

**SHREE SURGOVIND TRADELINK LIMITED**

**20<sup>TH</sup> ANNUAL REPORT**

**2014-2015**

# **SHREE SURGOVIND TRADELINK LIMITED**

## **20<sup>th</sup> Annual Report**

**2014-2015**

**BOARD OF DIRECTORS** : Mr. Navin M. Mehta - Chairman  
Mr. Mayur Krishna Tendulkar – Whole Time Director  
Mr. Chirag Pramodkumar Sanghavi - 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, 1<sup>st</sup> Floor, Angel Complex,  
Behind Bluestar Complex, Navjeevan,  
Ahmedabad – 380014

**WEBSITE** : [www.sstl.co.in](http://www.sstl.co.in)

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

## NOTICE

**NOTICE** is hereby given that the Twentieth Annual General Meeting of the Members of **SHREE SURGOVIND TRADELINK LIMITED** will be held on **Tuesday, the 29<sup>th</sup> day of September, 2015** at **11.00 a.m.** at the registered office of the Company at **103/1, 1<sup>st</sup> 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 31<sup>st</sup> March, 2015 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 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approval of the members be and is hereby given for appointment of Mrs. Kalpana Kulkarni, who was appointed as an Independent Director of the Company by the Board of Directors on 25<sup>th</sup> March, 2015, be and is hereby appointed as an Independent Non-Executive Director, to hold office for 5 consecutive years and who shall not be liable to retire 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 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approval of the members be and is hereby given for appointment of Mrs. Shruti Sawant, who was appointed as a Director of the Company by the Board of Directors on 25<sup>th</sup> March, 2015, be and is hereby appointed as a Independent Non-Executive Director, to hold office for 5 consecutive years and who shall not be liable to retire 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 provisions of section 149,150,161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the members be and is hereby given for the appointment of Mr. Chirag Sanghavi, who was appointed as a Independent Non-Executive Director of the Company with effect from 25<sup>th</sup> June, 2015, to hold office for 5 consecutive years, not liable to retire by rotation."

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

**NAVIN MEHTA  
DIRECTOR**

**Place :Mumbai**

**Dated :7<sup>th</sup> August, 2015**

**Registered Office:  
103/1, 1<sup>st</sup> 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 24<sup>th</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015 (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. Mr Navin Mehta, Director retire by rotation, and being eligible offer himself for re-appointment at the Annual General Meeting. A brief resume of the said Director, is given below:

Name	<b>Mr. Navin Mehta</b>
Directors Identification number (DIN)	<b>00764424</b>
Age	<b>51</b>
Qualification	<b>BSc., D Pharm</b>
Expertise in Specific Area	<b>Trading</b>
Date of first Appointment on the Board of the Company	<b>01/04/2008</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>1,75,000</b>
List of Directorship held in other companies	<b>RKB Iron &amp; Steel Pvt. Ltd.</b>
Membership / Chairmanships of Audit and stake holders relationship committees	<b>Refer to Report on Corporate Governance</b>

8 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.

9 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 20<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on Friday 25<sup>th</sup> September, 2015 from 10.00 a.m. onwards and ends on Monday, 28<sup>th</sup> September, 2015 till 5.00 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 23<sup>rd</sup> September 2015, 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](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
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"> <li>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).</li> </ul>
<p>(viii) After entering these details appropriately, click on “SUBMIT” tab.</p> <p>(ix) 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.</p> <p>(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</p> <p>(xi) Click on the EVSN for the relevant &lt;Company Name&gt; on which you choose to vote.</p> <p>(xii) 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.</p>	

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) 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](mailto: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](mailto: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.
- (xix) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) Mr. A. Sekar, Practicing Company Secretaries (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 scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting 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, not later than 3 days of conclusion of meeting 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 Independent Non – Executive Director pursuant to Section 149, 152 of the Companies Act, 2013. Her term of office shall be of 5 consecutive years and she shall not be liable to retire by rotation.

Brief resume of Mrs. Kalpana Kulkarni nature of her expertise in specific functional areas and names of Companies in which she hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se, are provided herein below:

Name	<b>Mrs. Kalpana Kulkarni</b>
Directors Identification number (DIN)	<b>06463476</b>
Age	<b>52 yrs</b>
Qualification	<b>B.Com</b>
Expertise in Specific Area	<b>Accounts, finance and administration</b>
Date of first Appointment on the Board of the Company	<b>06/11/2013</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>0</b>
List of Directorship held in other companies	<b>RKB Steel Pvt. Ltd.</b>
Membership / Chairmanships of Audit and stake holders relationship committees	<b>Refer to Report on Corporate Governance</b>

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 Independent Non – Executive Director pursuant to Section 149, 152 of the Companies Act, 2013. Her term of office shall be of 5 consecutive years and she shall not be liable to retire by rotation.

Brief resume of Mrs. Shruti Sawant nature of her expertise in specific functional areas and names of Companies in which she hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se, are provided herein below:

Name	<b>Mrs. Shruti Sawant</b>
Directors Identification number (DIN)	<b>06463461</b>
Age	<b>39 yrs</b>
Qualification	<b>B.A.</b>
Expertise in Specific Area	<b>Import and Export Operations</b>
Date of first Appointment on the Board of the Company	<b>06/11/2013</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>0</b>
List of Directorship held in other companies	<b>RKB Steel Pvt. Ltd.</b>
Membership / Chairmanships of Audit and stake holders relationship committees	<b>Refer to Report on Corporate Governance</b>

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 Mr. Chirag Sanghavi as a Independent Non – Executive Director pursuant to Section 149,150,161 of the Companies Act, 2013 w.e.f 25<sup>th</sup> June, 2015, subject to the approval of members. His term of office shall be of 5 consecutive years and he shall not be liable to retire by rotation.

Brief resume of Mr. Chirag Sanghavi is provided herein below:

Name	<b>Mr. Chirag Sanghavi</b>
Directors Identification number (DIN)	<b>07221676</b>
Age	<b>27</b>
Qualification	<b>B.Com</b>
Expertise in Specific Area	<b>Finance &amp; Control</b>
Date of first Appointment on the Board of the Company	<b>25/06/2015</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>0</b>
List of Directorship held in other companies	<b>Nil</b>
Membership / Chairmanships of Audit and stake holders relationship committees	<b>Refer to Report on Corporate Governance</b>

The Board considers that availing his services would be beneficial to the Company and he 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. 6 of the Notice.

Except Mr. Chirag Sanghavi, 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.

For and On Behalf of the Board of Directors

Navin M Mehta  
Director

Mumbai, dated 7<sup>th</sup> August, 2015

## **DIRECTORS' REPORT**

Dear Members,

Your Director's have pleasure in presenting their Twentieth Annual Report and Audited Annual Accounts of the Company for the year ended on 31<sup>st</sup> March, 2015.

### **FINANCIAL RESULTS:**

(figures in Rs. Lacs)

	<b>For the year 2014-2015</b>	<b>Previous Year 2013-2014</b>
Total Income	5517.08	8366.75
Profit before Depreciation & Tax	(289.74)	31.03
Less: Depreciation	11.10	6
Profit / (Loss) before tax	(300.84)	25.03
Less: Provision for Tax	(2.27)	8.01
Profit / (Loss) after tax	(298.57)	17.02

### **REVIEW OF OPERATIONS AND FUTURE OUTLOOK**

The Company has recorded income from operations of Rs. 5517.08 lacs as compared to Rs. 8366.75 lacs achieved during the corresponding period in previous year representing a fall of 34.06 % over the previous year. After offsetting the expenses the Company has earned net loss (after tax) of Rs. 298.57 lacs during the year as against Profit after tax of Rs. 17.02 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.

### **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

## **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 re-designated as Independent Non-Executive Directors w.e.f 27<sup>th</sup> March, 2015, appointed for a period of 5 years and who shall not be liable to retire by rotation. The category of Mr. Mayur Tendulkar and Mr. Navin Mehta was changed to Professional Director w.e.f 27<sup>th</sup> March, 2015 respectively.

