

SHREE SURGOVIND TRADELINK LIMITED

19TH ANNUAL REPORT

2013-2014

SHREE SURGOVIND TRADELINK LIMITED

19th Annual Report

2013-2014

BOARD OF DIRECTORS : Mr. Navin M. Mehta - Chairman

Mr. Mayur Krishna Tendulkar - Whole Time Director

Mrs. Shruti Sudhakar Sawant - Director

Mrs. Kalpana Rajiv Kulkarni - Director

BANKERS : Union Bank of India

AUDITORS : P. P. Jayaraman & Co.
Chartered Accountants
Thane

REGISTERED OFFICE : 103/1, 1st Floor, Angel Complex,
Behind Bluestar Complex, Navjeevan,
Ahmedabad – 380014

WEBSITE : www.sstl.co.in

REGISTRARS & SHARE

TRANSFER AGENTS : Adroit Corporate Services Private Limited
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marolnaka,
Mumbai – 400 059
Tel No. : (022) - 28594060
Fax No. : (022) - 28503748
E-mail : adroits@vsnl.net

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of **SHREE SURGOVIND TRADELINK LIMITED** will be held on **Monday the 22nd day of September 2014 at 11.00 a.m.** at the registered office of the Company at **103/1, 1st Floor, Angel Complex, Behind Bluestar Complex, Navjeevan, Ahmedabad – 380014** to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the financial year ended as on that date and the reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Navin M. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. P. P. Jayaraman & Co., Chartered Accountants as statutory auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder Mrs. Kalpana Kulkarni, who was appointed as a Director of the Company by the Board of Directors w.e.f. November 6, 2013 and who holds office up to the date of this Annual General meeting, be and is hereby appointed as an Independent Non-Executive Director, whose period of office shall be liable to determination by retirement of directors by rotation.”

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder Mrs. Shruti Sawant, who was appointed as a Director of the Company by the Board of Directors w.e.f. November 6, 2013 and who holds office up to the date of this Annual General meeting, be and is hereby appointed as an Independent Non-Executive Director, whose period of office shall be liable to determination by retirement of directors by rotation.”

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions, if any, of the Companies Act, 2013 and pursuant to Articles of Association of the Company, Mr. Mayur Tendulkar be and is hereby appointed and re-designated as Whole time Director of the Company for a period of five years with effect from 1st July, 2014 as per the below mentioned terms & conditions:

Salary (Rs./Month): Rs. 25,000/- per month.

Commission:

Such remuneration by way of commission not exceeding 3 % of net profits of the Company in addition to the salary, perquisites and allowances, subject to the overall ceiling stipulated in section 197 of the Companies Act, 2013. The specific amount payable will be decided by the Board of Directors based on certain criteria and will be payable only after the Annual Accounts of the Company have been adopted by the members of the Company.

Perquisites

Perquisites should be allowed in addition to the salary but within the overall limit, if any, prescribed under Part II, section IV of Schedule V of the Companies Act, 2013. The perquisites etc. shall be evaluated as per the Income Tax Rules, wherever applicable and in the absence of any such rules, at actual cost.

a) Housing

House Rent Allowance shall be allowed as per the rules of the Company within the overall limit specified above.

b) Medical Reimbursement

Expenses incurred for the appointee and his family subject upto to a ceiling of three month's salary in a year or fifteen month's salary over a period of five years.

c) Leave Travel Assistance

First Class Air Fare for self and family once in a year to any destination in India. Family defined as spouse and two dependent children.

d) Club Fees

Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.

e) Personal accident insurance

As per rules of the Company

f) Employer's contribution to Provident fund/superannuation fund

As per Rules of the Company

g) Gratuity

Gratuity payable shall be at the rate of 15 days salary for each completed year of service in accordance with the rules.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Mayur Tendulkar, the Company has no profits or the profits of the Company are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.

RESOLVED FURTHER THAT any of the Director be and is hereby authorized to file the necessary forms in this regard with the Registrar of Companies."

**BY ORDER OF THE BOARD
FOR SHREE SURGOVIND TRADELINK LIMITED**

**NAVIN MEHTA
DIRECTOR**

Place : Mumbai

Dated : 22nd August, 2014

**Registered Office:
103/1, 1st Floor, Angel Complex,
Behind Bluestar Complex,
Navjeevan, Ahmedabad - 380014**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THAT PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company remain closed from **Thursday, 18th September, 2014** to **Monday, 22nd September, 2014** (both days inclusive).
3. Members are requested to notify immediately the change of address, if any to the Company.
4. Members /Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
5. Members attending the Annual General Meeting are requested to bring their copies of Annual Report at the meeting.
6. The Documents referred to in the proposed resolution are available for inspection at the registered Office of the Company between 9.00 a.m. to 10.00 a.m., except on holidays up to the Annual General Meeting.
7. The Company, consequent upon the introduction of the Depository system (DS), entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares of the Company. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.
8. Voting through electronic means
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 19th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CSDL).
The instructions for members for voting electronically are as under:-
 - (i) The voting period begins on 15th September, 2014 from 10.00 a.m. onwards and ends on 17th September, 2014 till 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on "Shareholders" tab.

(iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(v) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number(Available in the Address label pasted in the cover and/or in the e-mail sent to the members) in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxi) Mr. A. Sekar, Practicing Company Secretary (Membership No. ACS 8649 and CP No. 2450), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

The Board of Directors appointed Mrs. Kalpana Kulkarni as a Director w.e.f. 6th November, 2013 pursuant to Section 161 of the Companies Act, 2013. She holds office till conclusion of this Annual General Meeting. Her term of office shall be liable to determination by retirement of directors by rotation.

Mrs. Kalpana Kulkarni is a commerce graduate. She has wide experience of more than 25 years in the field of accounts, finance and administration.

The Board considers that availing her services would be beneficial to the Company and she fulfills the conditions specified in the Companies Act, 2013 for appointment as an Independent Director.

Accordingly the Board, recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice.

Except Mrs. Kalpana Kulkarni, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution except and to the extent they are member of the Company.

ITEM NO. 5:

The Board of Directors appointed Mrs. Shruti Sawant as a Director w.e.f. 6th November, 2013 pursuant to Section 161 of the Companies Act, 2013. She holds office till conclusion of this Annual General Meeting. Her term of office shall be liable to determination by retirement of directors by rotation.

Mrs. Shruti Sawant is a Arts graduate. She has huge experience of more than 21 years in the field of maintaining Import and export department.

The Board considers that availing her services would be beneficial to the Company and she fulfills the conditions specified in the Companies Act, 2013 for appointment as an Independent Director.

Accordingly the Board, recommends the passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice.

Except Mrs. Shruti Sawant, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution except and to the extent they are member of the Company.

ITEM NO. 6:

The Board of Directors appointed and re-designated Mr. Mayur Tendulkar as Whole Time Director of the Company w.e.f. 1st July, 2014 on terms of remuneration as outlined in the resolution for a period of five years.

