

**SHREE SURGOVIND TRADELINK LIMITED**

**23<sup>rd</sup> ANNUAL REPORT**

**2017-2018**

# SHREE SURGOVIND TRADELINK LIMITED

23<sup>rd</sup> Annual Report  
2017-2018

**BOARD OF DIRECTORS** : Mr. Virat Sevantilal Shah- Chairman &  
Non Independent Director  
Mr. Navin M. Mehta – Whole Time Director  
Mr. Alok Virat Shah- Non Independent Director  
Mr. Hemant Navnitlal Sheth- Independent Director  
Mr. Atith Bharat Shah- Independent Director  
Mrs. Kalpana Rajiv Kulkarni- Non Independent Director

**COMPANY SECRETARY** : Ms. Tanvi T. Bobhate

**BANKERS** : Union Bank of India

**AUDITORS** : M/s. M.A Chavan and Co.  
Chartered Accountants

**REGISTERED OFFICE** : Office No.501, Neel Kamal Complex,  
Nr. Havmore Ice Cream Parlour, Navrangpura,  
Ahmedabad-380009

**WEBSITE** : [www.sstradelink.co.in](http://www.sstradelink.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 Twenty Third Annual General Meeting of the Members of **SHREE SURGOVIND TRADELINK LIMITED** will be held on **Tuesday, the 24<sup>th</sup> day of July, 2018** at **2.30 P.M** at **HYATT REGENCY, 17A, Ashram Road, Usmanpura, Ahmedabad - 380014** to transact, the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt Consolidated and Standalone Audited Balance Sheet as at 31<sup>st</sup> March, 2018 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 Madhavji Mehta, who retires by rotation and being eligible, offers himself for re- appointment.

(Explanation: Since Mr. Navin Mehta has been longest in the office his name is recommended for retire by rotation. However Mr. Navin Mehta was appointed as a Whole – Time Director w.e.f28.12.2015)

To the extent that Mr. Navin Mehta is required to retire by rotation, he would need to be re-appointed as a Whole- Time Director. Therefore shareholders are requested 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 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 re-appointment of Mr. Navin Madhavji Mehta as a Whole-Time Director, to the extent that he is required to retire by rotation.”

3. To ratify appointment of M/s. M.A Chavan and Co., Chartered Accountants as statutory auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the Twenty Seventh Annual General Meeting.

### **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 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 Mr. Virat Sevantilal Shah (DIN: 00764118), who was appointed as the Additional Director of the Company by the Board of Directors w.e.f 9<sup>th</sup> February, 2018, as the Director of the Company.”

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 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 Mr. Alok Virat Shah (DIN: 00764237), who was appointed as the Additional Director of the Company by the Board of Directors w.e.f 9<sup>th</sup> February, 2018, as the Director of the Company.”

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, 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 Mr. Hemant Sheth (DIN : 03414172), who was appointed as the Independent Director of the Company by the Board of Directors w.e.f 28<sup>th</sup> March, 2018, as the Independent Non-Executive Director, to hold office for 5 consecutive years and who shall not be liable to retire by rotation.”

7. 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 Mr. Atith Shah (DIN : 05255595), who was appointed as the Independent Director of the Company by the Board of Directors w.e.f 28<sup>th</sup> March, 2018, as the Independent Non-Executive Director, to hold office for 5 consecutive years and who shall not be liable to retire by rotation.”

8. 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 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 (DIN: 06463476), who was appointed as the Additional Director of the Company by the Board of Directors w.e.f 28<sup>th</sup> March, 2018, as the Director of the Company.”

9. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to Sections 61(1)(a) and 64(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Authorized Share Capital of the Company be and is hereby increased from Rs.8,00,00,000/- (Rupees Eight Crores only) divided into 80,00,000 Equity Shares of Rs. 10/- each to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 Equity Shares of Rs. 10/- each, which shall rank pari passu with the existing equity shares in all respects with the power to issue the new Shares upon such terms and conditions and with such rights and privileges attached thereto as the Board shall determine from time to time”.

**“RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association be and is hereby altered to read as follows:

V. The Authorized Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do and perform all such acts, deeds and things as may necessary to give effect to this resolution.”

**For and on behalf of Board of Directors  
Shree Surgovind Tradelink Limited**

**Virat Shah  
Director**

**Place: Mumbai  
Dated: 25<sup>th</sup> June, 2018**

**Registered Office:  
Office No. 501, Neel Kamal Complex,  
Nr. Havmore Ice Cream Parlour, Navrangpura,  
Ahmedabad-380009**

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 Wednesday, 18<sup>th</sup> July, 2018 To Tuesday, 24<sup>th</sup> July, 2018 (both days inclusive). The record date for dematerialized shares will be Tuesday, 17<sup>th</sup> July, 2018.
- 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 10.00 a.m. to 12.00 p.m., except on holidays up to the Annual General Meeting.

- 7 Mr. Navin Madhavji 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 years</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>NIL</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 23<sup>rd</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 Saturday, 21<sup>st</sup> July, 2018 from 10.00 a.m. onwards and ends on Monday, 23<sup>rd</sup> July, 2018 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 Tuesday, 17<sup>th</sup> July, 2018, 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	<p>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.</p>
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>



- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (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.
- (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 Secretary (Membership No. ACS 8649 and CP No. 2450), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The 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 forty eight hours 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. 3**

In the 22<sup>nd</sup> Annual General Meeting, M.A Chavan and Co., Chartered Accountants were appointed as statutory auditors of the Company to hold office from the conclusion of that meeting till the conclusion of the 27<sup>th</sup> Annual General Meeting, subject to ratification by the members at every Annual General Meeting. Consequent to coming into effect of the provisions of Companies Amendment Act, 2017, there is no need to obtain ratification of the appointment of the auditors at every Annual General meeting during the term of the appointment of the Statutory Auditors. However, since the resolution passed by the members at the 22<sup>nd</sup> Annual General Meeting provided for ratification at every Annual General meeting, in this meeting a resolution is placed before the members for ratification and also providing that the appointment of the Statutory Auditors is valid until the 27<sup>th</sup> Annual General Meeting without the necessity to obtain ratification of the members.

