of
M/S.M.L.Bhuwania & Co.
Chartered Accountants

For and on behalf of the Board
P.K.Nevatia
Managing Director

ASHISH BAIRAGRA
Partner
Membership No: 109931

Vidhu Nevatia
Director

Place : Mumbai
Date :31/05/2011

Place : Mumbai
Date :31/05/2011

THE INDIAN LINK CHAIN MFRS.LTD.

.PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	SCHEDULE	AS AT 31ST MARCH 2011	AS AT 31ST MARCH 2010
INCOME :			
Operating Income	13	83,613	96,646
Other Income	14	633,667	5,604,416
	TOTAL	717,280	5,701,062
EXPENDITURE :			
Cost of Material	15	51,192	56,308
Custom Duty		-	3,641,450
Employees Remuneration & Benefits	16	-	510,054
Administrative,Selling,& Other Expenses	17	1,233,432	1,475,888
Financial Expenses	18	824	21,789
Fixed Assets Written Off		-	37,450
Depreciation		41,883	47,634
	TOTAL	1,327,331	5,790,573
Profit/ (Loss) Before Tax		(610,051)	(89,511)
Income Tax Expenses - Current Tax		-	-
- Deferred Tax		(17,494)	(108,780)
- Fringe Benefit Tax		-	-
		(592,557)	19,269
Add : Income Tax adjustment of earlier year		43,096	(6,129)
Profit / (Loss) from operating activities after tax		(635,653)	13,140
Balance Brought Forward from Previous year		(55,970,274)	(55,983,414)
BALANCE AVAILABLE FOR APPROPRIATION		(56,605,927)	(55,970,274)
BALANCE CARRIED TO BALANCE SHEET		(56,605,927)	(55,970,274)
Basic & Diluted Earning Per Share		(12.71)	0.26

Notes as per Schedule 19 and other Schedules referred to herein form an integral part of the accounts.

As per our report of even date
For and on behalf of
M/S.M.L.Bhuwania & Co.
Chartered Accountants

For and on behalf of the Board
P.K.Nevatia
Managing Director

ASHISH BAIRAGRA
Partner
Membership No: 109931
Place : Mumbai
Date :31/05/2011

Vidhu Nevatia
Director
Place : Mumbai
Date :31/05/2011

THE INDIAN LINK CHAIN MFRS.LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	YEAR ENDED 31ST MARCH, 2011	YEAR ENDED 31ST MARCH, 2010
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT / (LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	(610,051)	(89,511)
ADJUSTMENTS FOR :		
Depreciation	41,883	47,634
Impairment loss	-	37,450
Interest Received	(633,667)	(111,400)
Sundry Balance Write back /off (Net)	200,000	-
	(391,784)	-
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(1,001,835)	(115,827)
ADJUSTMENTS FOR WORKING CAPITAL CHANGES		
Trade and Other Receivables	(5,184,711)	2,058,772
Trade Payables & provisions	15,746,225	10,561,514
CASH GENERATED FROM OPERATIONS	9,559,679	5,547,814
Direct Taxes Paid (including Fringe Benefit Tax)	(118,070)	126,977
NET CASH FROM OPERATING ACTIVITIES	(A) 9,441,609	5,674,791
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	-	-
Purchase of Fixed assets	(15,500)	-
Interest Received	148,089	132,589
NET CASH FROM INVESTING ACTIVITIES	(B) 132,589	11,140
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Borrowings	(224,579)	(449,148)
NET CASH FROM FINANCING ACTIVITIES	(C) (224,579)	(449,148)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS(A+B+C)	9,349,619	5,236,783
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	5,321,190	84,407
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	14,670,809	5,321,190
	9,349,619	5,236,783

Note :

1. Cash & Cash Equivalents Includes:

Cash Balance	20,676	47,099
Balance with Scheduled Banks in:		
- Current Accounts	650,133	1,274,091
- Fixed Deposit Accounts	14,000,000	4,000,000
	14,670,809	5,321,190
2. Previous Year's figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report of even date
For and on behalf of
M/S.M.L.Bhuwania & Co.
Chartered Accountants

For and on behalf of the Board
P.K.Nevatia
Managing Director

ASHISH BAIRAGRA
Partner
Membership No: 109931
Place : Mumbai
Date :31/05/2011

Vidhu Nevatia
Director

Place : Mumbai
Date :31/05/2011

THE INDIAN LINK CHAIN MFRS.LTD.