Your approval is sort with respect to his appointment terms.

For and On Behalf of the Board of Directors

Navin M Mehta
Director

Mumbai, dated 22nd August, 2014

DIRECTORS' REPORT

Dear Members,

Your Director's have pleasure in presenting their Nineteenth Annual Report and Audited Annual Accounts of the Company for the year ended on 31st March, 2014.

FINANCIAL RESULTS :

(figures in Rs. Lacs)

	For the year 2013-2014	Previous Year 2012-2013
Total Income	8366.75	11581.54
Profit before Depreciation & Tax	31.03	117.00
Less: Depreciation	6	5.01
Profit before tax	25.03	111.99
Less: Provision for Tax	8.01	38.49
Profit after tax	17.02	96.04

REVIEW OF OPERATIONS AND FUTURE OUTLOOK

The Company has recorded income from operations of Rs. 8366.75 lacs as compared to Rs. 11581.54 lacs achieved during the corresponding period in previous year representing a fall of 27.8 % over the previous year. After offsetting the expenses the Company has earned net profit (after tax) of Rs. 17.02 lacs during the year as against Rs. 96.04 lacs earned in the previous year.

The year under review has been a difficult one for the company, but the company is evolving various strategies to achieve higher growth in the future and with the new contracts and overall positive outlook in the country, the directors are confident that the company will be able to achieve higher sales and profitability in the times to come.

DIVIDEND

In order to conserve resources for future growth, your Directors do not recommend any dividend for the year.

DIRECTORS

Mr. Navin M. Mehta retires by rotation and being eligible offers himself for re-appointment. The directors recommend his re-appointment.

Mrs. Kalpana kulkarni and Mrs. Shruti Sawant were appointed as Additional Directors w.e.f 6th November, 2013 and Mr. Mayur Tendulkar was appointed as a Director w.e.f. 16th December, 2013 and he was re-designated as Whole Time Director w.e.f. 1st July, 2014. Notices have been received for the appointment of Mrs. Kalpana Kulkarni and Mrs. Shruti Sawant as directors of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm as under :-

1. In preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures
2. That they had selected such accounting standards, policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
3. That they had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the relevant acts for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the accounts had prepared on a going concern basis.

PARTICULARS OF EMPLOYEES

During the year under review there was no employee employed in the financial year who was in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particular of Employees) rules, 1975.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company has not carried out any manufacturing activities during the year. Hence no separate details of the energy consumption and conservation is provided in the report. However the company has taken all possible steps for conservation of the energy in the company.

The company has not adopted any foreign technology during the year .

The details of the foreign exchange is provided in the notes to the accounts forming part of the Balance sheet.

AUDITORS

M/s. P. P. Jayaraman & Co., Chartered Accountants, statutory auditors of the Company hold office until the conclusion of this Annual General Meeting. The Directors recommend their re-appointment as auditors of the Company.

AUDITOR REPORT

The observations made by the auditors in their report are self explanatory when read with the notes to accounts and need no further elaboration.

FIXED DEPOSITS

The company has not accepted and/or renewed deposits from public during the year falling under the meaning of Section 58(A) of the Companies, Act 1956 and the rules made there under.

MANAGEMENT DISCUSSION AND ANALYSIS

As required by Clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis Report is appended to this report.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended together with the Certificate on Corporate Governance from a Practicing Company Secretary.

The Company will be taking steps to broad base the composition of the Board in line with the requirements of Companies Act, 2013 and the requirements of Clause 49 of the Listing Agreement. The company will also be taking necessary steps to constitute / re-constitute the Audit Committee and Stakeholder & Remuneration Committee as per the requirements of the said Act and the listing agreement.

APPRECIATION

Your Directors take the opportunity to thank all staff members for their Co-operation and contribution to the Company's Operation during the year. Your Directors also wish to place on record their appreciation for the support and co-operation by the Banks, Business Associates and Financial Institutions during the period under review.

**BY ORDER OF THE BOARD
FOR SHREE SURGOVIND TRADELINK LIMITED**

CHAIRMAN

Place: Mumbai

Dated: 5th August, 2014

Registered Office:

103/1, 1st Floor, Angel Complex,

Behind Bluestar Complex,

Navjeevan, Ahmedabad – 380014

CORPORATE GOVERNANCE REPORT

(As required under clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. Company's Philosophy on the code of Governance :

The Company's philosophy on Corporate Governance envisages the attainment of the high level of accountability in the functioning of the Company and the conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and with the Government departments.

2. Board of Directors:

- Composition, Category of Directors and their other Directorships and Committee Memberships:

The present Board consists of four (4) directors. The composition of Board of Directors, the number of other directorship or board committees of which he is a member / Chairman are as under:

Name of Director	Category	Designation	Other Directorships/ Board Committees (Numbers)	
			Directorships	Board Committee
Mr. Navin M. Mehta	Independent & Non-Executive Director	Chairman	RKB Iron & Steel Pvt. Ltd.	NIL
Mr. Mayur Tendulkar	Promoter & Executive	Whole Time Director	RKB Steel Pvt. Ltd.	NIL
Mrs. Shruti Sawant	Independent & Non-Executive	Director	RKB Steel Pvt. Ltd.	NIL
Mrs. Kalpana Kulkarni	Independent & Non-Executive	Director	RKB Steel Pvt. Ltd.	NIL

None of the Directors are disqualified under section 274 (1) (g) of the Companies Act, 1956 read with Companies (Disqualification of Directors under section 274 (1) (g) of the Companies Act, 1956) Rules, 2003.

Mr. Navin M. Mehta retire by rotation at the ensuing Annual General Meeting & being eligible offer himself for re-appointment.

Board Meetings:

During the year under review, the Board of Director met 12 times on 02.04.2013, 31.05.2013, 15.06.2013, 15.07.2013, 31.07.2013, 07.09.2013, 27.09.2013, 31.10.2013, 06.11.2013, 07.11.2013, 16.12.2013 and 31.01.2014

Attendance of current Directors at the Board Meetings and Last Annual General Meeting :

Name of Director	Board Meetings Attended	Attendance at the Last Annual General Meeting
Mr. Navin M. Mehta	12	Yes
Mr. Mayur Tendulkar	1	No
Mr. Shruti Sudhakar Sawant	3	No
Mr. Kalpana Rajiv Kulkarni	3	No

No Extra Ordinary General Meeting was held during the year under review.

3. Audit Committee:

During the year under review, the Company did not have an audit committee. Consequent to coming under force of the Companies Act, 2013 and the relaxation given under the listing agreement pursuant to clause 49, the audit committee will be re-constituted during the F.y 2014 - 2015

4. Shareholders/ Investors Grievance Committee:

During the year under review, no investor grievance Committee is formed in the company, as the total number of members of the Company does not exceed 1000 in numbers.