Subsequent to the year end, Mr. Chirag Pramodkumar Sanghavi was appointed as a Independent Non –Executive Director w.e.f 25.06.2015.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### Nomination & Remuneration Policy

The Board has re-constituted the Nomination and Remuneration Committee and has framed policy for selection and appointment of Directors, Senior Management and there remuneration. The Nomination & remuneration Policy is stated in the Corporate Governance Report.

### Meetings

During the year seven Board Meetings were convened and held i.e., 30.04.2014, 10.07.2014, 05.08.2014, 20.10.2014, 13.11.2014, 10.02.2015 and 27.03.2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **COMPANY SECRETARY**

Pursuant to the section 203 of the Companies Act, 2013, the Board appointed Mr. Ashwin Panditpautra as Company Secretary of the Company w.e.f 02.02.2015. However subsequent to year end, Mr. Ashwin Panditpautra has resigned w.e.f 31.05.2015

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to provisions of Section 134(5) of the Companies Act, 1956, the Directors would like to state that:

1. in preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
2. 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. 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 are prepared on a going concern basis.
5. they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. they had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

#### **PARTICULARS OF EMPLOYEES**

During the year under review, there was no employee employed who was in receipt of remuneration in excess of the limits prescribed under section 197 read with Schedule V of the Companies Act, 2013.

Since there are no employees during the year under review, the particulars required to be disclosed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

#### **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'S 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.

## **SECRETARIAL AUDIT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. A.Sekar, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B"

## **OBSERVATIONS IN THE SECRETARIAL AUDIT REPORT**

The secretarial audit report obtained by the Company contains certain observations regarding exceptions to required compliances under the Companies Act, 2013 and the Listing agreement entered into with BSE.

The explanations of the Directors to the said observations are given below:

1. The website of the Company is being updated to make it fully functional as mandated under Clause 54 of the listing agreement.
2. The Company will ensure that the requirements of Clause 41 with respect to
  - a) intimation of results within 15 minutes of the conclusion of the Board meeting and
  - b) publication of the notice conveying the Board Meeting for consideration of unaudited resultswill be fully complied in future.
3. The Audit Committee and other Statutory Committees constituted by the Board of Directors are in compliance of requirements of Companies Act, 2013
4. The Company has in the Financial Year 2015 – 2016 formulated the requisite Model Code of Conduct under the newly notified SEBI (Prohibition of Insider Trading) Regulations, 2015.
5. The Company had advertised through various sources for appointment of Whole Time Secretary. However, it did not succeed to finalise a suitable person till 2<sup>nd</sup> February, 2015.

## **FIXED DEPOSITS**

The company has not accepted and/or renewed deposits from public during the year within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by the company are given in the notes to the financial statements.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size and the nature of its business with regard to purchase of inventory and fixed assets and the sale of goods and services. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were at prevailing market price. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Details of Related Party Transactions are annexed vide Form No. AOC 2

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a vigil mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy.

#### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

#### **RISK MANAGEMENT POLICY**

Pursuant to section 134(3)(n) of the Companies Act, 2013, the company has constituted a business risk committee. The details of the policy and its terms of reference are set out in the corporate governance report forming part of the Board's report.



At present the company has not identified any element of risk which may threaten the existence of the company.

#### **CORPORATE COMPLIANCE POLICY**

Pursuant to section 134(5)(f) of the Companies Act, 2013, the Company has constituted Corporate Compliance Policy, to ensure compliance with the provisions of all applicable laws and to report that such systems were adequate and operating effectively.

#### **ANTI – SEXUAL HARRASMENT POLICY**

The Company has in place an Anti Sexual harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. However, the Company does not have more than 10 number of employees and as such, has not constituted Internal Complaints Committee.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required by Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report, which form an integral part of this Report, is set out as a separate Annexure.

#### **CORPORATE GOVERNANCE**

The requirement to report on clause 49 of the listing agreement is applicable to Companies having paid up capital of Rs. 10 crores. Since the paid up capital of the company is Rs. 5.01 crores, this clause is not applicable.

However, Corporate Governance Report is attached as a separate annexure dealing with various governance aspects with emanating from Companies Act, 2013.

#### **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**

**Place : Mumbai**

**Dated : 7<sup>th</sup> August, 2015**

**Registered Office:**

**103/1, 1<sup>st</sup> Floor, Angel Complex,**

**Behind Bluestar Complex,**

**Navjeevan, Ahmedabad – 380014**

**CHAIRMAN**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis**  
**NIL**
  
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	<b>RKB Global Pvt. Ltd.</b>
Nature of contracts /arrangements/transactions	<b>Purchases / Sales</b>
Duration of the contracts / arrangements/transactions	<b>Not defined</b>
Salient terms of the contracts or arrangements or transactions including the value, if any	<b>Transactions were made in the ordinary course of business at prevailing market prices.</b> <b>Purchases – Rs. 40,282,497</b> <b>Sales – Rs. 371,472,553</b>
Date(s) of approval by the Board, if any	<b>-</b>
Amount paid as advances, if any	<b>NIL</b>

“ANNEXURE A”

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- **L51901GJ1995PLC027958**
- ii) Registration Date: **26-10-1995**
- iii) Name of the Company: **Shree Surgovind Tradelink Limited**
- iv) Category / Sub-Category of the Company: **Public Company / Limited by shares & Company having share capital**
- v) Address of the Registered office and contact details: **103 / 1<sup>st</sup> Floor, Angel Complex, Behind Bluestar Complex, Navjeevan, Ahmedabad , Gujarat – 380014. Contact No. 61925555**
- vi) Whether listed company Yes / No: **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **Adroit Corporate Services Private Ltd., 19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Rd, Marolnaka, Andheri (E), Mumbai-59. Tel No. 022-28594060 Fax No. 022-28503748**

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S.no	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Wholesale trade of cereals & pulses	51211	14.72
2.	Wholesale trade of Metal & Metal ore	51420	80.08

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NIL**

There are no holding, Subsidiary and Associate Companies

<b>IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	physical	Total	% of total shares	demat	physical	total	% of total shares	
<b>A.Promoters</b>									
<b>(1) Indian</b>									
g) Individual/HUF	350700	2014500	2365200	47.21	2365200	0	2365200	47.21	0
h) Central Govt									
i) State Govt(s)									
j) Bodies Corp.									
k) Banks / FI									
l) Any Other....									
<b>Sub-total (A) (1):-</b>	350700	2014500	2365200	47.21	2365200	0	2365200	47.21	0
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other...									
<b>Sub-total (A) (2):</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A) (2)</b>	350700	2014500	2365200	47.21	2365200	0	2365200	47.21	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0

<b>2. Non Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	24000	0	24000	0.48	8016	0	8016	0.16	(0.32)
ii) Overseas									
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	48100	277300	325400	6.50	77109	261600	338709	6.76	0.26
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1411400	861700	2273100	45.37	1421375	861700	2283075	45.57	0.20
<b>c) Others (specify)</b>									
Clearing member	7300	0	7300	0.14	-				(0.14)
NRIs	0	15000	15000	0.30	-	15000	15000	0.30	0
<b>Sub-total (B)(2):-</b>	1490800	1154000	2644800	52.79	1506500	1138300	2644800	52.79	0
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	1490800	1154000	2644800	52.79	1506500	1138300	2644800	52.79	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	
<b>Grand Total (A+B+C)</b>	1841500	3168500	5010000	100	3871700	1138300	5010000	100	0
<b>(ii) Shareholding of Promoters</b>									
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the beginning of the year			% change in shareholding during the year	
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		
1	Alok Virat Shah	711100	14.19	-	711100	14.19	-	0	
2	Rajan Sevantilal Shah	880900	17.58	-	880900	17.58	-	0	
3	Virat Sevantilal Shah	773200	15.43	-	773200	15.43	-	0	

(iii) Change in Promoters' Shareholding (please specify, if there is no change) - NIL

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>For Each of the Top 10 Shareholders</b> Keyurkumar Sureshbhai Patel				
	At the beginning of the year	200000	3.99	200000	3.99
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>200000</b>	<b>3.99</b>
2.	Navin Madhavji Mehta				
	At the beginning of the year	175000	3.49	175000	3.49
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>175000</b>	<b>3.49</b>