	AS AT 31ST MARCH 2011	AS AT 31ST MARCH 2010
SCHEDULE 1 :		
SHARE CAPITAL :		
Authorised Capital :		
1,00,000 Equity Shares of Rs.100/- each	10,000,000	10,000,000
	10,000,000	10,000,000
Issued ,Subscribed & Paid Up Capital :		
50,000 Equity Shares of Rs.100/- each, fully paid up (out of the above 30,500, shares were allotted as fully paid up Bonus shares by Capitalisation of reserves)	5,000,000	5,000,000
	5,000,000	5,000,000
SCHEDULE 2 :		
RESERVES & SURPLUS :		
General & Reserve :		
As per last Balance Sheet	52,826,042	52,826,042
Less : Debit Balance In Profit & Loss Account	52,826,042	52,826,042
	-	-
SCHEDULE 3 :		
UNSECURED LOANS :		
Sales Tax Deferal from the State Industrial & Investment Corporation of Maharashtra Ltd. (Amount repayable within one year Rs. 93,583 /-) Previous year Rs.2,24,579/-)	93,583	318,162
	93,583	318,162
SCHEDULE 4 :		
DEFERRED TAX LIABILITIES :		
- on Account of Depreciation	63,969	75,240
	63,969	75,240

SCHEDULE 5 :

FIXED ASSETS

(Figures in Rs.)

DESCRIPTION	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	ASON 31-03-2010	ADDITIONS	DEDUCTIONS	ASON 31-03-2011	UPTO 31-03-2010	PROVIDED FOR THE YEAR	DEDUCTIONS	UPTO 31-03-2011	ASON 31-03-2011	ASON 31-03-2010
Land - Colony	253,260	-	-	253,260	41,178	2,608	-	43,786	209,474	212,082
Building	2,027,429	-	-	2,027,429	838,415	33,047	-	871,462	1,155,967	1,189,014
Office Equipments	76,014	15,500	-	91,514	55,328	6,228	-	61,556	29,958	20,686
Sub Total	2,356,703	15,500	-	2,372,203	934,921	41,883	-	976,804	1,395,399	1,421,782
Previous Year	2,863,667	-	506,964	2,356,703	1,356,801	47,634	469,514	934,921	1,421,782	

Note: 1. Building includes 10 unquoted shares of Rs.50/- each of Mount Unique Co - Operative Housing Society Ltd, Mumbai.
2. Land Colony is held for sale and building includes Gross Block of Rs. 18,92,429, Depreciation of Rs.7,85,429 and Net Block of Rs.11,07,000 being Building Held for Sale. The Same have been valued at lower of cost or Net Realisable Value.

THE INDIAN LINK CHAIN MFRS.LTD.

	AS AT 31ST MARCH 2011	AS AT 31ST MARCH 2010
SCHEDULE 6 :		
DEFERRED TAX ASSETS :		
on Account of :		
-Expenses allowable on payment basis under Income Tax Act.	65,573	59,350
	65,573	59,350
SCHEDULE 7 :		
SUNDRY DEBTORS :		
(unsecured, Considered good unless stated otherwise)		
Outstanding for more than six month	-	-
Others	-	65,289
	-	65,289
SCHEDULE 8 :		
CASH & BANK BALANCES :		
Cash on hand	20,676	47,099
BALANCES WITH SCHEDULED BANKS :		
In Current Accounts	650,133	1,274,091
Deposits with Banks	14,000,000	4,000,000
	14,670,809	5,321,190
SCHEDULE 9 :		
OTHER CURRENT ASSETS :		
Receivables towards sale of Assets	500,000	1,650,000
Interest Receivable	585,838	100,260
	1,085,838	1,750,260
SCHEDULE 10 :		
LOANS & ADVANCES :		
(unsecured, considered good unless stated otherwise)		
Fixed Deposit with Mahindra & Mahindra Finance	6,200,000	-
Deposits	335,368	335,368
Advance Income Tax & Tax Deducted at Source	95,410	17,313
Advance Fringe Benefit Tax	-	26,493
	6,630,778	379,174
SCHEDULE 11 :		
CURRENT LIABILITIES :		
Sundry Creditors (Refer Note No: 7 of Schedule 19)	14,541	49,803
Other Liabilities	269,839	488,352
Special Capital Incentive Payable	2,042,000	2,042,000
Advances against sale of property	16,500,000	500,000
Custom Duties (Refer note 8 of Schedule 19)	3,641,450	3,641,450
	22,467,830	6,721,605
SCHEDULE 12 :		
PROVISIONS :		
Provision for Income Tax	2,900	-
Provision for Fringe Benefit Tax	-	26,270
	2,900	26,270

THE INDIAN LINK CHAIN MFRS.LTD.

