

**THE INDIAN LINK CHAIN
MANUFACTURERS
LIMITED**

**ANNUAL REPORT
2012-2013**

DIRECTORS

Rajesh Poddar
Anil Thard
P. K. Nevatia (Managing Director)

BANKERS

Central Bank of India

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
23rd AUGUST 2013 AT 3.30 PM AT
IEEMA, INDIAN ELECTRICAL &
ELECTRONIC MANUFACTURERS
ASSOCIATION, 501, KAKAD
CHAMBERS, 132, DR. ANNIE BESANT
ROAD, WORLI, MUMBAI - 400 018.

BOOK CLOSURE DATES
22nd August, 2013
TO
24th August, 2013

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 - 400 093 TELEPHONE NO. 28366620. SHARES CAN BE DEMATERIALISED 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 55TH ANNUAL GENERAL MEETING OF THE INDIAN LINK CHAIN MFRS LIMITED WILL BE HELD ON 23RD AUGUST 2013 AT 3:30 PM AT 'IEEMA', INDIAN ELECTRICAL & ELECTRONIC MANUFACTURES ASSOCIATION, 501, KAKAD 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 2013, Profit & Loss Account for the year ended on that date and report of the Board of Directors and Auditors there on.
2. To appoint Shri Rajesh Poddar as a director who retires by rotation at this meeting but being eligible offers himself for re-election.
3. To appoint Auditors of the company for the period commencing from the 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 a proxy need not be a member.
- b) The Register of Members and the Share Transfer Books of the company will remain closed from 22nd August to 24th August 2013 both days inclusive.
- c) Shri Rajesh Poddar retires by rotation at this meeting but being eligible offers himself for re-election. Directors recommend the approval of share holders for the reappointment.

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

Place: Mumbai

Dated: 27th May, 2013

P. K. NEVATIA
MANAGING DIRECTOR

DIRECTORS' REPORT

Shareholders,

Your Directors present the Annual Report and Audited Accounts for the year ended on 31st March 2013.

1. Shri Rajesh Poddar a Director retires by rotation but offers himself for re-election.
2. During the year assignment of land at Tarapur was completed and has resulted in exceptional gain of Rs 153.53.lacs. The operational income stands at Rs11.05 lacs as against Rs. 8.53 lacs in previous year. Profit for the year is Rs 90.20 lacs after providing for tax liabilities against Rs. 5.94 lacs in previous year.
3. Trading operation started last year have not been encouraging and therefore it was felt we should wait for better opportunity. The Directors will examine other Proposals.
4. Appeal against the demand for escaped custom duty is pending before the authorities.
5. As required under Section 383 A of the companies act certificate of compliance with the provision of the Act from Secretary in whole time practice is attached here with
6. M/S. M.L.Bhuwania & Co. Chartered Accountants, auditors of the Company, retire 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 2013-2014 as Auditors of the company.
7. Observation made by the Auditors in their report is self explanatory.

Place: Mumbai

Dated: 27th May, 2013

P. K. Nevatia
(Managing Director)

Anil Thard
(Director)

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 31.03.2013. 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 25.05.2012, 20.07.2012, 30.07.2012, 30.10.2012, 30.01.2013 & 14.02.2013 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 17.09.2012 to 19.09.2012.
6. The Annual General Meeting for the financial year ended on 31.03.2012 was held on 18.09.2012 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 duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary 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 the appointments of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
 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 31.03.2013.
 25. The company has not made any loans and investments or given guarantees or provided securities to other bodies corporate and consequently no entries have been made 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: 22nd May, 2013

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

THE INDIAN LINK CHAIN MFRS. LTD.