**ITEM NO. 4:**

The Board of Directors appointed Mr. Virat Sevantil Shah as Non-Independent Non-Executive Director pursuant to Section 152 of the Companies Act, 2013, and who shall be liable to retire by rotation.

Brief resume of Mr. Virat Sevantil Shah, nature of his expertise in specific functional areas and names of Companies in which he hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se, are provided herein below:

Name	<b>Mr. Virat Sevantil Shah</b>
Directors Identification number (DIN)	<b>00764118</b>
Age	<b>63 years</b>
Qualification	<b>Bachelor of Commerce</b>
Expertise in Specific Area	<b>Trading, Import &amp; Export</b>
Date of first Appointment on the Board of the Company	<b>09/02/2018</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>17,45,700 Equity Shares</b> (as on 31.03.2018 it was 13,55,700 equity shares)
List of Directorship held in other companies	<b>RR Lifecare Private Limited RKB Global Private Limited Shreeji Builders Limited RR Surgical Private Limited</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 a Non-executive Director.

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

Except Mr. Virat Sevantilal Shah, being an appointee and Mr. Alok Virat Shah, being son of the 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 Mr. Alok Virat Shah as Non-Independent Non-Executive Director pursuant to Section 152 of the Companies Act, 2013, and who shall be liable to retire by rotation.

Brief resume of Mr. Alok Virat Shah, nature of his expertise in specific functional areas and names of Companies in which he hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se, are provided herein below:

Name	<b>Mr. Alok Virat Shah</b>
Directors Identification number (DIN)	<b>00764237</b>
Age	<b>35 years</b>
Qualification	<b>MBA</b>
Expertise in Specific Area	<b>Trading, Import &amp; Export</b>
Date of first Appointment on the Board of the Company	<b>09/02/2018</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>17,13,600</b> (as on 31.03.2018 it was 12,93,600 equity shares)
List of Directorship held in other companies	<b>RR Lifecare Private Limited RKB Global Private Limited RR Surgical Private Limited</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 a Non-executive Director.

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

Except Mr. Alok Virat Shah, being an appointee and Mr. Virat Sevantilal Shah, being father of the 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. Hemant Sheth as Independent Non – Executive Director pursuant to Section 149, 152 of the Companies Act, 2013. His term of office shall be of 5 consecutive years and he shall not be liable to retire by rotation.

Brief resume of Mr. Hemant Sheth, nature of his expertise in specific functional areas and names of Companies in which he hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se, are provided herein below:

Name	<b>Mr. Hemant Sheth</b>
Directors Identification number (DIN)	<b>03414172</b>
Age	<b>57 years</b>
Qualification	<b>Bachelor of commerce</b>
Expertise in Specific Area	<b>Trading</b>
Date of first Appointment on the Board of the Company	<b>28/03/2018</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>NIL</b>
List of Directorship held in other companies	<b>Shree Grace Packers Private Limited Teaxlive Ventures Private Limited</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 Independent Director.

Accordingly the Board, recommends the passing of the Ordinary Resolution as set out in Item no. 6 of the Notice.

Except Mr. Hemant Sheth, 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. 7:**

The Board of Directors appointed Mr. Atith Shah as Independent Non – Executive Director pursuant to Section 149, 152 of the Companies Act, 2013. His term of office shall be of 5 consecutive years and he shall not be liable to retire by rotation.

Brief resume of Mr. Atith Shah, nature of his expertise in specific functional areas and names of Companies in which he hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se, are provided herein below:

Name	<b>Mr. Atith Shah</b>
Directors Identification number (DIN)	<b>05255595</b>
Age	<b>35 years</b>
Qualification	<b>MBA-FMB, B - Tech</b>
Expertise in Specific Area	<b>Global Marketing</b>
Date of first Appointment on the Board of the Company	<b>28/03/2018</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>NIL</b>
List of Directorship held in other companies	<b>Tinge Blends Private Limited</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 Independent Director.

Accordingly the Board, recommends the passing of the Ordinary Resolution as set out in Item no. 7 of the Notice.

Except Mr. Atith Shah, 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. 8:**

The Board of Directors appointed Mrs. Kalpana Kulkarni as Non-Independent Non-Executive Director pursuant to Section 152 of the Companies Act, 2013, and who shall 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>56 years</b>
Qualification	<b>Bachelor of Commerce</b>
Expertise in Specific Area	<b>Administration</b>
Date of first Appointment on the Board of the Company	<b>28/03/2018</b>
Shareholding in Shree Surgovind Tradelink Limited	<b>NIL</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 she fulfills the conditions specified in the Companies Act, 2013 for appointment as a Non-executive Director.

Accordingly the Board, recommends the passing of the Ordinary Resolution as set out in Item no. 8 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. 9:**

**INCREASE IN AUTHORISED SHARE CAPITAL & ALTERATION OF CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION.**

The Company, in order to invest in a new line of business, to meet its growth objectives and to strengthen its financial position requires to generate long term resources by issuing securities. It is therefore considered appropriate to increase the authorised share capital of the Company from Rs. 8 crores to Rs. 15 crores and for that purpose, the Capital Clause of the Memorandum of Association of the Company is proposed to be suitably altered. The provisions of the Companies Act, 2013 require the Company to seek the approval of the Members for increasing the authorised share capital and for alteration of Capital Clause of the Memorandum of Association of the Company.

Your directors recommend this resolution for your approval as a special resolution.

None of the directors may be considered in any way concerned or interested in the proposed resolution.