	AS AT 31ST MARCH 2011	AS AT 31ST MARCH 2010
SCHEDULE 13:		
OPERATING INCOME :		
Sales	83,613	96,646
	83,613	96,646
SCHEDULE 14:		
OTHER INCOME :		
Interest on Fixed Deposit (Tax deducted at source Rs.62,697, Previous Year Rs.11,140)	633,667	111,400
Refund of MIDC Charges	-	5,493,016
	633,667	5,604,416
SCHEDULE 15:		
COST OF MATERIAL :		
Opening Stock	-	-
Add : Purchase of Finished Goods	51,192	56,308
	51,192	56,308
Less : Closing Stock	-	-
	51,192	56,308
SCHEDULE 16:		
EMPLOYEES REMUNERATION & BENEFITS :		
Salaries , Wages & Bonus etc*	-	384,287
Retrenchment Compensation	-	118,656
Contribution to Employee Welfare Fund for earlier years	-	7,111
	-	510,054
*Includes Prior Period expense of Rs.Nil (Previous Year 113239)		
SCHEDULE 17:		
ADMINISTRATIVE,SELLING & OTHER EXPENSES :		
Packing & Forwarding	3,692	4,180
Rates and Taxes	20,238	20,238
Postage & Telephone	14,800	14,347
Travelling and Conveyance	11,656	13,585
Commission and Discount	6,350	8,000
Auditors Remuneration (See Note 6 of Schedule 19)	23,716	27,317
Security Charges	83,600	69,000
Printing & Stationery	14,826	13,366
Legal & Professional Expenses	362,311	318,390
Electricity Charges	4,662	8,288
Sales Tax Paid (for earlier year)	124,109	685,725
Sundry fees & Subscription	9,678	24,517
Share transfer expenses	10,398	10,177
Listing Fees	11,030	76,814
Office Maintenance expenses	1,200	28,413
Water Assessment Charges Colony	59,009	138,699
Penalty paid	241,000	-
Advertisement Expenses	19,813	-
Sundry Balance Written off	200,000	-
Miscellaneous Expenses	11,344	14,832
	1,233,432	1,475,888
SCHEDULE 18:		
FINANCIAL EXPENSES :		
Interest	200	21,291
Bank Charges	624	498
	824	21,789

SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

SCHEDULE 19

NOTES:

1. Accounting Policies :

a) Basis of Accounting:

Income and Expenditure, incentives are accounted on accrual basis and in accordance with the applicable accounting standard and the relevant provision of the Companies Act, 1956.

b) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation except for those, which are revalued, in which case they are stated at the revalued cost less accumulated depreciation.

c) Depreciation:

Depreciation is provided under straight-line method at rates and in the manner provided by Schedule XIV of the Companies Act, 1956. Leasehold land is amortized over the period of lease.

d) Taxation:

i) Provision for current tax is made on the basis of estimated tax liability as per the applicable provisions of the Income-tax Act, 1961.

ii) Deferred tax for timing differences between tax profits and book profits is accounted by using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized to the extent there is a virtual certainty that these assets would be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

e) Lease:

Lease rentals in respect of assets acquired under operating leases are charged off to the Profit and Loss Account as incurred.

f) Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g) Provision and Contingent Liabilities:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. Contingent liability as at 31st March 2011 on account of:

	<u>2010 – 11</u> Rs.	<u>2009-10</u> Rs.
i) Gram Panchayat Tax	71,312	71,312
ii) Claims against company not acknowledgment as debt	2,47,760	2,37,760
iii) Disputed Sales Tax	-	2,50,217
vi) Disputed Custom Duty	1,09,24,351	1,09,24,351

3. Related Party Transaction:
 Related Parties:
 Key Management Personnel : Mr. P.K. Nevatia.
 Summary of transactions with above related parties.

Nature of Transactions	2011 Rs.	2010 Rs.
(i) Loan Taken from Mr. P. K. Nevatia	-	1,40,000
(ii) Loan repaid to Mr. P. K. Nevatia	-	1,40,000

No Balance is outstanding at the year end.