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 31.03.2013:

Sr. No.	Form No./ 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	2011-12	12.10.12	Yes	N/A
2.	Balance sheet (with required annexure and schedules) Form 23AC/aca XBRL	220	2011-12	08.12.12	Yes	N/A
3.	CCOM Form 66	383A	2011-12	12.10.12	Yes	N/A
4.	Form 32	303	Change in designation dt 18.09.12	12.10.12	Yes	N/A
5.	Form 32	303	Shri S.V. Muzumdar demised on 03.05.12	20.06.12	No	Yes

Place: Mumbai

Date: 22nd May, 2013

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

AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of THE INDIAN LINK CHAIN MANUFACTURES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by section 227(3) of the Act, 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 purpose of our audit;
- (ii) in our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
- (iv) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (v) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of

M. L. BHUWANIA & CO.
Chartered Accountants
Firm Registration No. 101484W

Place: Mumbai

J. P. Bairagra
Partner

Date : 27th May, 2013

Membership No. 12839

THE INDIAN LINK CHAIN MFRS. LTD.

Annexure referred to in paragraph titled as "Report on other Legal and Regulatory Requirements" of Auditor's report to the members of The Indian Link Chain Manufactures Limited for the year ended 31st March 2013.

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 current year and 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) (a) According to the information and explanation given to us, we are of the opinion that during the year, the particulars of the contracts/arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) According to the information and explanation given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of rupees five lacs in respect of any party during the year.
- (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 Income Tax, Wealth Tax and other statutory dues applicable to it with the appropriate authorities. 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 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 amount 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	39,08,349	The Commissioner of Customs (Appeals)

- (x) The accumulated losses of the Company are more than fifty percent of its net worth as at the end of the financial year March 31, 2013 and it has not incurred any cash losses in the current and immediately preceding financial year.

THE INDIAN LINK CHAIN MFRS. LTD.

- (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 have been raised on short-term basis during the year. Accordingly clause 4 (xvii) of the order is not applicable to 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, 2013.

For and on behalf of

M. L. BHUWANIA & CO.
Chartered Accountants
Firm Registration No. 101484W

J. P. Bairagra
Partner
Membership No. 12839

Place: Mumbai

Date : 27th May, 2013

THE INDIAN LINK CHAIN MFRS. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	5,000,000	5,000,000
(b) Reserve & Surplus	3	5,834,407	(3,185,505)
(2) Non - current liabilities			
(a) Deferred tax liabilities	8	18,550	-
(3) Current Liabilities			
(a) Trade payables	4	534,318	367,536
(b) Other current liabilities	5	5,683,604	23,416,157
(c) Short - term provisions	6	-	16,824
TOTAL		<u>17,070,879</u>	<u>25,615,012</u>
II ASSETS			
(1) Non - current Assets			
(a) Fixed assets			
- Tangible Assets	7	64,589	70,579
(b) Deferred tax assets (Net)	8	-	3,077
(c) Long - term loans and advances	9	302,549	1,535,368
(2) Current Assets			
(a) Trade receivables	10	493,723	259,040
(b) Cash & bank balances	11	15,814,769	21,258,648
(c) Short - term loans and advances	12	19,113	15,000
(d) Other current assets	13	376,136	2,473,300
TOTAL		<u>17,070,879</u>	<u>25,615,012</u>
Contingent Liabilities and commitments	14		

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1 to 28

As per our report of even date attached

For and on behalf of
M/s. M. L. BHUWANIA & CO
CHARTERED ACCOUNTANTS
Firm's Registration Number: 101484W