**For and on behalf of Board of Directors  
Shree Surgovind Tradelink Limited**

**Place: Mumbai  
Dated: 25<sup>th</sup> June, 2018**

**Mr. Virat Shah  
Chairman**



## **DIRECTORS' REPORT**

Dear Members,

Your Director's have pleasure in presenting their Twenty - Third Annual Report and Audited Annual Accounts of the Company for the year ended on 31<sup>st</sup> March, 2018.

### **FINANCIAL RESULTS:**

	(Figures in Rs. Lakhs)	
	<b>For the year 2017-2018</b>	<b>Previous Year 2016-2017</b>
Total Income	8632.04	6493.39
Profit / (Loss) before Depreciation & Tax	286.65	180.56
Less: Depreciation	12.44	8.77
Profit / (Loss) before tax	274.21	171.79
Tax Expenses / (Savings)	55.91	44.88
Profit / (Loss) after tax	218.30	126.91

### **REVIEW OF OPERATIONS**

The Company has recorded income from operations of Rs. 8626.62 lakhs in current year as compared to Rs. 6482.88 lakhs achieved during the corresponding period representing a rise of 33.07% over the previous year. After offsetting the expenses the Company has achieved Net Profit (after tax) of Rs. 218.30 lakhs during the year as against Profit after tax of Rs. 126.91 lakhs earned in the previous year.

During the year under review, your company undertook various steps in pursuit of strategies for achieving higher growth. Also, the Company concentrated on products offering distinctly better margins, the results of which ensured that the bottom line was positive.

In order to meet the gap in working capital requirements, your Company converted warrants, issued to the promoters, into equity shares on preferential basis, pursuant to which 6,42,500 warrants of Rs. 10/- each were converted into 6,42,500 equity shares of Rs. 10/- each respectively. The paid up equity share capital of the company was increased by Rs. 64,25,000 and consequently, the paid up equity share capital of the company stands at Rs. 6,17,50,000.

Consequent to year end, your Company converted balance 8,10,000 warrants of Rs. 10/- each into 8,10,000 equity shares of Rs. 10/- each respectively. Consequently, the paid up equity share capital has increased to Rs. 6,98,50,000.

The directors are confident that the company will be able to achieve higher sales and profitability in the times to come, as investment is made in a new business and various plans for expansion which are gradually getting crystallized.

### **DIVIDEND**

Your Company has declared dividend at the rate of 5% i.e., Rs. 0.50 per share, for the year. The same has been paid and is now placed before the members for confirmation.

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

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

### **DIRECTORS**

During the year, Mr. Virat Shah and Mr. Alok Shah were appointed as Additional Directors w.e.f 9<sup>th</sup> February, 2018. Further, on 28<sup>th</sup> March, 2018, Mr. Hemant Sheth and Mr. Atith Shah were appointed as Independent Directors and Mrs. Kalpana Kulkarni was appointed as Additional Director. Also, Mr. Bharat Gandhi, Mrs. Padma Mayur Varadarajan and Mrs. Swati Bakul Shah resigned w.e.f 28<sup>th</sup> March, 2018.

Consequent to year end, Mr. Jitendra Shah was appointed as Independent Director w.e.f 12<sup>th</sup> April, 2018 and further was resigned w.e.f 25<sup>th</sup> June, 2018.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act and the Listing Regulations. Based on Disclosures provided by Directors, none of them are disqualified from being appointed as Directors under section 164 of the companies Act, 2013.

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

### **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 and 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 constituted a 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 under review, Ten(10) Board Meetings were convened and held i.e. 17.04.2017, 30.05.2017, 07.06.2017, 04.08.2017, 21.08.2017, 31.08.2017, 14.09.2017, 13.12.2017, 09.02.2018 and 28.03.2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **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.
1. 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.
2. That the accounts are prepared on a going concern basis.
3. 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.
4. 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 were only 2 employee 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 cannot be meaningfully given. The remuneration paid to the Key Managerial Personnel and the Whole Time Director is disclosed in the Corporate Governance Report annexed herewith.

## **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 M.A Chavan and Co., Chartered Accountants, statutory auditors of the Company who were appointed by the members at 22<sup>nd</sup> Annual General Meeting of the members hold office for a period of 5 years i.e. until the conclusion of 27<sup>th</sup> Annual General Meeting. They have confirmed that their appointment is within the limits provided under Section 139 of the Companies Act, 2013 and they are otherwise eligible to continue as the Statutory Auditors. Consequent to coming into effect of the provisions of Companies Amendment Act, 2017, there is no need to obtain ratification of the appointment of the auditors at every Annual General meeting during the term of the appointment of the Statutory Auditors. However, since the resolution passed by the members at the 22<sup>nd</sup> Annual General Meeting provided for ratification at every Annual General meeting, in the forthcoming 23<sup>rd</sup> Annual General Meeting a resolution is being placed before the members for ratification and also providing that the appointment of the Statutory Auditors is valid until the 27<sup>th</sup> Annual General Meeting without the necessity to obtain ratification of the members.

## **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 had appointed Mrs. Shailashri Bhaskar, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit report furnished by her is annexed herewith as “Annexure II”

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

The Secretarial Auditors have observed in their report that as required by SS 1.3.7 notes relating to Unpublished Price Sensitive Information can be given at a shorter period of time, subject to the consent of the majority of the directors, which shall include one Independent Director. This has not been taken up in any of the Board Meetings during F.Y. 2017-18 and it is suggested that the same be taken up in the Board Meeting during F.Y. 2018-19.

## **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**

Your 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.

In order to further strengthen the operations of the company and also to address the requirements of internal controls, the company has installed integrated ERP system. The system has been fully implemented.

## **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 Directors, 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

## **EXPANSION PLAN:**

The Company has tied-up merchant export business with Kenya & sales to Chinese steel plants through Hong Kong. The promoters of the company have significant experience in this line and it is perceived that this line will help the Company to earn higher revenue through decent profit margins.

The Company is also focusing to start procuring of iron ore from Sindhudurg. The government of Maharashtra has delivered the plot to private owners thereby removing hurdle for export business & government is also supportive in increasing export business. The iron ore export business will significantly help the Company to expand into profitable lines of business.