5. Share Transfer Committee:

The Company has not constituted Share Transfer Committee.

6. CEO/ CFO Certification:

As required under Clause 49 of the Listing Agreement, certification from Mr. Navin M. Mehta, Director of the Company was placed before the Board of Directors at its meeting held 5th August, 2014.

7. Details of Annual General Meeting:

Financial Year	Location	Date	Time
2010– 2011	103/1 1 st Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	30/09/2011	10.30 A.M.
2011– 2012	103/1 1 st Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	06/08/2012	3.00 P.M.
2012– 2013	103/1 1 st Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	10/08/2013	3.00 P.M.

Resolutions set out in the respective notices were passed by the Shareholders. There were no resolutions put through postal ballot last year. There is no business at the ensuing AGM requiring implementation of the postal ballot under the applicable rule.

8. Disclosures:

- i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large.

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Disclosures from senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of the Annual Report.

- ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by SEBI, ROC, Stock Exchange or any other statutory authorities on any matter related to capital market during the last 3 financial years

SEBI has passed an adjudication order pursuant to SEBI (Substantial Acquisition of Shares and Takeover) Regulations imposing a penalty of Rs. 6 lakhs on the company. An appeal preferred by the company was dismissed by the SEBI Appellate Tribunal and the company has subsequent to the end of the year under review paid the amount of penalty.

- iii) There is a whistle blowing policy in the Company and that no personnel has been denied access to the Board.

iv) The Company has complied with all the mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement pertaining to Corporate Governance except Nomination & remuneration committee and Formation of Audit Committee.

v) The CEO/CFO certification forms part of this Annual Report.

9. Means of Communication:

- Half -Yearly result is not sent to each shareholders.
- Quarterly results are taken on record by the Board of Directors.
- No presentation has been made to Institutional Investors or to analysts.
- Quarterly results have not been displayed on company's website.
- The Management Discussion and Analysis Report are attached with the Director's report in this Annual Report.

10. General Shareholder Information:

I. Annual General Meeting

Date and Time : 22nd September, 2014 at 11.00 a.m..

Venue : 103/1, 1st Floor, Angel Complex, Behind
Bluestar Complex, Navjeevan,
Ahmedabad – 380014

II. Financial Calendar 2014-2015 (Tentative and subject to change)

Results for the quarter ending June 30, 2014 : First week of August, 2014

Results for the quarter ending September 30, 2014: Last Week of October 2014

Results for the quarter ending December 31, 2014 : Last Week of January 2015

Results for the quarter ending March 31, 2015 : Last Week of May 2015

III. Book Closure Date : 18th September, 2014 to 22nd September, 2014
(Both days inclusive for the purpose of the Annual General Meeting)

IV. Registered Office : 103/1, 1st Floor, Angel Complex, Behind
Bluestar Complex, Navjeevan,
Ahmedabad – 380014

V. Dividend Payment Date : No dividend is recommended for the
Financial year 2013-2014

VI. Listing of Equity Shares on Stock Exchange

Your Company's equity shares are listed on Ahmedabad Stock Exchange Limited, Kamdhenu Complex, Opp. Sahjanand College, Panjarapole, Ahmedabad - 380015 and Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400023. Our shares are also demat with NSDL & CDSL. . The Company has paid Annual Listing Fees to both the Stock Exchanges within the stipulated time.

VII. Stock Code :

- a) The Stock Exchange, Ahmedabad : 52666
b) Bombay Stock Exchange Ltd. : 531667
c) Demat ISIN in NSDL and CDSL for Equity Shares : INE117K01013

VIII. Share transfer System

Shares sent for physical transfer are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The Share Transfer Committee of the Company meets as required. We have appointed Adroit Corporate Services Pvt. Ltd. as a Registrars & Share Transfer Agents of the Company.

IX. Distribution of Shareholding:

No. of Equity Shares held	As on 31 st March, 2014			
	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
1 – 100	82	19.34	6991	0.14
101 – 500	73	17.22	33500	0.67
501 – 1000	189	44.57	147990	2.95
1001 – 2000	8	1.89	12500	0.25
2001 – 3000	16	3.77	43450	0.87
3001 – 4000	3	0.71	10600	0.21
4001 – 5000	3	0.71	15000	0.30
5001 – 10000	10	2.36	73969	1.48
10001 & 20000	7	1.65	96600	1.93
20001 & 50000	7	1.65	222600	4.44
50001 & Above	26	6.13	4346800	86.76
TOTAL	424	100.00	5010000	100.00

X. Shareholding Pattern (as on 31st March, 2014):

Category of Holder	No. of Shares	% of Equity
Promoters / Person acting in concert	2176500	43.44%
Banks / Financial Institutions	0	0
Private Corporate Bodies	0	0
Indian Public	2833500	56.56%
NRI's	0	0
TOTAL	50,10,000	100.00%

XI. Details on use of public funds obtained in the last three years:

No funds have been raised from the public during the last three years.

XII. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity:

The Company has not issued any GDRs, ADRs during the year.

XIII. Secretarial Audit (Reconciliation of Share Capital)

The Company has also conducted audit of reconciliation relating to the share capital for every quarter.

XIV. Investors' correspondence may be addressed to :

Adroit Corporate Services Pvt. Ltd.
(Unit : Shree Surgovind Tradelink Limited)
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marolnaka,
Mumbai – 400 059

Tel No. : (022) - 28596060
Fax No. : (022) - 28503748
E-mail Id : adroits@vsnl.net

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING
AGREEMENT(S)**

To
The Members of
Shree Surgovind Tradelink Limited

1. I have examined the papers and documents placed before me regarding the compliance of condition of Corporate Governance by **Shree Surgovind Tradelink Limited** for the year ended **31st March, 2014**, as stipulated in revised Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.
2. The Compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited review of the 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 express of opinion on the financial statements of the Company.
3. On the basis of my review and according to the information and explanations given to us, we are of the opinion that the Company has, for the year ended March 31, 2014, the company has to a large extent complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement(s) with the Stock Exchange(s) except for the following.
 - a) The Company has not published the Quarterly Financial Results in the news papers as required by the Stock Exchanges/Corporate Governance.
 - b) The Company did not have an Audit Committee and Nomination and Remuneration Committee during the year under review.
4. I state that no investor grievance Committee is formed in the company, as the total number of members of the Company does not exceed 1000 in numbers.
5. I further state that such compliance is neither an assurance nor compliance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

A.Sekar
Practicing Company Secretary
ACS: 8649 CP : 2450

Place: Mumbai
Date: 5th August, 2014

Declaration by the Whole Time Director under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct.

In accordance with Clause 49 I (D) of the Listing Agreement with Stock Exchange, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the 12 months period April 1, 2013 to March 31, 2014.

For Shree Surgovind Tradelink Ltd.