FOR AND ON BEHALF OF THE BOARD

J. P. BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

PK.NEVATIA
MANAGING DIRECTOR

ANIL THARD
DIRECTOR

PLACE : MUMBAI
DATED : 27th May, 2013

PLACE : MUMBAI
DATED : 27 May, 2013

THE INDIAN LINK CHAIN MFRS. LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Income :			
Revenue from operation	15	1,324,531	404,310
Other income	16	1,845,958	1,707,841
	Total Revenue	3,170,489	2,112,151
Expenses:			
Purchases of Stock - in - Trade	17	1,306,946	378,792
Finance Cost	18	1,421	1,107
Depreciation & amortization expenses	7	8,050	6,971
Other Expenses	19	748,800	872,227
	Total Expenses	2,065,217	1,259,097
Profit before exceptional and extraordinary items & tax		1,105,272	853,054
Exceptional items	20	15,353,526	-
Profit before extraordinary items and tax		16,458,798	853,054
Extraordinary Items		-	-
Profit before tax		16,458,798	853,054
Less : Tax expenses:			
(1) Current tax			
of Current years		7,421,000	260,147
of Earlier years		(3,741)	-
(2) Deferred tax		21,627	(1,473)
Profit for the period		9,019,912	594,380
Earning per equity share :	21		
Basic Earnings per Share		180.40	11.89
Diluted Earnings per Share		180.40	11.89

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1 to 28

The Notes referred above form an integral part of the Statement of Profit and Loss.

As per our report of even date attached

For and on behalf of
M/s. M. L. BHUWANIA & CO
CHARTERED ACCOUNTANTS
Firm's Registration Number: 101484W

FOR AND ON BEHALF OF THE BOARD

J. P. BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

PK.NEVATIA
MANAGING DIRECTOR

ANIL THARD
DIRECTOR

PLACE : MUMBAI
DATED : 27th May, 2013

PLACE : MUMBAI
DATED : 27 May, 2013

THE INDIAN LINK CHAIN MFRS. LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	<u>AS AT</u> <u>31.03.2013</u>	<u>AS AT</u> <u>31.03.2012</u>
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	16,458,798	853,054
Adjustment for:		
Depreciation	8,050	6,971
Interest income	(1,709,441)	(1,701,931)
Sundry balance written back (Net)	(10,284)	(494)
Interest expenses	1,421	1,107
Profit on sale of fixed assets (Net)	(15,353,526)	-
Fixed assets written off	-	1,375
	<u>(17,063,780)</u>	<u>(1,692,972)</u>
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(604,982)	(839,918)
ADJUSTMENTS FOR WORKING CAPITAL CHANGES		
Trade Payables	152,782	324,793
Other Current Liabilities	(873,201)	292,672
Long Term loans & Advances	1,200,000	(1,200,000)
Trade Receivables	(234,683)	(259,040)
Short Term Loans & Advances	4,020,979	(7,440,091)
Other Current Assets	29,432	470,582
	<u>4,295,309</u>	<u>(7,811,084)</u>
Cash Generated from Operations	3,690,327	(8,651,002)
Direct Taxes paid (Including Interest)	(7,436,347)	(151,921)
NET CASH FROM OPERATING ACTIVITIES	(3,746,020)	(8,802,923)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,060)	-
Sale of Fixed Asset (Net)	570,000	-
Interest Received	1,760,713	1,860,362
	<u>2,328,653</u>	<u>1,860,362</u>
NET CASH USED IN INVESTING ACTIVITY	2,328,653	1,860,362
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(1,421)	(1,107)
Repayment of Long Term Borrowings	-	(93,584)
	<u>(1,421)</u>	<u>(94,691)</u>
NET CASH USED IN FINANCING ACTIVITY	(1,421)	(94,691)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(1,418,788)	(7,037,252)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	7,633,557	14,670,809
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	(1,418,788)	(7,037,252)

Notes

- 1 Closing Balance of Cash & Cash Equivalents
Cash and Cash Equivalents Includes:
Cash In Hand 35,041 10,764
Bank balances
- In Current Account 179,728 1,622,793
- In Fixed Deposit Accounts 6,000,000 6,000,000
6,214,769 7,633,557
- 2 Interest received excludes interest received on account of income tax refund of Rs. Nil (Previous Year Rs. 5,416/-), which has been considered from operational activities of the company.
- 3 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of current year.