#### **DIVERSIFICATION PLAN:**

The company is planning to diversify its activity which is being implemented through a wholly owned subsidiary, namely RR Lifecare Private Limited, which is on course to set up a project for manufacturing pharmaceutical formulations. This will be a greenfield manufacturing facility in Wada, a northern suburb of Mumbai. The Company will be manufacturing dental cartridge, prefilled syringe, vial, ampule & eye drops. The manufacturing facility will be of international standard and fully compliant with U.S. FDA rules.

#### **SUBSIDIARY COMPANY**

During the year under review, your Company had acquired the entire stake of RR Lifecare Pvt. Ltd. making it a Wholly Owned Subsidiary. The said Company, RR Lifecare Pvt. Ltd. is setting up a project for manufacturing pharmaceuticals formulations at Wada, District - Palghar.

With investment in the new line of business, your Company is expecting to earn higher profits which in turn will help in expansion of the business and higher returns to the investors.

#### **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 adopted a Risk Management Policy. 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 ten employees and as such, has not constituted Internal Complaints Committee.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements), 2015, 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 Corporate Governance is applicable to Companies having paid up capital of Rs. 10 crores. Since the paid up capital of the company is only Rs. 6,17,50,000 there is no requirement to report on Corporate Governance as per Reg. 15(2) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

However, Corporate Governance Report is attached as a separate annexure dealing with various governance aspects which are emanating from the provisions of the 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.

**For and on behalf of Board of Directors  
Shree Surgovind Tradelink Limited**

**Mr. Virat Shah  
Chairman**

**Place: Mumbai**

**Dated: 25<sup>th</sup> June, 2018**

**Registered Office:**

**Office No.501, Neel Kamal Complex,  
Nr. Havmore Ice Cream Parlour, Navrangpura,  
Ahmedabad-380009**

**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. (Promoter group Company)</b>	<b>Alok Shah &amp; Aarti Alok Shah (Promoter &amp; Promoter's spouse)</b>
Nature of contracts /arrangements/transactions	1. Purchases of materials 2. Sales of material 3. Godown rent	Leave & License Compensation
Duration of the contracts/ arrangements/transactions	Purchases & Sales - Not defined Godown rent – 15 months (commencing from 01.01.2018)	Five years
Salient terms of the contracts or arrangements or transactions including the value, if any	Transactions were made in the ordinary course of business at arm's length basis.  1. Purchases of materials – Rs. 33,46,26,937.17 2. Sales of materials – Rs. 13,67,42,163.13 3. Godown rent – Rs. 12,00,000	Transaction was made in the ordinary course of business at arm's length basis.  Rent – Rs. 3,00,000
Date(s) of approval by the Board, if any	30.05.2017	13.12.2017
Amount paid as advances, if any	-	-

**For and on behalf of Board of Directors  
Shree Surgovind Tradelink Limited**

**Mr. Virat Shah  
Chairman**

**Place: Mumbai**

**Dated: 25<sup>th</sup> June, 2018**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31.03.2018

[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: **Office No.501, Neel Kamal Complex, Nr. Havmore ice Cream Parlour, Navrangpura, Ahmedabad-380009. Contact No.022- 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:-

Sr. no	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
<b>1.</b>	<b>Wholesale trade of Metal &amp; Metal ores</b>	<b>46620</b>	<b>99.85</b>

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

Sr. No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable section
<b>1.</b>	<b>RR Lifecare Pvt. Ltd. B-001&amp; B-002, Ground Floor, Antop Hill Warehousing Complex Ltd, Barkat Ali Naka, Wadala(E) Mumbai – 400037</b>	<b>U93000MH2007PTC168296</b>	<b>Subsidiary</b>	<b>100</b>	<b>2(87(ii))</b>

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

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	2365200	522500	2887700	52.20	3530200	0	3530200	57.17	4.97
h) Central Govt									
i) State Govt(s)									
j) Bodies Corp.									
k) Banks / FI									
l) Any Other....									
<b>Sub-total (A) (1):-</b>	2365200	522500	2887700	52.20	3530200	0	3530200	57.17	4.97
<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>	2365200	522500	2887700	52.20	3530200	0	3530200	57.17	4.97
<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	8826	0	8826	0.16	8331	0	8331	0.13	(0.03)
ii) Overseas									
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	63401	249000	312401	5.65	74820	257000	331820	5.38	(0.27)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1636873	671700	2308573	41.73	1626449	663200	2289649	37.09	(4.64)
<b>c) Others (specify)</b>									
Clearing member									
NRI's	0	15000	15000	0.27	0	15000	15000	0.24	(0.03)
<b>Sub-total (B)(2):-</b>	1709100	935700	2644800	47.80	1709600	935200	2644800	42.83	(4.97)
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	1709100	935700	2644800	47.80	1709600	935200	2644800	42.83	(4.97)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	4074300	1458200	5532500	100	5239800	935200	6175000	100	0

**(ii) Shareholding of Promoters**

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	9,72,350	17.58	-	12,93,600	20.95	-	3.37
2	Rajan Sevantilal Shah	8,80,900	15.92	-	8,80,900	14.27	-	(1.65)
3	Virat Sevantilal Shah	10,34,450	18.70	-	13,55,700	21.95	-	3.25
	Total	28,87,700	52.20		35,30,200	57.17		4.97

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

Sr. No.	Particulars	Shareholding at the beginning of 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	Mr. Virat Shah	10,34,450	18.70	13,55,700	21.95
2	Mr. Alok Shah	9,72,350	17.58	12,93,600	20.95
3	Mr. Rajan Shah	8,80,900	15.92	8,80,900	14.27