3.	Patel Keyur Sureshkumar				
	At the beginning of the year	154300	3.08	154300	3.08
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>154300</b>	<b>3.08</b>
4.	Paresh S Patel				
	At the beginning of the year	150000	2.99	150000	2.99
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>150000</b>	<b>2.99</b>
5.	Indira V Mehta				
	At the beginning of the year	1040100	2.08	104100	2.08
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			(40) Sale of shares	0
	At the End of the year ( or on the date of separation, if separated during the year)			<b>104060</b>	<b>2.08</b>
6.	Rekha Prakash Patel				
	At the beginning of the year	101000	2.02	101000	2.02
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>101000</b>	<b>2.02</b>

7.	Namrata Prakash Patel				
	At the beginning of the year	98700	1.97	98700	1.97
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>98700</b>	<b>1.97</b>
8.	Nitin J. Sanghvi				
	At the beginning of the year	76700	1.53	76700	1.53
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>76700</b>	<b>1.53</b>
9.	Rukshmani Lavji Thakkar				
	At the beginning of the year	70700	1.41	70700	1.41
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>70700</b>	<b>1.41</b>
10.	Mittal Chetan Thakkar				
	At the beginning of the year	68700	1.37	68700	1.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year ( or on the date of separation, if separated during the year)			<b>68700</b>	<b>1.37</b>



**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Navin Madhavji Mehta				
	At the beginning of the year	175000	3.49	175000	3.49
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year			<b>175000</b>	<b>3.49</b>
2	Mayur Krishna Tendulkar				
	At the beginning of the year	49600	0.99	49600	0.99
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			-	
	At the End of the year			<b>49600</b>	<b>0.99</b>

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	126568799	19570979		146139778
ii) Interest due but not paid	392165			392165
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	126960964	19570979		146531943
<b>Change in Indebtedness during the financial year</b>				

Addition				
Reduction	79482474	19570979		99053453
<b>Net Change</b>	79482474	19570979		99053453
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	47478490	0		47478490
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	47478490	0		47478490

#### **XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NIL**

B. Remuneration to other directors: **NIL**

C. Remuneration To Key Managerial Personnel Other Than Md/Manager/Wtd

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	15000	-	15000
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit -others, specify...				
5.	Others, please specify				
	<b>Total</b>	-	15000	-	15000

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

**SECRETARIAL AUDIT REPORT  
FOR THE YEAR ENDED MARCH 31, 2015**

To  
The Members  
Shree Surgovind Tradelinks Limited  
Ahmedabad,  
Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Surgovind Trade Links Ltd, (hereinafter called the Company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of secretarial audit, I hereby report that in my opinion the Company has during the period covering April 2014 to March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period April 2014 to March 31, 2015 according to the provision of:

- (i) The Companies Act, 2013 ( the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 2014
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable ; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards Issued by The Institute of Company Secretaries of India, to the extent applicable.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above, except the following observations:

1. During the year under review, it was noticed that the website maintained by the Company was not updated to contain the basic information about the company e.g. details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances, details of agreements entered into with the media companies and/or their associates, if any, etc. as mandated by Clause 54 of the Listing Agreement.
2. Clause 41 of the Listing Agreement states that the financial results shall be submitted to the stock exchange within fifteen minutes of conclusion of the meeting of the Board or Committee in which they were approved through such mode as may be specified by the stock exchange. The company files the financial results by physical delivery to the stock exchange and does not forward the results within 15 minutes of the actual conclusion of the meeting to the stock exchange. Further, Clause 41 requires the company to issue a public notice regarding the convening of the Board Meeting to consider financial results in the newspapers ( One English and one regional daily) immediately after intimating the stock exchanges. This requirement was not complied.
3. Clause 49 of the Listing Agreement regarding Corporate Governance was applicable to the company till September 30, 2014 and since the share capital of the company is less than Rs. 10 crores the provisions of Clause 49 is not applicable to the company from October 01, 2014. But the company did not have in place a properly constituted Audit Committee and other statutory committees during the first half of the year ending on September 30, 2014. However since the provisions of the Companies Act, 2013 had to be complied with only by March 31, 2015, the company has now reconstituted the Audit Committee and the other statutory committees.
4. The company did not formulate a Model Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations, 1992 during the year ended 31<sup>st</sup> March, 2015. However, subsequent to the year under review, the company has formulated the requisite Model Code of Conduct under the newly notified SEBI (Prohibition of Insider Trading) Regulations, 2015.
5. The Company did not have a whole time company secretary till February 2, 2015 which is a non-compliance of Section 203 of the Companies Act, 2013. Further Clause 47C of the listing Agreement mandates that every listed company must have a compliance officer who shall be a company secretary. Since the company did not have a whole time company secretary they did not have a compliance officer which is also a non-compliance of the Listing Agreement.

**I further report that**

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

*The company has formulated a Compliance Management System to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, which is under implementation.* The adequacy of these systems and processes in the company and their being commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines is subject to our review.

**I further report that** during the audit period, the company has not undertaken any action having a major bearing on the company's affairs in pursuance of the above referred laws.

Place : Mumbai

Date : 7<sup>th</sup> August, 2015

A SEKAR  
COMPANY SECRETARY  
ACS 8649 CP 2450

This report is to be read with our letter of even date which is annexed as Annexure - 1 and forms an integral part of this report.

*'Annexure - 1'*

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Mumbai

Date : 7<sup>th</sup> August, 2015

A SEKAR  
COMPANY SECRETARY  
ACS 8649 CP 2450

## **CORPORATE GOVERNANCE REPORT**

### **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 five (5) 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.	2
Mr. Mayur Tendulkar	Promoter & Executive	Whole Time Director	RKB Steel Pvt. Ltd.	NIL
Mr. Chirag Sanghavi	Independent & Non-Executive Director	Director	NIL	NIL
Mrs. Shruti Sawant	Independent & Non-Executive Director	Director	RKB Steel Pvt. Ltd.	2
Mrs. Kalpana Kulkarni	Independent & Non Executive Director	Director	RKB Steel Pvt. Ltd.	3

None of the Directors are disqualified under section 164(2) and rule 14(1) of Companies(Appointment and Qualification of Directors) Rules, 2014

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 Directors met 7 times on 30.04.2014, 10.07.2014, 05.08.2014, 20.10.2014, 13.11.2014, 10.02.2015 and 27.03.2015.

<b>Attendance of current Directors at the Board Meetings and Last Annual General Meeting :</b>								
<b>Name of Director</b>	<b>Board Meetings Attended</b>	<b>Attendance at the Last Annual General Meeting</b>						
Mr. Navin M. Mehta	7	Yes						
Mr. Mayur Tendulkar	7	No						
Mr. Chirag Sanghavi	0	No						
Mr. Shruti Sudhakar Sawant	7	No						
Mr. Kalpana Rajiv Kulkarni	7	No						
<p>No Extra Ordinary General Meeting was held during the year under review.</p> <p><b>3. Audit Committee:</b></p> <p><b>i) Terms of Reference:</b></p> <p>During the year under review, the Company re-constituted audit committee as required under section 177 of the Companies Act 2013. The duties of the Audit committee includes reviewing reports of the internal auditor, meeting statutory auditors as and when required and discuss their findings, suggestions, observations and other related matters. It also includes reviewing major accounting policies followed by the company.</p> <p><b>ii) Composition:</b></p> <p>The Audit committee consists of three Directors, Mr. Navin Mehta, Ms. Kalpana Kulkarni (Independent Director) and Ms. Shruti Sawant (Independent Director). Mr. Navin Mehta has been designated as chairman of the committee. The Committee was formed on 10<sup>th</sup> February, 2015 and subsequent to year end, the meeting of the audit committee was held on 29<sup>th</sup> May, 2015 and 7<sup>th</sup> August, 2015.</p> <p><b>4. Nomination &amp; Remuneration Committee:</b></p> <p>The nomination &amp; remuneration committee for nomination &amp; remuneration of executive directors was re-constituted with effect from 10<sup>th</sup> February, 2015. The committee comprises of three Directors, Ms. Kalpana Kulakarni (Independent Director), Mr. Navin Mehta and Ms. Shruti Sawant (Independent Director). The details of remuneration to the Executive Director as on 31<sup>st</sup> March, 2015 are as follows:</p> <table border="1"> <thead> <tr> <th><b>Name</b></th> <th><b>Designation</b></th> <th><b>Remuneration (per month)</b></th> </tr> </thead> <tbody> <tr> <td><b>Mayur Tendulkar</b></td> <td><b>Whole Time Director</b></td> <td><b>25,000/-</b></td> </tr> </tbody> </table> <p>However, Mr. Mayur Tendulkar waived the remuneration payable to him, during the year under review and his waiver has been accepted by the Board.</p> <p>The nomination and remuneration committee has adopted a policy which, interalia, deals with the nomination of the Directors, Senior Management and Key managerial Policy and their remuneration.</p> <p>The N&amp;R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.</p>			<b>Name</b>	<b>Designation</b>	<b>Remuneration (per month)</b>	<b>Mayur Tendulkar</b>	<b>Whole Time Director</b>	<b>25,000/-</b>
<b>Name</b>	<b>Designation</b>	<b>Remuneration (per month)</b>						
<b>Mayur Tendulkar</b>	<b>Whole Time Director</b>	<b>25,000/-</b>						