Place: Mumbai

Date : 5th August, 2014

Whole Time Director

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The financial year 2013-2014 was a year of sub – 5% GDP growth and rising inflation in the Indian economy. Industrial growth was probably at its lowest level for more than a decade. The performance of your company was not satisfactory in terms of turnover of the company compared to last year.

OPPORTUNITIES AND THREATS

The Company is taking all possible steps to grab the opportunities for the growth of the Company, in the wake of recent upsurge of expectations following the election of the new government, which is pursuing pragmatic economic policies.

The risk associated with the business be it external or internal affects the performance of the company in a long run. Competition and economic conditions prevailing all over may affect the business of the company.

FUTURE OUTLOOK

The overall economic scenario of the industry expected to be good and accordingly, your Company is also expected to do well in the coming years. The demand and supply of the products in market may affect the performance of the company. The Company is striving hard to meet the demands of the market with the available limited resources. The company is striving hard to achieve the desired results.

RISKS AND CONCERNS

In the normal course of business, the Company is exposed to external risks such as overall demand fluctuations in the industry in which it operates, relative market shares for its products due to the impact of competition as well as internal risks.

The Company is taking appropriate steps to guard itself against these risks by a suitable product positioning strategy. The risk associated with the products of the Company is always a cause of concern for the Company.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control procedures commensurate with the size of the company and nature of its business. The internal control system is continuously reviewed by the management to ensure orderly and efficient conduct of business. The system emphasis on the functions of purchase, sales, finance etc. to adhere to the well-defined corporate policies.

DIRECT COSTS

The main direct cost is the operational costs associated with the activities of the company. All efforts are being made to control the costs.

FINANCIAL CONDITION

Sources of Funds

The Share capital of the Company remained the same as was in the previous financial year.

MANAGEMENT'S RESPONSIBILITY STATEMENT

The management is responsible for preparing the Company's consolidated financial statements and related information that appear in this Annual Report. The management believes that these financial statements fairly reflect the form and substance of transactions, and reasonably represent the Company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

SHREE SURGOVIND TRADELINK LIMITED

Regd. Office: 103/1, 1st Floor, Angel Complex, Behind Bluestar Complex,
Navjeevan, Ahmedabad – 380014

Attendance Slip – Ordinary Shares

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Nineteenth Annual General Meeting of the Company at 103/1, 1st Floor, Angel Complex, Behind Bluestar Complex, Navjeevan, Ahmedabad – 380014, at 11.00 a.m. on Monday, the 22nd September, 2014.

.....
Full name of the Shareholder
(in block capitals)

.....
Signature

Folio No. : / DP ID No.* & Client ID No.*
* Applicable for members holding shares in electronic form.

.....
Full name of Proxy (in block capitals)

.....
Signature

NOTE: Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting

SHREE SURGOVIND TRADELINK LIMITED

Regd. Office: 103/1, 1st Floor, Angel Complex, Behind Bluestar Complex,
Navjeevan, Ahmedabad – 380014

Proxy – Ordinary Shares

I/We being a
of In the district of
Member/Members of the above named Company, hereby appoint
of In the district of or failing him
of in the district of
as my/our Proxy to attend and vote for me/us and on my/our
behalf at the Seventeenth Annual General Meeting of the Company at 103/1, 1st Floor, Angel
Complex, Behind Bluestar Complex, Navjeevan, Ahmedabad – 380014, at 11.00 a.m. on Monday,
the 22nd September, 2014 and at any adjournment thereof.

Signed this day of 2013

DP ID Client ID

Reg Folio No

No of shares held

N: B: The proxy should be deposited at the Registered office of the Company not later then 48
hours before the commencement of the meeting. A proxy need not be a member.

Revenue
Stamp
of Re. 1/-

Independent auditors' report to the shareholders of Shree Surgovind Tradelink Limited for the year ended March 31, 2014

**To the Members of
Shree Surgovind Tradelink limited**

We have audited the accompanying financial statements of **SHREE SURGOVIND TRADELINK LIMITED** (the "Company") which comprises of Balance Sheet as at March 31, 2014 and also the Statement of Profit and Loss account 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

The Company's 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 Section 211(3C) of the Companies Act, 1956 (the "Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends 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 that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is 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 aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- in the case of the Cash flow statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to Note 26 and 29 to the financial statements relating to *Case against the Former Directors of the company by Registrar of Companies (ROC) and Case against company/ Directors by SEBI*.

The matters in respect of outcome of above cases are sub-judice.

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the "Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
 - 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.
 - In our opinion, proper books of accounts, as required by law have been kept by the company, so far as it appears from our examination of the books.
 - The Balance Sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this report are in agreement with the books of accounts
 - In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash flow statement comply with the accounting standards to in section 211(3C) of the Act.
 - On the basis of written representation received from the directors, as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms, of section 274(1)(g) of the Act.

For P.P.Jayaraman & Co.

Chartered Accountants

Firm Registration Number: 104139W

P.P.Jayaraman

Proprietor

Membership Number: 041354

Place: Thane

Date: 05/08/2014

ANNEXURE TO THE AUDITOR REPORT

(Referred to in paragraph 4 of our Report of even date on the Accounts for the year ended on March 31, 2014 of Shree Surgovind Tradelink Limited)

1. Having regard to the nature of the Company's business/activities during the year, clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
2. In respects of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) A substantial portion of the fixed assets have been physically verified by the management during the year and in our opinion the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) No fixed assets have been disposed off during the year; therefore the same has not affected the going concern status of the Company.
3. In respect of the Company inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion, the frequency of such verification is adequate.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification and they have been dealt with in the books of accounts.
4. In respect of the loans:
 - (a) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under section 301 of the Act, except unsecured loans from directors and relatives. The maximum amount involved in the current year amounted to Rs. 97.61 lakhs (Balance due as the year end is Nil)
 - (b) In our opinion, the rate of interest and other terms and conditions on which such loans and advances are made are not prima facie prejudicial to the interest of the company.
5. In our opinion and according to the information and explanations given to us, internal control system is inadequate commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system.

6. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Act, to the best of our knowledge and belief and according to the information and explanations given to us:
- The particulars of contracts or arrangements entered in the Register maintained in pursuance of Section 301 that needed to be entered in the Register maintained under the said section have been so entered.
 - Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
7. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore the provisions of the clause 4 (vi) of the order are not applicable to the Company.
8. In our opinion, the company has an internal audit system commensurate with the size and nature of its business, although the scope needs to be enlarged to make it commensurate with the size and nature of its business.
9. In our opinion and according to the information and explanations given to us, the details as to cost records applicability and their maintenance as per provisions of clause (viii) are not applicable to the Company.
10. In respect of statutory dues,
- The Company has generally been regular in depositing undisputed statutory dues, including Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. There have been some delays in respect of Profession Tax, Income Tax deducted at source, Sales tax and Provident Fund. The balance of PF pending to be collected and paid as on 31.03.2014 is Rs. 49,836/- for the period October, 2013 to March 2014.
 - According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at March 31, 2014 for a period of more than six months from the date on which they became payable.