As per our report of even date attached

For and on behalf of
M/s. M. L. BHUWANIA & CO
CHARTERED ACCOUNTANTS
Firm's Registration Number: 101484W

FOR AND ON BEHALF OF THE BOARD

J. P. BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

P.K.NEVATIA
MANAGING DIRECTOR

ANIL THARD
DIRECTOR

PLACE : MUMBAI
DATED : 27th May, 2013

PLACE : MUMBAI
DATED : 27th May, 2013

THE INDIAN LINK CHAIN MFRS. LTD.

1 NOTES TO ACCOUNTS FOR THE YEAR ENDED 31-03-2013

2 SHARE CAPITAL

(Rupees)

Particulars	As at March 31, 2013	As at March 31, 2012
Authorised		
1,00,000 Equity shares, Rs. 100/- par value		
Previous Year 1,00,000 equity shares Rs. 100/- par value	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed and Paid Up		
50,000 Equity shares, Rs. 100/- par value	5,000,000	5,000,000
Previous Year 50,000 equity shares Rs. 100/- par value	<u>5,000,000</u>	<u>5,000,000</u>

Note No 2.1: The reconciliation of the number of shares outstanding as at the beginning and at the end of reporting period 31-03-2013:

Particulars	As at March 31, 2013	As at March 31, 2012
Number of shares at the beginning	50,000	50,000
Add: Shares issued during the year	-	-
Less : Shares Bought back	-	-
Number of shares at the end	<u>50,000</u>	<u>50,000</u>

Note No 2.2: Terms/rights attached to Equity Shares

- (i) The company has only one class of equity shares having a par value of Rs. 100. Each holder of equity shares is entitled to one vote per share.
- (b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No 2.3: The details of shareholders holding more than 5% shares in the company:

Name of the shareholders	No. of shares held	% held as at March 31, 2013	No. of shares held	% held as at March 31, 2012
Hariprasad A. Nevatia	12,882	25.76	12,882	25.76
Pravin K. Nevatia	12,024	24.05	12,024	24.05

3 RESERVE & SURPLUS

Particulars	As at March 31, 2013	As at March 31, 2012
General Reserve		
As per last Balance Sheet	52,826,042	52,826,042
Surplus		
Opening balance	(56,011,547)	(56,605,927)
Add: Transferred from Statement of Profit & Loss	9,019,912	594,380
Surplus Closing Balance	<u>(46,991,635)</u>	<u>(56,011,547)</u>
	<u>5,834,407</u>	<u>(3,185,505)</u>

THE INDIAN LINK CHAIN MFRS. LTD.

4 TRADE PAYABLES

Particulars	As at March 31, 2013	As at March 31, 2012
Sundry Creditors For Goods (Refer Note No 4.1)	493,195	329,477
Sundry Creditors For Expenses (Refer Note No 4.1)	41,123	38,059
	534,318	367,536

Note No. 4.1:

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.

5 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2013	As at March 31, 2012
Special Capital Incentive Payable	2,042,000	2,042,000
Sundry Creditors for Capital Goods	-	687,179
Custom Duties [Refer Note No 5.1]	3,641,450	3,641,450
Advances against sale of property [Refer Note No 5.2]	-	16,800,000
Statutory Dues	154	245,528
	5,683,604	23,416,157

Note No 5.1: During the earlier years the company had received Show Cause Notice demanding duty of Rs. 1,45,65,801/- which escaped assessment on import of sulphur for the chemical division in the year 2004-2005 to 2005-2006. Representations were made disputing the charge of the duty. During the previous year order had been received from Custom Authorities raising Demand of Rs. 75,49,799/-. The company has filed appeal against the same. However, as a matter of prudence the directors decided to continue the provision of Rs. 36,41,450/- made in the previous year. Balance of Rs. 39,08,349/- (Previous Year Rs. 39,08,349/-) is shown as Contingent Liabilities.