**Remuneration:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company.

**5. Performance Evaluation :**

The process approved by the N & R Committee requires the Chairman to initiate the performance evaluation process at the beginning of every financial year. The performance evaluation is conducted based on approved evaluation norms. The process of evaluation is being evolved separately for the Board, its Committees, the directors in each category namely executive and independent directors including Chairman.

**6. Business Risk Committee:**

A Separate Business Risk Committee has been constituted, which will work towards creating a Risk Register, identifying internal and external risks and implementing risk mitigation steps. The Committee has been given the responsibility to provide regular updates to the Board of Directors about various aspects of the business risks to which the company is or will be exposed.

**7. 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.

**8. Share Transfer Committee:**

The Company has not constituted Share Transfer Committee.

**9. Details of Annual General Meeting:**

<b>Financial Year</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
<b>2013– 2014</b>	103/1 1 <sup>st</sup> Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	22/09/2014	11.00 A.M.
<b>2012– 2013</b>	103/1 1 <sup>st</sup> Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	10/08/2013	3.00 P.M.
<b>2011– 2012</b>	103/1 1 <sup>st</sup> Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	06/08/2012	3.00 P.M.

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

#### **10. Disclosures:**

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

The Register of related party 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 Directors Report (Form AOC 2) and in the notes to 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 paid the amount of penalty during the year under review.

- iii) There is a whistle blowing policy in the Company and that no personnel has been denied access to the Board.
- iv) The CEO/CFO certification forms part of this Annual Report.

#### **7. Means of Communication:**

- Quarterly results are sent to stock exchanges after they are approved by the Board and are also published in the newspapers.
- 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.

#### **8. General Shareholder Information:**

##### **I. Annual General Meeting**

Date and Time : 29<sup>th</sup> September, 2015 at 11.00 a.m.

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

## **II. Financial Calendar 2015-2016 (Tentative and subject to change)**

Results for the quarter ending June 30, 2015 : First week of August, 2015  
Results for the quarter ending September 30, 2015 : First week of November, 2015  
Results for the quarter ending December 31, 2015 : First Week of February, 2016  
Results for the quarter ending March 31, 2016 : Last Week of May 2016

**III. Book Closure Date** : **24<sup>th</sup> September, 2015 to 29<sup>th</sup> September, 2015**  
(Both days inclusive for the purpose of the Annual General Meeting)

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

**V. Dividend Payment Date** : No dividend is recommended for the  
Financial year 2014-2015

## **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, where the documents are clear in all respects. We have appointed Adroit Corporate Services Pvt. Ltd. as a Registrar & Share Transfer Agent of the Company.

<b>IX. Distribution of Shareholding:</b>				
<b>No. of Equity Shares held</b>	<b>As on 31<sup>st</sup> March, 2015</b>			
	<b>No. of Shareholders</b>	<b>% of Shareholders</b>	<b>Total No. of Shares Held</b>	<b>% of Shareholding</b>
1 - 100	38	10.05	2125	0.04
101 - 500	71	18.78	32400	0.65
501 - 1000	181	47.88	143700	2.87
1001 – 2000	13	3.44	22400	0.45
2001 – 3000	16	4.23	43050	0.86
3001 – 4000	4	1.06	13750	0.27
4001 – 5000	3	0.79	15000	0.30
5001 - 10000	10	2.65	74300	1.48
10001 & 20000	7	1.85	96915	1.93
20001 & 50000	17	4.50	680500	13.58
50001 & Above	18	4.77	3885860	77.57
<b>TOTAL</b>	<b>378</b>	<b>100.00</b>	<b>5010000</b>	<b>100.00</b>
<b>X. Shareholding Pattern (as on 31<sup>st</sup> March, 2015):</b>				
<b>Category of Holder</b>	<b>No. of Shares</b>	<b>% of Equity</b>		
Promoters / Person acting in concert	2365200	47.21%		
Banks / Financial Institutions	0	0		
Private Corporate Bodies	8016	0.16%		
Indian Public	2636784	52.33%		
NRIs	0	0		
<b>TOTAL</b>	<b>50,10,000</b>	<b>100.00%</b>		
<b>XI. Details on use of public funds obtained in the last three years:</b>				
No funds have been raised from the public during the last three years.				
<b>XII. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity:</b>				
The Company has not issued any GDRs, ADRs during the year.				

### **XIII. 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,  
1<sup>st</sup> Floor, Makwana Road, Marolnaka,  
Mumbai – 400 059

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

Certificate of Chief Executive Officer under Companies Act, 2013 regarding compliance with Code of Conduct.

The Board of Directors  
Shree Surgovind Tradelink Limited

In accordance with the Companies Act, 2013 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, 2014 to March 31, 2015.

For **Shree Surgovind Tradelink Ltd.**

Place: Mumbai  
Date : 7<sup>th</sup> August, 2015

**Navin Mehta**  
**Chairman**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**OVERVIEW**

The financial year 2014-2015 was a year of 7.5% 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.

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**

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 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.

Independent auditors' report to the shareholders of **Shree Surgovind Tradelink limited** for the year ended March 31, 2015

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

**1. Report on the Standalone financial statements**

We have audited the accompanying financial statements of **SHREE SURGOVIND TRADELINK LIMITED** (the 'Company') which comprises of Balance Sheet as at March 31, 2015 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.

**2. Management's Responsibility for the financial statements**

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provision of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of accounting records, 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.

**3. Auditors' Responsibility**

- a) Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with Standards on Auditing specified under section 143(10) of the Act. Those standards require that comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- b) An audit involves performing 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 whether the Company has in place and adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's management, and Board of Directors, as well as evaluating the overall presentation of the financial statements.
- c) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



#### **4. Basis of Qualified Opinion**

We draw attention to **Note 29** to the financial statements relating to Debit or credit balances on whatever account are subject to confirmation from parties / authorities concerned, the effect of the same on the financial statement is not ascertainable.

#### **5. Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in Basis of Qualified Opinion paragraph above, the aforesaid 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, of the state of affairs of the Company as at March 31, 2015 its loss and its cash flows for the year ended on that date.

#### **Emphasis of Matter**

We draw attention to **Note 30** to the financial statements relating to **1. Case against the Company / Directors by Registrar of Companies (ROC); 2. Case against the Directors by SEBI;** The matters in respect of outcome of case 1 above are sub-judice and as informed to us the former directors of the company have subsequent to the year-end filed for compounding of offence with Company Law Board, Western Region, Mumbai/ Regional Director, North western Region, Ahmedabad.

In respect of case 2 the company has paid penalty as per the orders of SAT (SEBI Appellate Tribunal) amounting to Rs 6 lakhs and accounted the same under other expenses in the Statement of Profit and loss for year ended 31<sup>st</sup> March 2015.

Our opinion is **not modified** in respect of the above matters.