According to the information and explanation given to us, the disputed dues in respect of sale tax, income tax, which have not been deposited are as follow.

Name Of the Statue	Nature of Dispute	Amount (₹)	Period (FY) for which the amt relates.	Forum where dispute is pending
The Income Tax Act 1961	Tax and Interest	4,34,700/-	2010-11	Commissioner of Income Tax (Appeals)

11. The Company does not have any accumulated losses at the end of the financial year. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
12. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions and banks except repayment of vehicle loan installments for last 5 months amounting to Rs.3,08,180/- during the financial year covered by our audit. Further in our opinion and according to information and explanations given to us, the Company did not have any amount outstanding to debenture holders or non-financial banking institutions.

13. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in shares, securities, debentures. Therefore the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Hence the provisions of the clause 4(xv) are not applicable to the company
16. In our opinion and according to the information and explanations given to us, no term loans have been obtained by the company.
17. In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have been prima facie not used during the year for long-term investment.
18. According to the information and explanations given to us, during the year covered by our audit, the Company has not made preferential allotment of equity shares to parties and companies covered in the register maintained under section 301 of the Act.
19. According to the information and explanations given to us, during the year covered by our report, the Company has not issued any secured debentures.
20. During the year covered by our report, the Company has not raised any money by way of public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For P.P.Jayaraman & Co.
Chartered Accountants
Firm Registration Number: 104139W

P.P.Jayaraman
Proprietor
Membership Number: 041354.

Place: Thane
Date: 05/08/2014

SHREE SURGOVIND TRADELINK LTD
Balance Sheet as at 31 March, 2014

	Notes	31 March 2014	31 March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	50,100,000.00	50,100,000.00
Reserves and surplus	4	21,776,770.72	20,075,081.90
Non-current liabilities			
Long-term borrowings	5	1,121,672.65	16,229,346.61
Deferred tax liabilities (net)	6	87,154.00	106,267.00
Current liabilities			
Short-term borrowings	7	145,410,270.19	132,783,666.69
Trade payables	8	123,441,903.28	144,668,579.43
Other Current liabilities	9	1,197,217.93	7,843,306.89
Short term Provision	10	7,420,000.00	6,600,000.00
		350,554,988.77	378,406,248.52
ASSETS			
Non-current assets			
Fixed assets			
Tangible	11	3,027,387.57	3,558,016.57
Long-term loans and advances	12	22,925,508.03	23,616,709.43
Non-Current investments	13	5,023,718.00	42,702,207.00
Current assets			
Inventories	14	246,501,980.80	213,669,439.86
Trade receivables	15	65,896,346.56	90,534,269.74
Cash and bank balances	16	3,376,995.56	541,288.92
Short-term loans and advances	17	3,803,052.25	3,784,317.00
		350,554,988.77	378,406,248.52
See accompanying notes forming part of F/S	2	-	-

As per our Report of even date attached
For P P JAYARAMAN & CO
Chartered Accountants
FRN 104139 W

For Shree Surgovind Tradelink Limited

P P JAYARAMAN
Proprietor (M No. 041354)
Place :
Date :

Kalpana Kulkarni
Director

Navin Mehta
Chairman

Shruti Sawant
Director

SHREE SURGOVIND TRADELINK LTD
Statement of Profit and Loss for the year ended 31 March 2014

	Notes	31 March 2014	31 March 2013
Continuing operations			
Revenue from operations (gross)	18	812,365,470.85	1,114,199,974.92
Other Incomes	19	24,309,958.37	43,953,600.65
Total Revenue	i	836,675,429.22	1,158,153,575.57
Expenses			
Purchases of stock in Trade and direct expenses	20	804,301,856.54	1,113,932,115.30
Change in inventories of finished goods		(32,832,540.94)	(24,495,967.18)
Employee benefits expense	21	1,965,146.00	1,752,755.00
Other expenses	22	12,692,269.80	17,736,787.51
Total	ii	786,126,731.40	1,108,925,690.63
Earning from operations before deprn & interest	iii=i-ii	50,548,697.82	49,227,884.94
Depreciation and amortisation	23	599,604.00	500,933.00
Finance costs	24	47,446,518.00	37,528,227.36
Total	iv	48,046,122.00	38,029,160.36
Profit before exceptional & extraordinary items	v=iii-iv	2,502,575.82	11,198,724.58
Exceptional items		-	-
Profit/(Loss) before extraordinary items & tax		2,502,575.82	11,198,724.58
Extraordinary items		-	-
Profit / (Loss) before tax		2,502,575.82	11,198,724.58
Tax expense:			
(a) Current tax expense for current year		820,000.00	3,750,000.00
(b) (Less): MAT credit (where applicable)		-	-
(c) Excess provision of earlier year now written back		-	(2,254,191.00)
(d) Net current tax expense		820,000.00	1,495,809.00
(e) Deferred tax		(19,113.00)	99,229.84
		800,887.00	1,595,038.84
Profit / (Loss) from continuing operations		1,701,688.82	9,603,685.74
Earnings per share (of Rs. 10/- each):	25		
(a) Basic		0.34	1.92
(b) Diluted		0.34	1.92
As per our Report of even date attached For P P JAYARAMAN & CO Chartered Accountants FRN 104139 W		For Shree Surgovind Tradelink Limited	
P P JAYARAMAN Proprietor (M No. 041354) Place : Date :		Kalpana Kulkarni Director Navin Mehta Chairman Shruti Sawant Director	

Shree Surgovind Tradelinks Limited

Notes to financial statement for the year ended 31 March 2014

31 March 2014 31 March 2013

3 Share capital

Authorised Share Capital

60,00,000 (Prev year 60,00,000) Equity Shares of ` 10 each

60,000,000.00 60,000,000.00

Issued, Subscribed & Fully paid up

50,10,000 (Prev year 50,10,000) Equity Shares of ` 10 each

50,100,000.00 50,100,000.00

All the Shares issued are allotted for cash, the company has only one class of equity shares of ` 10 per share

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

Nos Nos

At the beginning of the period

5,010,000 5,010,000

Issued during the period

5,010,000 5,010,000

Outstanding at the end of the period

Equity Shares

At the beginning of the period

50,100,000.00 50,100,000.00

Issued during the period

50,100,000.00 50,100,000.00

Outstanding at the end of the period

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends if any in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Equity Shares

No of shares No of shares

Promoters & relatives

21,76,500 3,88,500

Others Including General Public

28,33,500 46,21,500

5,010,000 5,010,000

d. Details of shareholders holding more than 5% shares in the company

In Numbers

No of shareholders No of shareholders

Promoters & relatives

3 7

Others Including General Public

3 7

In Percentage

Promoters & relatives

100 100

Others Including General Public

100.00 100.00

Shree Surgovind Tradelinks Limited

Notes to financial statement for the year ended 31 March 2014

31 March 2014 31 March 2013

4 Reserves & Surplus

(a) Surplus / (Deficit) in Statement of Profit and Loss

Opening balance	20,075,081.90	10,471,396.16
Add: Current Year Profit	1,701,688.82	9,603,685.74
Total	21,776,770.72	20,075,081.90