Note No 5.2: Previous year, the company has entered into a MOU for sales of its Land & Building at Tarapur, MIDC, for Rs. 1,68,00,000/-. Pending approval from MIDC the assignment deed had not been executed. During the year approval of MIDC was received and deed of assignment and transfer was executed and accounting effect has been given.

6 SHORT TERM PROVISIONS

Particulars	As at March 31, 2013	As at March 31, 2012
<u>Others Provisions</u>		
Provision for Income Tax (Net of Advance tax Rs Nil (Previous Year Rs 2,44,430/-))	-	16,824
	-	16,824

7 FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION AND MORTIZATION EXPENSE				NET BLOCK	
	AS ON 01.04.2012	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2013	AS AT 31.03.2012
TANGIBLES ASSETS :									
Buildings (Refer Note No 7.1)	135,000	-	-	135,000	88,233	2,200	-	44,567	46,767
Furniture & Fixtures	20,864	-	-	20,864	15,522	1,321	-	4,021	5,342
Office Equipments	19,750	-	-	19,750	12,976	938	-	5,836	6,774
Computer	15,500	2,060	-	17,560	3,804	3,591	-	10,165	11,696
TOTAL TANGIBLE ASSETS	191,114	2,060	-	193,174	120,535	8,050	-	64,589	70,579
Previous Year	226,514	-	35,400	191,114	147,589	6,971	34,025	70,579	

Note No 7.1: Building includes 10 unquoted shares of Rs. 50/- each of Mount Unique Co- Operative Housing Society Ltd, Mumbai.

THE INDIAN LINK CHAIN MFRS. LTD.

8 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2013	As at March 31, 2012
Deferred tax assets		
On account of Expenses allowable under income tax on payment basis	-	66,615
Total of Deferred Tax Assets	-	66,615
Deferred tax liabilities		
On account of difference in depreciation as per books and income tax	18,550	63,538
Total of Deferred Tax Liabilities	18,550	63,538
Total of Net Deferred Tax Assets/ (Liabilities)	(18,550)	3,077

9 LONG TERM LOANS & ADVANCES

Particulars	As at March 31, 2013	As at March 31, 2012
(Unsecured, Considered Good)		
Security Deposits	300,285	1,535,368
Advance Tax	2,264	-
(Net of Provision for tax Rs 74,21,000/- (Previous Year Rs Nil)	302,549	1,535,368

10 TRADE RECEIVABLES

Particulars	As at March 31, 2013	As at March 31, 2012
(Unsecured, considered good)		
Outstanding for more than six months	-	-
Others	493,723	259,040
	493,723	259,040

11 CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2013	As at March 31, 2012
Balances with Banks		
In Current Account	179,728	1,622,793
In Fixed Deposits	6,000,000	6,000,000
Cash on Hand	35,041	10,764
Other bank balances		
In Fixed Deposits (Refer Note No 11.1)	9,600,000	13,625,091
	15,814,769	21,258,648

Note No 11.1: There are no deposits with original maturity for more than 12 months.

12 SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2013	As at March 31, 2012
(Unsecured, considered good)		
Advance Recoverable in Cash or Kind or for Value to be Received	19,113	15,000
	19,113	15,000

THE INDIAN LINK CHAIN MFRS. LTD.

13 OTHER CURRENT ASSETS

Particulars	As at March 31, 2013	As at March 31, 2012
Interest Receivable	376,136	427,408
Fixed assets held for sale (Refer Note No 13.1)	-	2,016,474
Other Receivable	-	29,418
	376,136	2,473,300

Note No. 13.1

Fixed assets held for sale including Land WDV of Rs Nil (Previous Year Rs 209,474/-) and building WDV of Rs Nil (Previous Year Rs 18,07,000/-). The same have been valued at lower of Cost or Net realisable value.