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

Sr. No.	Particulars	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
	<b>For Each of the Top 10 Shareholders</b>				
1.	Keyur Sureshbhai Patel				
	At the beginning of the year	3,54,300	6.40	3,54,300	5.74
	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>3,54,300</b>	<b>5.74</b>
2.	Paresh S. Patel				
	At the beginning of the year	1,50,000	2.71	1,50,000	2.43
	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>1,50,000</b>	<b>2.43</b>
3	Bhavna Darshan Mehta				
	At the beginning of the year	0	0	1,02,681	1.66
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):			(Acquired through transfer)	

	At the End of the year ( or on the date of separation, if separated during the year)			<b>1,02,681</b>	<b>1.66</b>
4	Rekha Prakash Patel				
	At the beginning of the year	1,01,000	1.83	1,01,000	1.64
	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>1,01,000</b>	<b>1.64</b>
5	Namrata Prakash Patel				
	At the beginning of the year	98,700	1.78	98,700	1.60
	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>98,700</b>	<b>1.60</b>
6	Nitin J Sanghavi				
	At the beginning of the year	76,700	1.39	76,700	1.24
	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>76,700</b>	<b>1.24</b>
7	Bhavika Dharmesh Sheth				
	At the beginning of the year	75,500	1.36	75,500	1.22
	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>75,500</b>	<b>1.22</b>

<b>8</b>	Rukshmani Lavji Thakkar				
	At the beginning of the year	70,700	1.28	70,700	1.14
	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>70,700</b>	<b>1.14</b>
<b>9</b>	Mittal Chetan Thakkar				
	At the beginning of the year	68,700	1.24	68,700	1.11
	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>68,700</b>	<b>1.11</b>
<b>10</b>	Ramabhai H Patel				
	At the beginning of the year	67,900	1.23	67,900	1.10
	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>67,900</b>	<b>1.10</b>

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

Sl. 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.	Navin Madhavji Mehta				
	At the beginning of the year	175,000	3.16	175,000	2.83
	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>175,000</b>	<b>2.83</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	9,60,38,351	0	0	9,60,38,351
ii) Interest due but not paid	1,83,18,927	0	0	1,83,18,927
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>11,43,57,278</b>	<b>0</b>	<b>0</b>	<b>11,43,57,278</b>
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction	84,01,132	0	0	84,01,132
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	10,59,56,146	0	0	10,59,56,146
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>10,59,56,146</b>	<b>0</b>	<b>0</b>	<b>10,59,56,146</b>

## XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		
		Navin Mehta (WTD)	-	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	7,89,000		7,89,000
2.	Stock Option	-		
3.	Sweat Equity	-		

4.	Commission  - as % of profit -others, specify...			
5.	Others, please specify	-		
	Total	7,89,000		7,89,000

*B. Remuneration to other directors: NIL*

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

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	-	3,98,672	-	3,98,672
2.	Stock Option		-		
3.	Sweat Equity		-		
4.	Commission  - as % of profit -others, specify...				
5.	Others, please specify		-		
	Total		3,98,672		3,98,672

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

### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A":

Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sl. No. : **1**
2. Name of the subsidiary: **RR Lifecare Pvt. Ltd.**
3. The date since when subsidiary was acquired: **28.03.2018**
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: **31<sup>st</sup> March, 2018**
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries: **NA**
6. Share capital: **Rs. 50,00,000**
7. Reserves & surplus: **Rs. (43001.61)**
8. Total assets: **Rs. 10537703.39**
9. Total Liabilities: **Rs. 55,80,705**
10. Investments: **Rs. 62,90,000**
11. Turnover: **NIL**
12. Profit/ (Loss) before taxation: **Rs. 2,37,625.87**
13. Provision for taxation: **Rs. 46,000**

14. Profit/(Loss) after taxation: **Rs. 1,91,625.87**

15. Proposed Dividend: **NIL**

16. % of shareholding: **100**

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - N.A

2. Names of subsidiaries which have been liquidated or sold during the year – N.A

**Part “B”:**

**Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

There are no Associates or Joint Ventures of the Company

**For and on behalf of Board of Directors  
Shree Surgovind Tradelink Limited**

**Mr. Virat Shah  
Chairman**

**Place: Mumbai**

**Dated: 25<sup>th</sup> June, 2018**

**“Annexure II”**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE YEAR ENDED MARCH 31, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial personnel) Rules, 2014 ]

To  
The Members  
Shree Surgovind Tradelink 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 Tradelink 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 1, 2017 to March 31, 2018, 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 1, 2017 to March 31, 2018 according to the provision of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 2014 - Not Applicable
- (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 ;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable; and
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- (i) Secretarial Standards Issued by The Institute of Company Secretaries of India

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above, except *As per SS 1.3.7 notes relating to Unpublished Price Sensitive Information can be given at a shorter period of time, subject to the consent of the majority of the directors, which shall include one Independent Director. This has not been taken up in any of the Board Meetings during FY 2017-18 and it is suggested that the same be taken up in the Board Meeting during Financial Year 2018-19.*

**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, the implementation of which is ongoing. 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, except making a preferential allotment of 6,42,500 Equity Shares of Rs.10/- each post conversion of 6,42,500 warrants by the promoters of the company.

Place : Mumbai

Date : June 05, 2018

SHAILASHRI BHASKAR  
COMPANY SECRETARY  
FCS5778 CP 5092

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

*'Annexure A'*

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 : June 05, 2018

SHAILASHRI BHASKAR  
COMPANY SECRETARY  
FCS5778 CP 5092



## **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 Six (6) 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	Non – Independent Executive Director	Whole time Director	NIL	1
Mr. Virat S. Shah	Non- Independent Non-Executive Director	Chairman & Director	RR Lifecare Pvt. Ltd. RKB Global Pvt. Ltd. Shreeji Builders Ltd. RR Surgical Pvt. Ltd.	NIL
Mr. Alok V. Shah	Non- Independent Non-Executive Director	Director	RR Lifecare Pvt. Ltd. RKB Global Pvt. Ltd. RR Surgical Pvt. Ltd.	NIL
Mr. Hemant Sheth	Independent Non-Executive Director	Director	Shree Grace Packers Pvt. Ltd. Teaxlive Ventures Pvt. Ltd.	1
Mr. Atith Shah	Independent Non-Executive Director	Director	Tinge Blends Pvt. Ltd.	2
Mrs. Kalpana Kulkarni	Non- Independent Non-Executive Director	Director	NIL	1

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 Mehta, Director 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 **10** times on 17.04.2017, 30.05.2017, 07.06.2017, 04.08.2017, 21.08.2017, 31.08.2017, 14.09.2017, 13.12.2017, 09.02.2018 and 28.03.2018.