5 Long Term Borrowings

	Non-Current	Non-Current
1 Term Loan-From HDFC Bank (secured) car loan	1,121,672.65	1,468,346.61
2 Loans and advances from Related Parties	-	9,761,000.00
3 Inter-Corporate Deposits (unsecured)	-	5,000,000.00
Total	1,121,672.65	16,229,346.61

5.1 Additional Information to Secured/Unsecured Long term borrowings

The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowing, if any are shown under the current liabilities as per the disclosure requirements of the Revised Schedule VI

6 Deferred Tax Liabilities (Net)

Deferred Tax Liability for 31 March 2014 has been provided on the estimated tax computation for the year

Deferred Tax Liability

Depreciation	103,679.00	89,742.00
Others, if any	(16,525.00)	16,525.00
Total	87,154.00	106,267.00

7 Short Term Borrowings

Cash Credit-From Banks-(secured)	125,839,291.19	126,683,866.69
Trade Advances (unsecured)	19,570,979.00	6,099,800.00
Total	145,410,270.19	132,783,666.69

8 Other Long Term Liabilities

Trade Payables from Other than Micor, Small & Med Entps	123,441,903.28	135,461,859.52
Others	-	9,206,719.91
Total	123,441,903.28	144,668,579.43

8.1 Detail of Securities

The facility from Union Bank of India is secured by hypothecation of assets and personal guarantee of directors and relative of directors.

9 Other Current liabilities- Other Payables

1,197,217.93	7,843,306.89
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10 Short-Term ProvisionsTax Provision

7,420,000.00	6,600,000.00
--------------	--------------

11 Fixed assets-Tangible

Cost as at 1 April	4,950,054.00	1,427,620.00
Additions	68,975.00	3,522,434.00
Disposals	-	-
At 31 March	5,019,029.00	4,950,054.00
Depreciation	1,991,641.43	1,392,037.43
Net Block as at 31 March	3,027,387.57	3,558,016.57

Shree Surgovind Tradelinks Limited

Notes to financial statement for the year ended 31 March 2014

31 March 2014 31 March 2013

12 Long-term loans and advances given		
Unsecured, Considered Good		
Security Deposits	2,147,050.00	7,673,930.00
Other Loans & Advances	20,778,458.03	15,942,779.43
Total	22,925,508.03	23,616,709.43
13 Other Non Current Assets-Unsecured, Considered Good		
Non Current bank balances		
Deposits with maturity-for more than 12 months	5,023,718.00	10,821,365.00
Margin Money Deposit with UBI in form of FD	-	31,880,842.00
Total	5,023,718.00	42,702,207.00
14 Inventories- (As taken, valued and certified by the management)		
Goods for resale at cost	246,501,980.80	213,669,439.86
	246,501,980.80	213,669,439.86
15 Trade Receivables		
Unsecured, Considered Good		
Outstanding over six months	163,897.95	13,201,221.04
Others	65,732,448.61	77,333,048.70
	65,896,346.56	90,534,269.74
16 Cash and bank balances		
Cash & Cash Equivalents		
Cash on Hand	371,243.62	534,951.98
Balance with bank in Current accounts	6,336.94	6,336.94
FD With less than 3 months Maturity	2,999,415.00	-
	3,376,995.56	541,288.92
17 Short Term Loans & Advances		
Unsecured, Considered Good		
Other Loans & Advances	1,150,625.00	3,031,750.00
Prepaid Expenses-Insurance	559,277.00	645,692.00
Prepaid Expenses-Others	1,817,390.00	31,875.00
Prepaid Expenses-Rent	-	75,000.00
Excise Duty Receivable	275,760.25	-
	3,803,052.25	3,784,317.00
18 Revenue from Operations		
Sales of Products		
Finished Goods	812,365,470.85	1,114,199,974.92
Total	812,365,470.85	1,114,199,974.92
Further classification		
Local/Indigenous	801,981,604.23	1,104,233,583.10
Exports	351,000.00	23,487,176.78

Particulars of Sale of Products

The company is engaged in import exports business as well as local trading for which they trade goods both in indigenous and imported goods, and consequent export of the same.

Shree Surgovind Tradelinks Limited

Notes to financial statement for the year ended 31 March 2014

31 March 2014 31 March 2013

19 OTHER INCOME

Brokerage & Commission Received	-	315,214.00
CHA Charges Received	-	100,000.00
Discount Received	444,047.09	8,852,817.70
Exports Incentive/duty drawbacks	-	29,410.00
Revenue from Cold Storage	21,460,172.30	32,121,541.45
Interest (Gross)	1,172,342.00	2,099,176.00
Miscellaneous Income	1,233,396.98	36,347.50
Quality Claim receivable	-	399,094.00
TOTAL	24,309,958.37	43,953,600.65

19.1 As per Note 5(i)(d) regarding general instructions for preparation of Statement of profit and loss, in respect of Interest Income, the same are reported above. Interest Incomes consists of interest accrued on-time deposit made with banking companies in normal course of business

20 Purchase of Stock in Trade and direct expenses

Purchases	772,088,865.58	1,080,260,526.56
ADD: Direct Expenses_Freight & Taxes	166,412.20	461,072.00
ADD: Direct Expenses_Cold Storage Expenses	32,046,578.76	33,210,516.74
	804,301,856.54	1,113,932,115.30

Cold storage expenses includes irrecoverable debts written off Rs 42,36,845/- on closure of cold storage

20 Change in inventories of finished goods

Stock at close	246,501,980.80	213,669,439.86
Stock at commencement	213,669,439.86	189,173,472.68
	(32,832,540.94)	(24,495,967.18)

21 Employee benefit expenses

Salary & Bonus	1,864,420.00	1,662,107.00
Staff Welfare	14,943.00	15,803.00
Travelling and Conveyance	85,783.00	74,845.00
	1,965,146.00	1,752,755.00

21.1 As per Note 5(i)(d) regarding general instructions for preparation of Statement of profit and loss, in respect of Employee benefits expenses, the details are classified as above. ESOP are not applicable to the company

22 Other Expenses

Rent	75,000.00	161,250.00
Repairs to building	-	12,000.00
Repairs to Machinery	165,905.00	129,151.00
Payment to Auditor	-	-
(i) Audit fees	125,000.00	125,000.00
(ii) Professional fees	127,000.00	85,000.00