#### **6. Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order. As required by section 143(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
- Except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph above, 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 aforesaid financial statements comply with the applicable Accounting standards specified under the 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules 2014;
- On the basis of written representation received from the directors, as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms, of section 164(2) of the Act; and
- In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- The Company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements. (Refer note 25 of the Financial Statements);
- The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise and;
- There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

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

P.P.Jayaraman  
Proprietor\_  
[Membership Number: 041354.](#)

Thane, 29<sup>th</sup> May, 2015

Annexure to referred to in paragraph 6 of our report of even date to the members of SHREE SURGOVIND TRADELINK LIMITED on the accounts of the company for the year ended March 31, 2015

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that;

- i. 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. However the maintenance needs to be improved.
  - (b) As explained to us, fixed assets have been physically verified by the management at all locations at reasonable intervals. As informed to us no material discrepancies were noticed on such verification.
- ii. In respect of the Company's **inventories**:
  - (a) The inventories have been physically verified during the year at reasonable intervals by the Management.
  - (b) As explained to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Act. Since no loans and advances covered by this clause, no further details about rate of interest and recovery of the loan and interest are given.

- iv. In our opinion and according to the information and explanations given to us, internal control system is adequate 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.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 during the period covered by audit.
- vi. 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 (vi) are not applicable to the Company.
- vii. In respect of statutory dues,
- (a) 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. However there have been some delays.
- (b) According to the information and explanations given to us, the disputed dues in respect of income tax, which have not been deposited are as follow:

Name Of the Statute	Nature of Dispute	Amount (₹)	Period (FY) for which the amt relates.	Forum where dispute is pending
The Income Tax Act 1961	Tax and Interest	434,700	2011-12	Commissioner of Income Tax (Appeals)
The Income Tax Act 1961	Tax and Interest	162,020	2012-13	Commissioner of Income Tax (Appeals)
		<b>596,720</b>		

(c) According to the information and explanation given to us, there is no amount thereof that required to be transferred to Investor Education & Protection fund in accordance with the relevant provisions of the companies act, 2013.

- viii. The Company has accumulated losses as at 31st March, 2015 which is not more than fifty percentage of the net worth of the company. The company has incurred cash losses in the financial year. There was no cash loss during the immediately preceding financial year.
- ix. 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 for last 12 months during the financial year covered by our audit amounting to Rs 7,39,632/-. 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.

- ix. 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.
- x. In our opinion and according to the information and explanations given to us, no term loans have been taken by the company and hence the question whether they applied for the purpose, for which they were obtained, does not arise.
- xi. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

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

P.P.Jayaraman  
Proprietor\_  
Membership Number: 041354.

Thane, 29/05/2015

<b>SHREE SURGOVIND TRADELINK LTD</b>			
<b>Balance Sheet as at 31 March, 2015</b>			
	<b>Notes</b>	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	<b>3</b>	50,100,000.00	50,100,000.00
Reserves and surplus	<b>4</b>	(8,151,836.88)	21,776,770.72
<b>Non-current liabilities</b>			
Long-term borrowings	<b>5</b>	1,121,672.65	20,692,651.65
Deferred tax liabilities (net)	<b>6</b>	-	87,154.00
<b>Current liabilities</b>			
Short-term borrowings	<b>5</b>	46,356,816.98	125,839,291.19
Trade payables	<b>7</b>	288,293,087.15	123,441,903.28
Other Current liabilities	<b>8</b>	(362,120.55)	1,197,217.93
Short term Provision	<b>9</b>	7,420,000.00	7,420,000.00
		<b>384,777,619.35</b>	<b>350,554,988.77</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible	<b>10</b>	1,846,785.77	3,027,387.57
Long-term loans and advances	<b>11</b>	12,605,372.03	22,925,508.03
Non-Current investments	<b>12</b>	5,746,366.00	5,023,718.00
Deferred tax assets (net)	<b>6</b>	139,479.00	-
<b>Current assets</b>			
Inventories	<b>13</b>	180,379,140.67	246,501,980.80
Trade receivables	<b>14</b>	155,576,784.52	65,896,346.56
Cash and bank balances	<b>15</b>	1,128,840.56	3,376,995.56
Short-term loans and advances	<b>11</b>	27,354,850.80	3,803,052.25
		<b>384,777,619.35</b>	<b>350,554,988.77</b>
<b>See accompanying notes forming part of F/S</b>	<b>1-2</b>	-	-
As per our Report of even date attached For <b>P P JAYARAMAN &amp; CO</b> Chartered Accountants FRN 104139 W		<b>For Shree Surgovind Tradelink Limited</b>	
P P JAYARAMAN Proprietor (M No. 041354) Place : Thane Date : 07.08.2015		Navin Mehta Chairman	Kalpana Kulkarni Director  Shruti Sawant Director

<b>SHREE SURGOVIND TRADELINK LTD</b>			
<b>Statement of Profit and Loss for the year ended 31 March 2015</b>			
	<b>Notes</b>	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>Contuing operations</b>			
Revenue from operations	16	546,947,570.15	812,365,470.85
Other Incomes	17	4,760,842.62	24,309,958.37
<b>Total Revenue</b>	<b>i</b>	<b>551,708,412.77</b>	<b>836,675,429.22</b>
<b>Expenses</b>			
Purchases of stock in Trade and direct expenses	18	469,385,363.30	804,301,856.54
Change in inventories of finished goods		66,122,840.13	(32,832,540.94)
Employee benefits expense	19	485,067.00	1,965,146.00
Other expenses	20	5,190,371.61	10,899,384.80
<b>Total</b>	<b>ii</b>	<b>541,183,642.04</b>	<b>784,333,846.40</b>
<b>Earning from operations before deprn &amp; interest</b>	<b>iii=i-ii</b>	<b>10,524,770.73</b>	<b>5,23,41,582.82</b>
Depreciation and amortisation	21	1,109,806.33	599,604.00
Finance costs	22	39,499,409.53	49,239,403.00
<b>Total</b>	<b>iv</b>	<b>40,609,215.86</b>	<b>49,839,007.00</b>
<b>Profit before exceptional &amp; extraordinary items</b>	<b>v=iii-iv</b>	<b>(30,084,445.13)</b>	<b>2,502,575.82</b>
Exceptional items		-	-
<b>Profit/(Loss) before extraordinary items &amp; tax</b>		<b>(30,084,445.13)</b>	<b>2,502,575.82</b>
Extraordinary items		-	-
<b>Profit / (Loss) before tax</b>		<b>(30,084,445.13)</b>	<b>2,502,575.82</b>
Tax expenses / (savings)	23	(226,633.00)	800,887.00
<b>Profit / (Loss) from continuing operations</b>		<b>(29,857,812.13)</b>	<b>1,701,688.82</b>
<b>Earnings per share (of Rs. 10/- each):</b>	<b>24</b>		
(a) Basic		<b>(5.96)</b>	<b>0.34</b>
(b) Diluted		<b>(5.96)</b>	<b>0.34</b>
As per our Report of even date attached For <b>P P JAYARAMAN &amp; CO</b> Chartered Accountants FRN 104139 W		<b>For Shree Surgovind Tradelink Limited</b>	
P P JAYARAMAN Proprietor (M No. 041354) Place : Thane Date : 07.08.2015		Navin Mehta Chairman	Kalpana Kulkarni Director  Shruti Sawant Director