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

<b>Name of Director</b>	<b>Board Meetings Attended</b>	<b>Attendance at the Last Annual General Meeting</b>
Mr. Navin M. Mehta	9	Yes
Mr. Virat Shah	1	No
Mr. Alok Shah	1	No
Mr. Hemant Sheth	-	No
Mr. Atith Shah	-	No
Mrs. Kalpana Kulkarni	-	No

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

**3. Audit Committee:**

**i) Terms of Reference:**

During the year under review, there was no change in the committee and it was duly constituted 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.

## **ii) Composition:**

During the year, the Audit committee consists of three Directors Mrs. Padma Mayur Varadarajan (Independent Director), Mr. Bharat Gandhi (Independent Director) and Mr. Navin Mehta. Mrs. Padma Mayur Varadarajan was designated as Chairman of the committee and the Company Secretary acts as the Secretary of the Audit Committee.

Consequent to year end, the audit committee was re-constituted comprising of three Directors, Mr. Navin Mehta, Mr. Jitendra Shah (Independent Director.) and Mr. Atith Shah (Independent Director)

## **iii) Meetings**

The Audit Committee met five times during the year under review 30.05.2017, 07.06.2017, 14.09.2017, 13.12.2017 and 09.02.2018

## **4. Nomination & Remuneration Committee:**

During the year, the nomination & remuneration committee comprises of three Directors, Mrs. Padma Mayur Varadarajan (Independent Director), Mr. Bharat Gandhi (Independent Director) and Mrs. Swati Shah. Mrs. Padma Mayur Varadarajan was designated as Chairman of the committee and the Company Secretary of the Company acts as the Secretary of the Nomination & Remuneration Committee.

Consequent to year end, the nomination & remuneration committee was re-constituted comprising of four Directors, Mrs. Kalpana Kulkarni, Mr. Jitendra Shah (Independent Director), Mr. Atith Shah (Independent Director) and Mr. Hemant Sheth (Independent Director).

The details of remuneration to the Executive Director / KMP as on 31<sup>st</sup> March, 2018 are as follows:

<b>Name</b>	<b>Designation</b>	<b>Remuneration (Rs. per month)</b>
<b>Mr. Navin Mehta</b>	<b>Whole Time Director</b>	<b>55,000/-</b>
<b>Ms. Tanvi Bobhate</b>	<b>Company Secretary</b>	<b>30,000/-</b>

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.

The N&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.

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 Policy:**

A Separate Business Risk Policy has been constituted, for creating a Risk Register, identifying internal and external risks and implementing risk mitigation steps. The policy has been formed with the intension 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.

<b>9. Details of Annual General Meeting:</b>			
<b>Financial Year</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
<b>2016 – 2017</b>	Office No. 501, Neel Kamal Complex, Nr. Havmore Ice Cream Parlour, Navrangpura, Ahmedabad-380009	24/07/2017	11.30 a.m
<b>2015-2016</b>	103/1 1st Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	04/08/2016	04.00 p.m
<b>2014 – 2015</b>	103/1 1st Floor Angel Complex B/H Bluestar Complex Navjeevan Ahmedabad 380014	29/09/2015	11.00 a.m

Resolutions set out in the respective notices were passed by the Shareholders.

There were no resolutions put through postal ballot last year. Also, 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 -

During the financial year ended 31<sup>st</sup> March, 2015, SEBI 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 financial year ended 31<sup>st</sup> March, 2015.

- iii) There is a Vigil Mechanism in the Company and that no personnel has been denied access to the Audit Committee.
- iv) Since there is no CEO/CFO in the Company, the Whole Time Director certification forms part of this Annual Report.

#### **11. Means of Communication:**

- Quarterly results are sent to stock exchanges after they are approved by the Board and are also published in the newspapers.
- Website of the Company is updated with all the required records.
- No presentation has been made to Institutional Investors or to analysts.
- The Management Discussion and Analysis Report is attached with the Director's report in this Annual Report.

#### **12. General Shareholder Information:**

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

Date and Time : 24<sup>th</sup> July, 2018 at 2.30 p.m  
Venue : Hyatt Regency, 17A, Ashram Road, Usmanpura,  
Ahmedabad - 380014

##### **II. Financial Calendar 2018-2019 (Tentative and subject to change)**

Results for the quarter ending June 30, 2018 : First week of August, 2018  
Results for the quarter ending September 30, 2018 : First week of November, 2018  
Results for the quarter ending December 31, 2018 : First Week of February, 2018  
Results for the quarter ending March 31, 2019 : Last Week of May 2019

**III. Book Closure Date : 18<sup>th</sup> July, 2018 To 24<sup>th</sup> July, 2018**  
(Both days inclusive for the purpose of the Annual General Meeting)

**Record Date : 17<sup>th</sup> July, 2018**

**IV. Registered Office :** Office No.501, Neel Kamal Complex,  
Nr. Havmore ice Cream Parlour, Navrangpura,  
Ahmedabad-380009  
Contact No. 61925555

**V. Dividend Payment Date : 15<sup>th</sup> June, 2018**

## VI. Listing of Equity Shares on Stock Exchange

Your Company's equity shares are listed on Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400023. Our shares are also in demat mode with NSDL & CDSL. The Company has paid Annual Listing Fees of the Stock Exchange within the stipulated time.