14 CONTINGENT LIABILITIES AND COMMITMENTS :

Particulars	As at March 31, 2013	As at March 31, 2012
(A) Contingent Liabilities		
1) Claims against company not acknowledgment as debt	267,779	257,769
2) Disputed Custom Duty	3,908,349	3,908,349
3) Gram Panchayat Tax	-	71,312
	4,176,128	4,237,430
(B) Commitments	-	-
	-	-

15 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
<u>Sale of goods</u>		
Chains	1,324,531	404,310
	1,324,531	404,310

16 OTHER INCOME

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Interest Income		
- Fixed Deposits	1,709,441	1,690,305
- Income Tax Refund	-	5,416
- MIDC Deposit	-	11,626
Gratuity refund received	126,233	-
Miscellaneous income	10,284	494
	1,845,958	1,707,841

17 PURCHASES OF STOCK IN TRADE

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
<u>Traded goods</u>		
Chains	1,306,946	378,792
	1,306,946	378,792

18 FINANCE COSTS

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Interest expenses		
Interest on Income Tax	1,421	1,107
	1,421	1,107

THE INDIAN LINK CHAIN MFRS. LTD.

19 OTHER EXPENSES

Particulars	Year ended	
	March 31, 2013	March 31, 2012
Legal & Professional Expenses	379,452	543,615
Rent	180,000	30,000
Rates & Taxes	-	3,373
Auditors Remuneration (Refer Not No 19.1)	25,282	25,025
Security Charges	-	13,900
Electricity Charges	4,140	5,616
Commission and Discount	3,600	4,900
Water Charges	-	11,046
Postage & Telephone	20,221	68,904
Printing & Stationery	18,609	32,398
Share transfer Expenses	33,708	35,391
Advertisement	30,100	33,804
Fixed Assets Written off	-	1,375
Miscellaneous Expenses	53,688	62,880
	748,800	872,227
Note No 19.1: Auditors Remuneration		
As Auditor		
Audit Fees	10,000	10,000
Limited review	7,500	7,500
Service Tax	2,163	2,010
	19,663	19,510
In Other Capacity		
Certification Fees	1,000	1,000
Taxation Matter	4,000	4,000
Service Tax	619	515
	5,619	5,515
	25,282	25,025

20 EXCEPTIONAL ITEMS

Particulars	As at	
	March 31, 2013	March 31, 2012
Profit on sale of fixed asset (Net)		
Profit on sale of fixed asset	15,683,526	-
Less: Commission on sale of fixed assets	330,000	-
	15,353,526	-
	15,353,526	-

21 EARNING PER SHARE

Particulars	Year ended	
	March 31, 2013	March 31, 2012
(A) Profit attributable to Equity Shareholders (Rs.)	9,019,912	594,380
(B) Basic/Weighted average number of Equity Shares outstanding during the year	50,000	50,000
(C) Face Value of each Equity Share (Rs.)	100	100
(D) Basic & Diluted earning per Share (Rs.)	180.40	11.89

1 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31-03-2013

(A) Basis of Preparation of financial statement

The financial statements have been prepared under the historical cost convention on an accrual basis and comply in all material respects with the mandatory accounting standards and the relevant provisions of the Companies Act, 1956.

(B) Use of Estimates

The preparation and presentation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on that date of the financial statements and the reported amounts revenue and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the results are known / materialized.

(C) Valuation of Inventories

Inventories are valued at lower of Cost and Net Realisable Value. Cost of traded goods is arrived at on FIFO basis.

(D) Fixed Assets & Depreciation/Amortisation

1. 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.

THE INDIAN LINK CHAIN MFRS. LTD.

2. Depreciation is provided under straight-line method at rates and in the manner provided by Schedule XIV of the Companies Act, 1956.

(E) Revenue Recognition

"Sales are recognised when the significant risk and reward of ownership of the goods are passed to the customer. Sales are net off sales return, quantity discount and exclusive of value added tax collected."

(F) Provision for Tax and Deferred Tax

(i) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961.

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

(G) Lease

Lease rentals in respect of assets acquired under operating leases are charged to the Statement of Profit & Loss as incurred.