Note: Related parties information is as identified by the management & relied upon by the Auditors.

4. Basic Earning Per Share.

Particulars	2010-11	2009-10
Profit/(Loss) attributable to the shareholders (Rs.)	(6,35,653)	13,140
Basic/Weighted average number of Equity Shares outstanding during the year	50,000	50,000
Face value of each Equity shares (Rs.)	100	100
Basic / Diluted Earnings per share (Rs.)	(12.71)	0.26

5. Additional information pursuant to the provision of paragraph 3 and 4 in part II of the Schedule VI to the Companies Act, 1956.

- a) Licensed Capacity, Installed Capacity and Actual Production. (In M.T.) – Not Applicable
 b) Details of Opening Stock, Purchase/Resale, Turnover and Closing Stock

Product	Unit	Opening Stock Qty.	Opening Stock Value	Purchase/Resale Qty.	Purchase/Resale Value	Turnover Qty.	Turnover Value	Closing Stock Qty.	Closing Stock Value
Steel	KG	—	—	602	51,192	602	83,613	—	—
Link Chain		—	—	(675)	(56,308)	(675)	(96,646)	—	—
Total	KG	—	—	602	51,192	602	83,613	—	—
		—	—	(675)	(56,308)	(675)	(96,646)	—	—

Note 1: Figures in brackets are for previous year.

Note 2: Sales Includes Sample also.

6. Auditor's Remuneration includes:

Particulars	2010-11	2009-10
Audit Fees	10,000	10,000
Certification Fees	7,500	10,750
Other Matter	4,000	4,000
Towards Service Tax	2,216	2,567
TOTAL	23,716	27,317

7. The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid/ payable under this Act, have not been given. The same has been relied upon by the Auditors.
8. Custom authorities have raised a demand of Rs.1,45,65,801 asking the company to show cause why the duty which escaped assessment on import of sulphur for the chemical division in the year 2004-2005 to 2005-2006. Representations have been made disputing the charge of the duty. However as matter of prudence, the directors have decided to make a provision of Rs. 36,41,450 in the accounts for the year. Balance of Rs.1,09,24,351 is shown as contingent liabilities.
9. Balances of Sundry Debtors, Creditors and Advances are subject to confirmation and Consequential adjustments, if any.
10. The Company is engaged only in trading of Chain and hence does not have any reportable segment.
11. Receivable towards sale of assets of Rs. 5,00,000 is outstanding since long. However no provision for the same has been made in the accounts as the management is hopeful of recovery.
12. The company has entered into a MOU for sales of its Land & Building at Tarapur, MIDC, for Rs. 1.65 crore. Pending approval from MIDC the assignment deed has not been executed. Accordingly sales of Assets has not been booked in the accounts.
13. Figures for previous year have been regrouped/re-arranged wherever necessary to make them comparable with those of the current year.

As per our report attached
 For **M/S.M.L.Bhuwania & Co.**
 Chartered Accountants

P.K.Nevatia
 Managing Director

ASHISH BAIRAGRA
 Partner
 Membership No: 109931

Vidhu Nevatia
 Director

Place : Mumbai
 Date : 31/05/2011

THE INDIAN LINK CHAIN MFRS.LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration Number	9882	State Code	11
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Balance Sheet Date	31-03-11
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II. Capital raised during the year (Amount in Rs.thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.thousands)

Total Liabilities	27628	Total Assets	27628
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Sources of Funds:

Paid-up Capital	5000	Reserves & Surplus	-
Secured Loans	NIL	Unsecured Loans	94
Deferred Tax Liability	64		

Application of Funds:

Net Fixed Assets	1395	Investments	NIL
Net Current Assets	-83	Misc. Expenditure	-
Accumulated Losses	3780	Deferred Tax Assets	66

IV. Performance of the Company (Amount in Rs. thousands)

Turnover	717	Total Expenditure	1327
Profit / (Loss) before tax	(610)	Profit /(Loss) after tax	(636)
Earnings per share in Rs.	(12.71)	Dividend Rate	NIL

V. Generic Names of three principal products/services of the company

Not Applicable

For and on behalf of the Board

P.K.Nevatia
Managing Director

Vidhu Nevatia
Director

Place : Mumbai
Date : 31/05/2011

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Mumbai Samachar Marg,

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