## VII. Stock Code:

- a) Bombay Stock Exchange Ltd. : 531667
- b) Demat ISIN in NSDL and CDSL for Equity Shares : INE117K01013
- c) Demat ISIN for Warrants : INE117K13018

## 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 Registrars & Share Transfer Agents of the Company.

## IX. Distribution of Shareholding:

No. of Equity Shares held	As on 31 <sup>st</sup> March, 2018			
	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
1 - 100	40	10.61	1979	0.03
101 - 500	76	20.16	33127	0.54
501 - 1000	178	47.21	140000	2.27
1001 – 2000	7	1.86	11240	0.18
2001 – 3000	15	3.98	40205	0.65
3001 – 4000	7	1.86	24300	0.39
4001 – 5000	3	0.80	15000	0.24
5001 - 10000	10	2.65	74300	1.20
10001 & 20000	7	1.86	97870	1.58
20001 & 50000	15	3.98	583798	9.45
50001 & Above	19	5.04	5153181	83.45
<b>TOTAL</b>	<b>377</b>	<b>100.00</b>	<b>6175000</b>	<b>100.00</b>

<b>X. Shareholding Pattern (as on 31<sup>st</sup> March, 2018):</b>		
<b>Category of Holder</b>	<b>No. of Shares</b>	<b>% of Equity</b>
Promoters / Person acting in concert	3530200	57.17
Banks / Financial Institutions	0	0.00
Corporate Bodies	8331	0.13
Indian Public	2621469	42.45
NRIs	15000	0.24

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

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

The Company has not issued any GDRs / ADRs and convertible bonds 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



**Certificate of Whole Time Director 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, 2017 to March 31, 2018.

For **Shree Surgovind Tradelink Ltd.**

**Navin Mehta**  
**Whole –Time Director**

Place: Mumbai  
Date: 11<sup>th</sup> June, 2018

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The financial year 2017-2018 was a year of 7.7% GDP growth and rising inflation in the Indian economy. Industrial growth was probably at its lowest level for more than a decade. The Demonetization measures imposed by the Central Government had an impact on the market. However, the performance of your company was more than satisfactory in terms of turnover and profits achieved by 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.

**FINANCE**

The company made a preferential issue by conversion of 6,42,500 equity shares of Rs. 10/- each to the promoters to meet the working capital requirements of the operations. With this issue, the Paid Up Share capital of the Company was increased by Rs.64,25,000.

**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 the Generally Accepted Accounting Principles and the applicable accounting standards.

**Independent auditors' report to the shareholders of Shree Surgovind Tradelink Limited for the year ended March 31, 2018**

**To the Members of  
Shree Surgovind Tradelink Limited  
Report on the Standalone financial statements**

We have audited the accompanying Standalone financial statements of **Shree Surgovind Tradelink Limited** (the 'Company') which comprises of Balance Sheet as at March 31, 2018, the Statement of Profit and Loss account and Cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company 's Board of Directors ('Board') is 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 relevant rules issued there under. . The respective Board are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the 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 the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The 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. An audit also includes evaluating the

appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, , 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.

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018
- ii. In the case of Statement of Profit and Loss, of the Profit for the year ended on that date and
- iii. In the case of Cash Flow statement, of the cash flows for the year ended on that date

**Emphasis of Matter**

We draw attention to

1. **Note 29** to the financial statements in respect of Debit or Credit balances on whatever account are subject to confirmation from parties/ authorities concerned
2. **Note 30** to the financial statements in respect of **Case againsts The Company/Directors by ROC/SEBI**

As informed in the last annual report ended March 31, 2017, the final order in relation to above matters had been received. The Court case has been closed and the compounding of offences u/s. 628 is now closed. However the same is yet to be updated in the Registrar of Company (ROC)/ MCA records. **Our opinion is not modified in respect of the above matters**

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors Report ) Order, 2016 ( "the order" ) issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) 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 ;
  - (c) 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 account;

- (d) In our opinion, the aforesaid financial statements comply with the applicable Accounting standards specified under the 133 of the Act read with the relevant rules issued there-under;
- (e) On the basis of written representation received from the directors, as on March 31, 2018 and taken on record by the Board, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms, of section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”; and
- (g) 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 financial statement discloses the impact of pending litigations, if any as at March 31, 2018 on its financial position in its financial statements; (Refer to Note 27 to the financial statement).
  - The Company did not have any long-term contracts pending on the balance sheet date 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 M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

Mumbai, 28<sup>th</sup> May, 2018

### **“Annexure A” to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

***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:***

1. In respects of the Company's ***fixed assets***:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) 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.
  - (c) With respect to immovable properties of acquired godowns, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed//registration book etc provided to us, we report that, the title deeds in respect of properties purchased during the year are in the name of the company.
2. In respect of the Company's ***inventories***:
  - (a) The Management has conducted the physical verification of inventory at reasonable intervals.
  - (b) As explained to us, the discrepancies, if any noticed on physical verification of the inventory as compared to books records which have not been properly dealt with in the books of account were not material.
3. The Company has not ***granted*** any ***loans***, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of ***grant of loans, making investments, and providing guarantees and securities, if any***, as applicable.
5. The Company has **not** accepted **any deposits** from the public during the year and does not have any unclaimed deposits as at March 31, 2018, and therefore the provisions of the clause 3(v) of the order are not applicable to the company.

6. Reporting under clause 3(vi) as to **Cost Records Maintenance**, the order is not applicable as the Company's business is not covered by the Companies (Cost Records and Audit) Rules, 2014.

7. According to the information and explanations given to us, in respect of **statutory dues**,
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, 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 follows:
- (c)

Name of the Statute	Nature of Dispute	Amount(₹)	Period (AY) for which the amount relates	Forum where the dispute is pending
The Maharashtra VAT	Tax and Interest	644,406	2012-13	Deputy Commissioner of Sales, VAT 2002, Tax (E-816), Appeals, Business Audit 3, Mumbai.