<b>Shree Surgovind Tradelinks Limited</b>		
	₹	₹
<b>Cash Flow Statement</b>	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>Cash flow from operating activities</b>		
Net Profit as Per Profit & Loss Account	(30,084,445.13)	2,502,575.82
<b>Non-cash adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation / amortization on continuing operation	1,109,806.33	599,604.00
Taxes Adjustment towards excess prov w/back		
Unrealized foreign exchange loss	-	40,258.56
Finance expenses	39,499,409.53	49,239,403.00
Interest (incomes)	(573,084.00)	(1,172,342.00)
<b>Operating Profit before Working Capital changes</b>	<b>9,951,686.73</b>	<b>51,209,499.38</b>
<b>Movements in working capital :</b>		
Increase/(decrease) in trade payables	164,851,183.87	(21,266,934.71)
Increase/(decrease) in other current liabilities	(1,559,338.48)	(6,646,088.96)
Increase/(decrease) in short-term provision	-	
(Increase)/decrease in Inventories	66,122,840.13	(32,832,540.94)
(Increase)/decrease in Receivables *	(89,680,437.96)	24,637,923.18
(Increase)/decrease in trade advances	11,112,139.00	2,734,914.90
(Increase)/decrease in term loans and advances	(23,551,798.55)	(18,735.25)
<b>Cash generated from/ (used in) operations</b>	<b>137,246,274.74</b>	<b>17,818,037.60</b>
Less : Income Taxes Paid	792,003.00	2,309,386.50
<b>Net cash flow from/ (used in) operating activities</b>	<b>A 136,454,271.74</b>	<b>15,508,651.10</b>
<b>Cash flow from investing activities</b>		
Purchase of Fixed Assets	-	(68,975.00)
Maturity of non-current investments	(331,119.00)	37,678,489.00
Interest Received	181,555.00	1,438,015.00
<b>Net cash flow from/ (used in) investing activities</b>	<b>B (149,564.00)</b>	<b>39,047,529.00</b>
<b>Cash flow from financing activities</b>		
Proceeds from long term borrowings		(5,000,000)
Repayment of long term borrowings	(19,570,979)	(10,107,673.96)
Increase/(decrease) in short-term borrowings	(85,233,245.15)	8,458,443.94
Finance Cost	(33,748,638.59)	(45,071,243.44)
<b>Net cash flow from/ (used in) financing activities</b>	<b>C (138,552,862.74)</b>	<b>(51,720,473.46)</b>
<b>Net Increase in Cash &amp; Cash equivalents</b>	<b>A+B+C (2,248,155)</b>	<b>2,835,706.64</b>
Cash & Cash Equivalents at the beginning of the year	3,376,995.56	541,288.92
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>1,128,840.56</b>	<b>3,376,995.56</b>
<b>Components of Cash &amp; Cash equivalents</b>		
Cash on Hand	1,122,503.62	371,243.62
With banks on current account	6,336.94	6,336.94
FD With 3 Months maturity		2,999,415.00
<b>Total Cash &amp; Cash equivalents (note 15)</b>	<b>1,128,840.56</b>	<b>3,376,995.56</b>
<b>Note:- Previous year's figures are regrouped and rearranged to make them comparable with current year's figures.</b>		
For P P JAYARAMAN & CO Chartered Accountants P P JAYARAMAN Proprietor (M No. 041354) Place : Thane Date : 07.08.2015	Navin Mehta Chairman	For Shree Surgovind Tradelink Limited Kalpana Kulkarni Director Shruti Sawant Director

## Shree Surgovind Tradelinks Limited

Notes to financial statement

31 March 2015 31 March 2014

<b>3 Share capital</b>		
<b>Authorised</b>		
60,00,000 (Prev year 60,00,000) Equity Shares of ₹ 10 each	60,000,000.00	60,000,000.00
<b>Issued, Subscribed &amp; Fully paid up</b>		
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		
<b>a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>		
<b>Equity Shares 31st March 2015</b>	<b>Nos</b>	<b>Nos</b>
At the beginning of the period	5,010,000	5,010,000
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>5,010,000</b>	<b>5,010,000</b>
<b>Equity Shares 31st March 2014</b>		
At the beginning of the period	50,100,000.00	50,100,000.00
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>50,100,000.00</b>	<b>50,100,000.00</b>
<b>b. Terms/rights attached to equity shares</b>		
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.		
<b>c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates</b>		
<b>Equity Shares</b>	<b>No of shares</b>	<b>No of shares</b>
Alok V Shah	711,100	711,100
Rajan S Shah	880,900	880,900
Virat S Shah	773,200	584,500
Others Including General Public	2,644,800	2,833,500
<b>Total</b>	<b>5,010,000</b>	<b>5,010,000</b>
<b>d. Details of shareholders holding more than 5% shares in the company</b>		
<b>In Percentage</b>		
Alok Virat Shah	14.19%	14.19%
Rajan S Shah	17.58%	17.58%
Virat S Shah	15.43%	11.67%
Others Including General Public	52.79%	56.56%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
<b>4 Reserves &amp; Surplus</b>		
<b>(a) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	21,776,770.72	20,075,081.90
Add: Current Year Profit / (Loss)	(29,857,812.13)	1,701,688.82
Add/ (Less): Adjustment in accordance with transitional provision	(70,795.48)	
<b>Total</b>	<b>(8,151,836.88)</b>	<b>21,776,770.72</b>



## Shree Surgovind Tradelinks Limited

Notes to financial statement

31 March 2015 31 March 2014

<b>5 Long Term Borrowings</b>	<b>Non-Current</b>	<b>Non-Current</b>
1 Term Loan-From HDFC Bank (secured) car loan	1,121,672.65	1,121,672.65
2 Trade Advances (unsecured)	-	19,570,979.00
<b>Total</b>	<b>1,121,672.65</b>	<b>20,692,651.65</b>
<b>5.1 Additional Information to Secured/Unsecured Long term borrowings</b>		
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 Schedule III.		
<b>5 Short Term Borrowings</b>	<b>Current</b>	<b>Current</b>
Cash Credit-From Banks-(secured)	46,356,816.98	125,839,291.19
<b>Total</b>	<b>46,356,816.98</b>	<b>125,839,291.19</b>
<b>6 Deferred Tax Liabilities/Assets (Net)</b>		
Deferred Tax (Liability)/assets for the year end been provided on the estimated tax computation for the year		
<b>a Deferred Tax Liability</b>		
Depreciation	103,679.00	103,679.00
Others, if any	(16,525.00)	(16,525.00)
<b>Total</b>	<b>87,154.00</b>	<b>87,154.00</b>
<b>b Deferred Tax Assets</b>		
Depreciation	226,633.00	
<b>Total</b>	<b>226,633.00</b>	<b>-</b>
<b>Net Difference</b>	<b>139,479.00</b>	<b>(87,154.00)</b>
7 Trade Payables from Other than Micro, Small & Medium Entps	288,293,087.15	123,441,903.28
8 Other Current liabilities	(362,120.55)	1,197,217.93
9 Short-Term Provisions	7,420,000.00	7,420,000.00
<b>11 Loans and advances given</b>		
<b>Unsecured, Considered Good</b>	<b>Long-Term</b>	<b>Long-Term</b>
Security Deposits	2,497,050.00	2,147,050.00
Other Loans & Advances	10,108,322.03	20,778,458.03
<b>Total</b>	<b>12,605,372.03</b>	<b>22,925,508.03</b>
<b>11 Unsecured, Considered Good</b>	<b>Short-Term</b>	<b>Short-Term</b>
Other Loans & Advances	23,922,341.00	1,150,625.00
Prepaid Expenses	61,798.00	2,376,667.00
Excise Duty Receivable	3,370,711.80	275,760.25
	<b>27,354,850.80</b>	<b>3,803,052.25</b>
	<b>39,960,222.83</b>	<b>26,728,560.28</b>
<b>12 Non-Current investments</b>		
Deposits with bank-maturity-for more than 12 months	5,746,366.00	5,023,718.00
<b>13 Inventories- (As taken, valued and certified by the management)</b>		
Goods for resale at cost	180,379,140.67	246,501,980.80