(H) 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 the 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 Statement of Profit and Loss. 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.

(I) Provision & Contingent Liability

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.

22 Related party disclosure

Related Parties	Nature of Relationship
Mr. P. K. Nevatia	Key Management Personnel
Phoolchand Anand Kishore Nevatia HUF	HUF of which Key Management Personnel is Member

Summary of Transactions with Related Parties during the year :

Name of Related parties	Nature of Transaction	2012-2013	2011-2012
Phoolchand Anand Kishore Nevatia HUF	Rent Paid	180,000	30,000

23 Assets taken on Lease

The Company's major leasing arrangements are in respect of commercial premises taken on leave and license basis. The aggregate lease rentals of Rs. 1,80,000/- (Previous Year Rs. 30,000/-) as Rent are grouped under Note No. 19 of "Other Expenses". The lease period is for the 11 months and renewable at mutual consent.

24 The Company is engaged only in trading of Chain and hence does not have any reportable segment.

25 The company has disposed off substantial part of the fixed assets during the last few years. However, 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's should be viewed as a going concern. Accordingly accounts have been prepared considering that the company is going concern.

26 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

27 In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.

28 The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per the revised schedule VI.

As per our report of even date attached

M/s. M. L. BHUWANIA & CO
 CHARTERED ACCOUNTANTS
 Firm's Registration Number: 101484W

FOR AND ON BEHALF OF THE BOARD

J. P. BAIRAGRA
 PARTNER
 MEMBERSHIP NO. 12839

PK.NEVATIA
 MANAGING DIRECTOR

ANIL THARD
 DIRECTOR

PLACE : MUMBAI
 DATED : 27th May, 2013

PLACE : MUMBAI
 DATED : 27th May, 2013

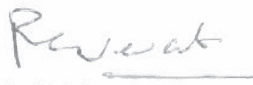

BOOK-POST

If undelivered, Please return to :
The Indian Link Chain Mfrs. Ltd.
59, Sonawala Building, 2nd Floor,
Mumbai Samachar Marg,
Fort, Mumbai - 400 023.
Tel. : 2266 1013

FORM A

(Clause 31(a) of Listing Agreement)


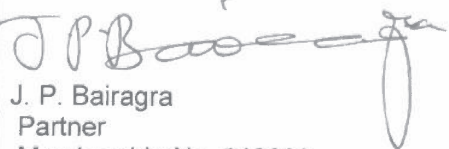
Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company :	THE INDIAN LINK CHAIN MANUFACTURERS LIMITED
2.	Annual Financial statements for the year ended	31 st March, 2013
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	Not Applicable.
5.	To be signed by -	
	<ul style="list-style-type: none">• Managing Director	 (P. K. Nevatia)
	<ul style="list-style-type: none">• CFO	The Company does not have CFO
	<ul style="list-style-type: none">• Auditor of the Company	For M.L. Bhuwania & Co. Chartered Accountants Registration No. 101484W  J. P. Bairagra Partner Membership No. 012839
	<ul style="list-style-type: none">• Audit Committee Chairman	Not Applicable as the Company do not have Audit Committee.

FORM A

(Clause 31(a) of Listing Agreement)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company :	THE INDIAN LINK CHAIN MANUFACTURERS LIMITED
2.	Annual Financial statements for the year ended	31 st March, 2013
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	Not Applicable.
5.	To be signed by -	
	<ul style="list-style-type: none">• Managing Director	 (P. K. Nevatia)
	<ul style="list-style-type: none">• CFO	The Company does not have CFO
	<ul style="list-style-type: none">• Auditor of the Company	For M.L. Bhuwania & Co. Chartered Accountants Registration No. 101484W  J. P. Bairagra Partner Membership No. 012839
	<ul style="list-style-type: none">• Audit Committee Chairman	Not Applicable as the Company do not have Audit Committee.