Shree Surgovind Tradelinks Limited

Notes to financial statement for the year ended 31 March 2014

31 March 2014 31 March 2013

Bad Debts Written Off	200,340.00	90,234.82
Business Promotion	16,000.00	279,998.00
Computers & Software Exp	100,550.00	102,824.00
Insurance Charges	725,377.00	739,152.00
Legal & Professional Fees	495,217.00	1,076,538.00
Office Expenses	357,725.50	100,746.80
Listing & Other Charges	495,553.49	396,327.90
Post, Telegram & Couriers Exp.	19,268.00	75,645.00
Printing & Stationery Exp	342,598.00	403,699.65
Loss on Trading of F&O	(141,331.26)	415,417.10
Other Interest Expenses (Sales tax and others)	1,624,610.00	-
Rates & Taxes	4,214.00	124,366.68
Transport Expenses	2,945,559.60	165,392.50
Telephone Chgs.	123,697.75	1,800.00
Tour & Travels	602,023.00	71,611.00
Vat Assesment Dues of earlier years	341,403.69	-
Advertisement	-	32,472.00
Commission & Brokerage	521,658.00	1,684,859.00
Cold Storage Expenses_Indirect	2,241,791.83	9,622,137.10
Discount Given	145,048.85	46,748.71
Freight/Clearing & Forwarding Charges	-	427,098.00
Indirect Export expenses	23,988.00	-
Loading & unloading Chgs	87,625.00	633,492.25
Packaging & Quality Cert Expenses	926,447.35	733,826.00
TOTAL	12,692,269.80	17,736,787.51

22.1 As per Note 5(i)(c) regarding general instructions for preparation of Statement of profit and loss, in respect of Separate disclosures of Items which is in Excess of 1% of the revenue from operations or Rs. 1 lacs whichever is higher, the details are classified as above.

22.2 As per Note 5(i)(j) regarding general instructions for preparation of Statement of profit and loss, in respect of Separate disclosures of Items under broad heads, the details are classified as above.

22.3 As per Note 5(vi) regarding general instructions for preparation of Statement of profit and loss, in respect of Expenditures incurred on Payments made to the Auditors, the details are classified as above.

Shree Surgovind Tradelinks Limited

Notes to financial statement for the year ended 31 March 2014

31 March 2014 31 March 2013

23 Depreciation and amortization expense		
Depreciation on tangible assets	599,604.00	500,933.00
Amortization on intangible assets		
	599,604.00	500,933.00

As per Note 5(i)(b) regarding general instructions for preparation of Statement of profit and loss, the details are classified as above.

24 Finance Costs		
Interest Expenses	32,197,521.33	25,987,937.78
Other Borrowing costs-Finance Charges/Bank Charges	4,206,844.42	4,198,585.24
Applicable net gain/loss on foreign currency transactions and translation.	11,042,152.25	7,341,704.34
	47,446,518.00	37,528,227.36

24.1 In accordance with Accounting Standard 11 (Revised) the net exchange loss debited to Profit & loss account is Rs. 11.04 lakhs (previous year gains Rs.73.41 lakhs)

24.2 As per Note 5(i)(e) regarding general instructions for preparation of Statement of profit and loss, in respect of Separate disclosures of Interest Expenses, the details are classified as above.

25 Earning Per Share

Basic EPS

A. Profit/(Loss) Computation for basis earnings per share of 10 each		
PAT as per Stat of Profit & loss available to Equity Sh.holders	1,701,688.82	9,603,685.74
B. Weighted average number of Equity shares for EPS computation	5,010,000	5,010,000
C. EPS (weighted average)		
Basic EPS (before and after Extraordinary items)	0.34	1.92

26 Contingent liabilities

a Bank Guarantee issued in favour of V M Oils (P) Ltd	76,51,030	170,000.00
b Letters of Credit outstanding		29,971,458.00
c Claims against the company not acknowledged as debts	19,79,882	
d Sub-Judices Matters with ROC, etc., (Refer Note 29 below)		

27 The Income-tax assessments of the Company have been completed upto the accounting year ended 31.3.2011

28 The Company has a single segment namely "trading in spice & related other products", Therefore the company business does not fall under different segments as defined by AS-17-"Segment Reporting" issued by ICAI.

29a) Case against the Former Directors of the company in 2002 by Registrar of Companies (ROC)

The case filed by the Registrar of Companies:

- 1 U/s. 63-Criminal Liability for misstatement in Prospectus;
- 2 U/s. 68-Penalty for fraudulently inducing persons to invest money
- 3 U/s. 628-Penalty for false statements.

The Company is of the Opinion that the cases are initiated against the former directors of the Company in the Year 2002 and not against the company. The penalty amount are not quantifiable as the matters are sub-judice.

b) Case against the Company / Directors by SEBI

Subsequent to the end of the year under review, SAT(SEBI Appellate Tribunal) passed an order upholding Adjudication order passed by SEBI imposing a penalty of Rs. 6,00,000/(Rupees Six Lacs Only) for certain violations of the SEBI & SAST Regulations. The company has since paid the said penalty and the accounting effect of this Penalty payment will be given in the financial statements for the year ending 31st March, 2015.

Shree Surgovind Tradelinks Limited

		₹	₹
Cash Flow Statement		31 March 2014	31 March 2013
Cash flow from operating activities			
Net Profit as Per Profit & Loss Account		2,502,575.82	11,198,724.58
Non-cash adjustments to reconcile profit before tax to net cash flows			
Depreciation / amortization on continuing operation		599,604.00	500,933.00
Taxes Adjustment towards excess prov w/back			(1,495,809.00)
Unrealized foreign exchange loss		40,258.56	
Finance expenses		84,778.04	
Interest (incomes)		(1,172,342.00)	
Operating Profit before Working Capital changes		2,054,874.42	10,203,848.58
Movements in working capital :			
Increase/(decrease) in short-term borrowings		12,626,603.50	32,296,135.53
Increase/(decrease) in trade payables		(21,266,934.71)	16,587,880.81
Increase/(decrease) in other current liabilities		(6,646,088.96)	5,392,629.05
Increase/(decrease) in short-term provision			383,000.00
(Increase)/decrease in Inventories		(32,832,540.94)	(24,495,967.18)
(Increase)/decrease in Receivables		24,637,923.18	(25,884,647.65)
(Increase)/decrease in long term loans and advances		(1,883,858.10)	(2,214,763.15)
(Increase)/decrease in short term loans and advances		(18,735.25)	(2,832,004.00)
Cash generated from/ (used in) operations		(23,328,756.86)	9,436,111.99
Less : Income Taxes Paid		(2,309,386.50)	-
Net cash flow from/ (used in) operating activities	A	(21,019,370.36)	9,436,111.99
Cash flow from investing activities			
Purchase of Fixed Assets		(68,975.00)	(3,522,434.00)
Maturity of non-current investments		37,678,489.00	(17,913,147.00)
Interest Received		1,438,015.00	-
Net cash flow from/ (used in) investing activities	B	39,047,529.00	(21,435,581.00)
Cash flow from financing activities			
Proceeds from long term borrowings		(5,000,000.00)	1,900,000.00
Repayment of long term borrowings		(10,107,673.96)	(431,653.39)
Finance Cost		(84,778.04)	-
Net cash flow from/ (used in) financing activities	C	(15,192,452.00)	1,468,346.61
Net Increase in Cash & Cash equivalents	A+B+C	2,835,706.64	(10,531,122.40)
Cash & Cash Equivalents at the beginning of the year		541,288.92	11,072,411.32
Cash & Cash Equivalents at the end of the year		3,376,995.56	541,288.92
Components of Cash & Cash equivalents			
Cash on Hand		371,243.62	534,951.98
With banks on current account		6,336.94	6,336.94
FD With 3 Months maturity		2,999,415.00	-
Total Cash & Cash equivalents (note 16)		3,376,995.56	541,288.92
For P P JAYARAMAN & CO Chartered Accountants		For Shree Surgovind Tradelink Limited	
P P JAYARAMAN Proprietor		Kalpana Kulkarni Director	
Place : Date :		Navin Mehta Chairman	
		Shruti Sawant Director	