## Shree Surgovind Tradelinks Limited

Notes to financial statement

31 March 2015 31 March 2014

<b>14 Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Outstanding for less than six months	151,131,942.89	47,137,276.11
Others	4,444,841.63	18,759,070.45
	<u>155,576,784.52</u>	<u>65,896,346.56</u>
<b>15 Cash and bank balances</b>		
Cash on Hand	1,122,503.62	371,243.62
Balance with bank in Current accounts	6,336.94	6,336.94
FD With less than 3 months Maturity	-	2,999,415.00
	<u>1,128,840.56</u>	<u>3,376,995.56</u>
<b>16 Revenue from Operations</b>		
<b>Sales of Products</b>		
Finished Goods	546,947,570.15	812,365,470.85
Total	546,947,570.15	812,365,470.85
Further classification		
Local/Indigenous	452,638,073.95	812,014,470.85
Exports	<u>94,309,496.20</u>	<u>351,000.00</u>
<b>Particulars of Sale of Products</b>		
The company is engaged in import exports business as well as in local trading for which they trade goods both in indigenous and imported goods, and consequent export of the same.		
<b>17 OTHER INCOME</b>		
Discount Received	21,660.00	444,047.09
Exports Incentive/duty drawbacks	91,438.00	-
Revenue from Cold Storage	-	21,460,172.30
Interest (Gross)	674,322.00	1,172,342.00
Miscellaneous Income	3,973,422.62	1,233,396.98
	<u>TOTAL 4,760,842.62</u>	<u>24,309,958.37</u>
<b>18 Purchase of Stock in Trade and direct expenses</b>		
Purchases	468,389,689.61	772,088,865.58
ADD: Direct Expenses_Freight & Taxes	995,673.69	166,412.20
ADD: Direct Expenses_Cold Storage Expenses	-	32,046,578.76
	<u>469,385,363.30</u>	<u>804,301,856.54</u>
<b>18 Change in inventories of finished goods</b>		
Stock at close	180,379,140.67	246,501,980.80
Stock at commencement	246,501,980.80	213,669,439.86
	<u>66,122,840.13</u>	<u>(32,832,540.94)</u>

## Shree Surgovind Tradelinks Limited

Notes to financial statement

31 March 2015 31 March 2014

<b>19 Employee benefit expenses</b>		
Salary & Bonus	485,067.00	1,864,420.00
Staff Welfare		14,943.00
Travelling and Conveyance	-	85,783.00
	<b>485,067.00</b>	<b>1,965,146.00</b>
<b>20 Other Expenses</b>		
Rent	522,000.00	75,000.00
Repairs to Machinery		165,905.00
Repairs to Others	9,612.00	-
Payment to Auditor-(i) Audit fees	110,000.00	125,000.00
(ii) Professional fees		127,000.00
Bad debts written off		200,340.00
Business promotion		16,000.00
Computers and software exps		100,550.00
Insurance charges	584,466.05	725,377.00
Legal and professional fees	674,250.00	495,217.00
Office expenses	8,090.00	357,725.50
Listing and other charges	306,452.00	297,508.49
Penalty Charges	600,000.00	-
Post, telegram and couriers exps	31,260.32	19,268.00
Printing and stationery exps	54,045.00	342,598.00
(Profit)/Loss on trading of futures and options		(141,331.26)
Rates and taxes	1,122,860.91	33,984.00
Transport expenses	742,067.00	2,945,559.60
Telephone charges	39,830.00	123,697.75
Tour and travels	224,747.60	602,023.00
Sundry Expenses	16,000.50	
Vat assessment dues of earlier years		341,403.69
Advertisement	144,075.00	-
Commission and Brokerage	10,500.00	521,658.00
Cold Storage Expenses_Indirect		2,241,791.83
Discount Given	(9,884.77)	145,048.85
Indirect Export expenses		23,988.00
Loading and unloading charges		87,625.00
Packaging and quality certificate expenses		926,447.35
<b>TOTAL</b>	<b>5,190,371.61</b>	<b>10,899,384.80</b>
<b>21 Depreciation and amortization expense</b>		
Depreciation on tangible assets	1,109,806.33	599,604.00
Amortization on intangible assets	-	-
	<b>1,109,806.33</b>	<b>599,604.00</b>
<b>22 Finance Costs</b>		
Interest Expenses	21,704,227.18	34,260,337.33
Other Borrowing costs-Finance Charges/Bank Charges	16,005,211.48	3,936,913.42
Applicable net gain/loss on foreign currency transactions and translation.	1,789,970.87	11,042,152.25
	<b>39,499,409.53</b>	<b>49,239,403.00</b>

## Shree Surgovind Tradelinks Limited

Notes to financial statement

31 March 2015 31 March 2014

<b>23</b>	<b>Tax expenses</b>		
a	Current tax expenses/(savings) for current year		820,000.00
b	(Less) MAT credit (where applicable)	-	-
c	Add/(Less) Excess/(Short) provisions		
d	Net current tax expense	-	820,000.00
e	Deferred tax	(226,633.00)	(19,113.00)
		<b>(226,633.00)</b>	<b>800,887.00</b>
<b>24</b>	<b>Earning Per Share</b>		
	<b>Basic EPS</b>		
A.	Profit/(Loss) Computation for basis earnings per share of ` 10 each PAT as per Stat of Profit & loss available to Equity Sh.holders	(29,857,812.13)	1,701,688.82
B.	Weighted average number of Equity shares for EPS computation	5,010,000.00	5,010,000.00
C.	EPS (weighted average)		
	Basic EPS (before and after Extraordinary items)	(5.96)	0.34
<b>25</b>	<b>Contingent liabilities</b>		
a	Bank Guarantee issued	579,600.00	7,651,030.00
b	Claims against the company not acknowledged as debts	596,720.00	1,979,882.00
25	The Income-tax assessments of the Company have been completed upto the accounting year ended 31.3.2011 Disputed dues in respect of income tax		
	For AY 2011-12	434,700.00	434,700.00
	For AY 2012-13	162,020.00	
26	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.		
<b>27(i)</b>	<b>Additional information pursuant to the provisions of Schedule III to the Companies Act, 2013</b>		
		<b>Quantity</b>	<b>₹</b>
	<b>Class of Goods</b>	<b>Units</b>	<b>Opening Stock</b>
			<b>Purchases</b>
			<b>Sales</b>
			<b>Closing Stock</b>
			<b>Closing Stock</b>
2015	Commodities	Kilograms	2,476,567
2014			1,160,188
2015	Steel	Metric Tonnes	60
2014			-
2015	Machines	Number	1
2014			-
2015	Total		
2014	Total		
			<b>180,379,140.67</b>
			<b>246,501,980.80</b>
(ii)	Value of imported goods *		
	Trading-Imported/item imported for resale		
		<b>2014 - 15 (₹)</b>	<b>2013 - 14 (₹)</b>
		84,397,176.33	102,194,347.25
		<b>84,397,176.33</b>	<b>102,194,347.25</b>
*	As the company is engaged only in trading business, the information thereof is limited to trading & not consumption. The Indigenous purchases of materials are not reported herewith. The Trading Import reported is part of total purchases.		

## Shree Surgovind Tradelinks Limited

Notes to financial statement

31 March 2015 31 March 2014

(iii)	<b>Earning in foreign exchange</b> Export of goods on F.O.B basis	8,184,263.20	351,000.00
<b>28</b>	<b>Disclosure in accordance with Accounting Standard-18 Related Party Transaction</b>		
<b>A</b>	<b>Names of Related Parties &amp; Nature of Relationship</b>		
<b>i</b>	<b>Names of Related Parties</b>	<b>Nature of Relationship</b>	
	Rkb Global Pvt Ltd	Private Limited in which Shareholders' are the directors	
	Khushbu Impex	Proprietorship of Relative of one of the directors	
<b>ii</b>	<b>Key Management personnel</b>		
	<b>Navin Madhavji Mehta</b>	<b>Director</b>	
	<b>Kalpna Kulkarni</b>	<b>Director</b>	
	<b>Shruti Sawant</b>	<b>Director</b>	
<b>iii</b>	<b>Transactions with Related Parties</b>	(₹)	(₹)
		<b>2014-15</b>	<b>2013-14</b>
<b>a</b>	Purchase of Materials, etc., (inclusive of Vat)	40,282,496.75	84,255,592.10
<b>b</b>	Sale of Materials etc., (inclusive of Vat)	371,472,553.00	22,601,689.71
<b>c</b>	Rendering of Service/Financial Income	-	10,500.00
<b>d</b>	Advances given/repaid	-	-
<b>a</b>	<b>Purchases of Materials etc.,</b> Rkb Global Pvt Ltd (inclusive of Vat) Khushbu Impex	40,282,496.75 -	18,367,500.25 65,888,091.85
<b>b</b>	<b>Sales of Materials etc.,</b> Rkb Global Pvt Ltd (inclusive of Vat) Khushbu Impex	371,472,553.00 -	13,991,689.71 8,610,000.00
<b>c</b>	<b>Rendering of Service/Financial Income</b> Rkb Global Pvt Ltd Khushbu Impex		10,500.00
<b>d</b>	<b>Advances given/repaid</b> Opening Balance Received during the year Paid during the year Closing Balance	- 2,657,301.00 2,657,301.00 -	9,761,000.00 - 9,761,000.00 -
<b>29</b>	Debit or credit balances on whatever account are subject to confirmation from parties / authorities concerned. However in the opinion of the Management, this amounts are realisable and payable at the amount stated in the Company's accounts.		
<b>30</b>	<b>a) Case against the Company / Directors by Registrar of Companies (ROC)</b> The case filed by the Registrar of Companies - U/s. 63-Criminal Liability for misstatement in Prospectus; U/s. 68-Penalty for fraudulently inducing persons to invest money ; U/s. 628-Penalty for false statements. The Company is of the Opinion that the cases are initiated against the erstwhile directors of the Company in the Year 2002.The penalty amount are not quantifiable as the matters are sub-judice. Subsequent to year end, the said former directors have filed application for compounding of offence with Company Law Board, Western Region, Mumbai/ Regional Director, North western Region, Ahmedabad.		
	<b>b) Case against the Company / Directors by SEBI</b> During the year under review, SAT(SEBI Appellate Tribunal) passed an order upholding Adjudication order passed by SEBI imposing a penalty of Rs 6 lakhs for certain violations of SEBI & SAST Regulations. The company has paid the said penalty incorporating under other expenses in the Statement of Profit and loss for year ended 31/03/2015		

**Shree Surgovind Tradelink Limited**

Fixed Assets Schedule to and forming part of balance sheet as at 31st March 2015

Note 10 Fixed Assets Schedule		GROSS BLOCK				DEPRECIATION				NET BLOCK		
		AS AT 1-Apr-2014	Additions	Deductions	AS AT 31-Mar-2015	UPTO 1-Apr-2014	FOR THE YEAR	Deducti ons	Adjustment to Reserves	UPTO 31-Mar-2015	AS AT 31-Mar-2015	AS AT 31-Mar-2014
I	Plant & Machinery	3,680,248.00	-	-	3,680,248.00	897,457.00	1,029,721.94	-	67,774.48	1,994,953.42	1,685,294.58	2,782,791.00
II	Furniture & Fixtures	590,236.00	-	-	590,236.00	573,985.03	-	-	-	573,985.03	16,250.97	16,250.97
III	Computers, etc	748,545.00	-	-	748,545.00	520,199.40	80,084.39	-	3,021.00	603,304.79	145,240.21	228,345.60
	<b>TOTAL</b>	<b>5,019,029.00</b>	<b>-</b>	<b>-</b>	<b>5,019,029.00</b>	<b>1,991,641.44</b>	<b>1,109,806.33</b>	<b>-</b>	<b>70,795.48</b>	<b>3,172,243.24</b>	<b>1,946,785.76</b>	<b>3,027,387.56</b>
	<b>PREVIOUS YEAR</b>	<b>4,950,054.00</b>	<b>68,975.00</b>	<b>-</b>	<b>5,019,029.00</b>	<b>1,392,037.43</b>	<b>599,604.00</b>	<b>-</b>	<b>-</b>	<b>1,991,641.43</b>	<b>3,027,387.57</b>	<b>3,558,016.57</b>

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**Note 1** Regarding computers the company has incurred a capital expenditure on 30/06/2012 to the tune of Rs 259750/- , this expenditure has resulted of changing the entire computer system as a result of the estimated useful life of the entire computer system has revived and is taken as 6 years according to Schedule II to Companies Act 2013. Thus the remaining useful life of the asset remaining as on 31/03/14 is approximately 3 years. The wdv value as on 31/03/14 is to be depreciated for the remaining useful life of the asset (i.e. apprx 3years)

**2** Disclosure

a. Effect of change in accounting estimated in the current year

Depreciation as per new estimated useful life	1,109,806.33
Depreciation as per old estimated useful life	481,366.00
Decrease in Profit and Loss	628,440.33

## Shree Surgovind Tradelink Limited

Notes to financial statements for the year ended 31 March 2015

### 1. CORPORATE INFORMATION

Shree Surgovind Tradelink Limited (“the Company”) was incorporated in India on 26<sup>th</sup> 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) These financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on an accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.
- ii) Consequently these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) of the Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, (as amended) and other relevant provisions of the Companies Act, 2013.

#### 2.2 USE OF ESTIMATES :

The preparation of financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

#### 2.3 FIXED ASSETS :

##### Tangible assets

Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure related to an item of fixed asset are added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and held for disposal are stated at the lower of their net book value and net realizable value. Any expected loss, is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

##### Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangibles assets are amortized on a straight line basis over the estimated useful lives.

Gains or losses, if any arising from the retirement or disposal proceeds and the carrying amount of the asset are recognised as income or expense in the Statement of Profit and loss.

#### **2.4 METHOD OF DEPRECIATION AND AMORTIZATION :**

- i) Depreciation, on tangible assets is calculated on written-down value basis over the estimated useful lives of the assets.
- ii) Effective 1<sup>st</sup> April 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- iii) Cost of Goodwill and trademarks are amortized over the estimated useful lives.
- iv) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or upto the month of such sale/discardment, as the case may be.

#### **2.5 LEASE :**

**As a lessee:** Nil

**As a lessor:** Where the lessors effectively retain substantially all the risks and benefits of ownership of the leased item the lease is 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.

#### **2.6 BORROWING COSTS :**

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

#### **2.7 GOVERNMENT GRANTS :**

During the year, no grants and subsidies have been received from the Government. Grants and subsidies from the government if any, received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoter's contribution are credited to Capital Reserve. Revenue Grants are recognized in the Profit and Loss account in accordance with the related scheme and in the period in which these are accrued.

#### **2.8 INVESTMENTS :**

Investments that are readily realizable and are 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 investments.

Current investments are carried at lower of cost or fair value. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments, such reduction being determined and made for each investment individually.

#### **2.9 VALUATION OF INVENTORIES :**

Inventories of Raw materials, components, stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realizable value, whichever is lower'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Cost of finished goods includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.



#### **2.10 REVENUE RECOGNITION :**

- i) Revenues/incomes and Costs/Expenditures are generally accounted on accrual, as they are earned or incurred.
- ii) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of the goods.
- iii) 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

#### **2.11 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 payment of earlier years; the same is debited to Profit and Loss account.

#### **2.12 FOREIGN CURRENCY TRANSLATIONS :**

- i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place
- ii) Monetary items in form of current assets and current liabilities in foreign currency, outstanding at the close of the year are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet.

#### **2.13 EMPLOYEE BENEFITS :**

The company at present does not have any retirement benefit for the employees concerned and the staff costs are accounted as period costs.

#### **2.14 TAXATION :**

Income-tax expense comprises **current** and **deferred** tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying the tax rate and the tax laws that have been enacted or substantively enacted at the reporting date. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization. **Minimum alternate tax credit (MAT credit)** is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the Carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **2.15 IMPAIRMENT OF ASSETS :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

**SHREE SURGOVIND TRADELINK LIMITED**

*Regd. Office:* 103/1, 1<sup>st</sup> 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, 1<sup>st</sup> Floor, Angel Complex, Behind Bluestar Complex, Navjeevan, Ahmedabad – 380014, 11.00 a.m. on Tuesday, the 29<sup>th</sup> September, 2015.

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

Folio No. : ..... / DPID 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**

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**Proxy – Ordinary Shares**

I/We .....  
of ..... In the district of ..... being a  
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, 1<sup>st</sup> Floor, Angel  
Complex, Behind Bluestar Complex, Navjeevan, Ahmedabad – 380014, 11.00 a.m. on Tuesday,  
the 29<sup>th</sup> September, 2015. and at any adjournment thereof.

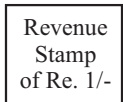
Signed this ..... day of ..... 2015

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.





Return to :  
**Shree Surgovind Tradelink Ltd.**  
2nd Floor, Sugar House,  
93/95, Kazi Sayed Street,  
Mumbai - 400 003.  
Ph.: 6192 5555