Shree Surgovind Tradelinks Limited

FIXED ASSETS SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2014

Note 9 Fixed Assets Schedule			GROSS BLOCK				DEPRECIATION				NET BLOCK	
SR NO	PARTICULARS	RATE	AS AT	Additions 1-Apr-2013	Dedu ctions	AS AT 31-Mar-2014	UPTO 1-Apr-2013	FOR THE YEAR	Deduc tions	UPTO 31-Mar-2014	AS AT 31-Mar-2014	AS AT 31-Mar-2013
I	Plant & Machinery	13.91%	3,653,248.00	27,000.00	-	3,680,248.00	449,046.00	448,411.00	-	897,457.00	2,782,791.00	3,204,202.00
II	Furniture & Fixtures	18.10%	590,236.00	-	-	590,236.00	570,393.03	3,592.00	-	573,985.03	16,250.97	19,842.97
III	Computers., etc	40.00%	706,570.00	41,975.00	-	748,545.00	372,598.40	147,601.00	-	520,199.40	228,345.60	333,971.60
	TOTAL		4,950,054.00	68,975.00	-	5,019,029.00	1,392,037.43	599,604.00	-	1,991,641.43	3,027,387.57	3,558,016.57
	PREVIOUS YEAR		1,427,620.00	3,522,434.00	-	4,950,054.00	891,104.43	500,933.00	-	1,392,037.43	3,558,016.57	536,515.57

Shree Surgovind Tradelink Limited

Notes to financial statements for the year ended 31 March 2014

1. CORPORATE INFORMATION

Shree Surgovind Tradelink Limited ("the Company") was incorporated in India on 26th of October, 1995 and is business of traders, exporters, importers, cold storage lessors and refrigerating engineers, operators. Company has its registered office at Ahmedabad and the branch at Mumbai

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements:

- i) The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.
- ii) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Examples of such estimates are provision for income tax.

2.3 Tangible Assets

Tangible assets are stated at cost of acquisition including interest attributable and financial costs till the date of acquisition and/or installation of the assets and improvement thereon less accumulated depreciation /amortization and accumulated impairment losses if any.

Subsequent expenditure related to an item of other tangible assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.4 Depreciation on tangible assets

Depreciation on tangible assets is provided:

- i) In respect of buildings and sheds, furniture and office equipments on the written down value method (pro-rata on additions and deletions of the year) at rates prescribed in Schedule XIV to the Companies Act, 1956.
- ii) In respect of plant & machinery, on the written down value method at rates prescribed in schedule XIV to the Companies Act, 1956 on a pro-rata basis.
- iii) In respect of computers depreciation is provided on written down value on a pro-rata basis.

2.5 Intangible assets

As present the company does not hold any investment in intangible assets, hence no accounting policies has been formulated. Suitable accounting policies will be formulated if any future investments are made in intangible assets in future.

2.6 Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount and determines accounting policies taking into consideration AS-28 Impairment of assets issued by ICAI.

2.7 Leases

Where the lessors effectively retains substantially all the risks and benefits of ownership of the leased item the leased Cold Storage are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

2.8 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.9 Government grants and subsidies

At present, no grants and subsidies has been received from the Government. Hence no accounting policy had been formulated in this regard

2.10 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investment. Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

2.11 Inventories

Items of Inventories are valued at the lower of cost (on Weighted Average Cost basis) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the warehouse, including applicable taxes and other levies, transit insurance etc.

2.12 Revenue recognition

Sales:- Revenue is recognised when the title of the goods including all risks and rewards of ownership has been transferred to the buyer and the seller retains no effective control of the goods transferred to a degree usually associated with ownership and where the consideration is reliably measured and it is reasonably certain to expect ultimate collection. Revenue from operations includes sale of goods and services in respect of cold storage business and interest incomes but excludes sales tax and value added tax.

Income:- The Company recognizes the income on accrual basis. However where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty. Interest is accrued over the period of the loan/investment. Dividend is accrued in the year in which it is declared whereby a right to receive is established. Profit /loss on sale of investments are recognized on the contract date. Benefit on account of entitlement to import goods free of duty under the "Duty Entitlement Pass Book Scheme" is accounted in the year of export.

2.13 Statutory and other taxes

Excise duty/Service tax is not applicable to the company. Sales tax/Value Added tax paid is set-off against the collection and in case of excess payment of earlier years; the same is debited to Profit and Loss account.

2.14 Foreign currency transactions and translations

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Monetary items denominated in foreign currencies at the year end and are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any income or expenses on account of exchange differences either on settlement or on translation is recognized in the Profit and loss account. Financial derivatives and hedging contracts are accounted on the date of their settlement and realized gain/loss in respect of settled contracts is recognised in the statement of profit and loss along with the underlying transactions.

2.15 Employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in profit and loss account of the year in which the related service is rendered. The Company does not have a system of retirement benefits except Provident Fund for which Contributions are made from time to time. Provident fund contribution are based on defined contribution plans.

2.16 Income taxes

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. The income taxes on the assessments completed till date are adjusted against their corresponding provisions maintained in the Balance sheet.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets are recognized only to the extent that there is a virtual certainty that the asset will be realized in future.

2.17 Segment reporting

a. Identification of segments

At present the company deals only in a single segment of Trading of Spices, Dry Fruits and Pulses, hence the company's operating businesses are organized and managed accordingly and no further segment identification is done and no such accounting policies in respect to disclosures of the same. Although the company manages Cold storages, the gross income from the same is not more than 10% of the Gross Revenue of Sales of the company and therefore no separate segment reporting are done for this activity.

2.18 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares *if any*, are treated as a fraction of equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

2.20 Contingent liabilities and Contingent assets

Contingent liabilities are not recognized but disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.21 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.22 Measurement of EBITDA

As permitted by the *Guidance Note on the Revised Schedule VI to the Companies Act, 1956*, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss account. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.