8. 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**. 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.

9. The company has raised moneys by way of further public offer by way of rights issues to promoters and shareholders. Accordingly disclosure as required by clause is reported accordingly in financial statements.

10. To the best of our knowledge and according to the information and explanations given to us, **no fraud** by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year.

11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. The Company is **not** a **Nidhi Company** and hence **reporting** under clause 3(xii) of the Order is not applicable.



13. In our opinion and according to the information and explanations given to us, the Company is **compliant** with Section **177 and 188** of the Act, **where applicable** for transactions **if any**; with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the company has made **preferential allotment by way of private placement** of Equity shares and warrants convertible into fully paid equity shares on exercise of same to existing promoter shareholders on pro-rata basis, hence the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for meeting the working capital requirements of the Company.
15. In our opinion and according to the information and explanations given to us, during the year, the company has **not** entered into any **non-cash transactions with directors or persons connected** with its Directors and hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.
16. The Company is **not** required to be registered under **section 45-I of the Reserve Bank of India Act, 1934**.

For M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

Mumbai, 28<sup>th</sup> May, 2018

**“Annexure B” to the Independent Auditor's Report of even date on the Financial Statements of Shree Surgovind Tradelink Limited**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the financial statements of the Company for the year ended on March 31, 2018, we have audited the internal financial controls over financial reporting of Shree Surgovind Tradelink Limited ('the Company'), as of that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act. In order to further strengthen the operations of the company and also to address the requirements of internal controls, the company has installed integrated ERP system, which is being implemented.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by ICAI and Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

Mumbai, 28<sup>th</sup> May, 2018

**SHREE SURGOVIND TRADELINK LTD**  
**Balance Sheet as at March 31, 2018**

	Notes	₹ 2018	₹ 2017	₹ 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	3	1,17,08,726.94	1,29,39,610.16	12,06,002.81
Non-Current investments	4	50,00,000.00	-	
Long-term loans and advances	5a	1,57,25,908.05	79,81,618.24	3,08,64,634.33
Deferred tax assets (net)	6b	2,18,843.10	2,55,868.10	2,27,145.00
<b>Current assets</b>				
Current investments	4	-	60,97,124.15	-
Inventories	7	10,46,30,622.99	14,85,15,495.94	17,89,54,002.95
Trade receivables	8	14,87,67,265.00	10,65,43,630.96	7,87,13,963.16
Cash and cash equivalents	9	60,03,947.78	65,11,608.24	69,33,300.79
Short-term loans and advances	5b	4,14,50,789.68	3,45,98,119.15	2,22,59,813.00
		<b>33,35,06,103.54</b>	<b>32,34,43,074.94</b>	<b>31,91,58,862.05</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share capital	10	6,17,50,000.00	5,53,25,000.00	5,01,00,000.00
Other Equity	11	1,67,46,737.53	(34,89,951.90)	(1,98,10,504.16)
<b>Non-current liabilities</b>				
Long-term borrowings		-	-	-
Deferred tax liabilities (net)	6a	-	-	
Other Non Current Liabilities	12	1,91,137.00	1,35,322.00	
Short-term borrowings	13	10,59,56,146.24	11,43,57,278.35	11,18,20,928.99
Trade & Other payables	14	13,87,96,304.41	15,18,93,328.75	16,99,01,403.18
Other Current liabilities	15	6,65,778.36	16,22,097.74	(2,72,965.96)
Short term Provision	16	94,00,000.00	36,00,000.00	74,20,000.00
		<b>33,35,06,103.54</b>	<b>32,34,43,074.94</b>	<b>31,91,58,862.05</b>
Contingent Liabilities	27	-	-	-
Corporate Information	1			
Significant Accounting Policies	2			
Notes on Financial Statements	1 to 32			

As per our Report of even date attached  
For M A CHAVAN & CO.  
Chartered Accountants  
FRN 115164W

**For Shree Surgovind Tradelink Limited**

Navin Mehta                      Virat S Shah  
Director                              Director  
DIN - 00764424                  DIN - 00764118

CA JAGRUTI PATIL  
Partner  
M No 159522  
Mumbai, 28th May 2018

Tanvi Bobhate  
Company Secretary  
Mumbai, 28th May 2018

**SHREE SURGOVIND TRADELINK LTD**

**Statement of Profit and Loss for the year ended March 31, 2018**

		₹	₹
	Notes	2018	2017
<b>Contuing operations</b>			
Revenue from operations	17	86,26,62,486.20	64,82,87,826.49
Other Incomes	18	5,42,049.30	10,50,794.15
<b>Total</b>	<b>i</b>	<b>86,32,04,535.50</b>	<b>64,93,38,620.64</b>
<b>Expenses</b>			
Purchases of stock in Trade and direct expenses	19	75,86,27,213.11	55,90,50,931.53
Change in inventories of finished goods	20	4,38,84,872.95	3,04,38,507.01
Employee benefits expense	21	17,19,808.00	10,71,140.00
Other expenses	22	72,31,935.26	81,42,696.28
Finance costs	23	2,30,75,823.54	3,25,78,794.32
Depreciation and amortisation	24	12,44,144.04	8,77,027.08
<b>Total</b>	<b>ii</b>	<b>83,57,83,796.90</b>	<b>63,21,59,096.22</b>
<b>Profit before exceptional items</b>	<b>iii=i-ii</b>	<b>2,74,20,738.60</b>	<b>1,71,79,524.42</b>
Exceptional items			
<b>Profit / (Loss) before tax</b>		2,74,20,738.60	1,71,79,524.42
<b>Tax expenses</b>	25	55,91,060.00	44,88,503.99
<b>Profit / (Loss) after tax</b>		<b>2,18,29,678.60</b>	<b>1,26,91,020.43</b>
<b>Other Comprehensive Incomes</b>		<b>13,260.83</b>	<b>(1,718.17)</b>
<b>Total Other Comprehensive Incomes</b>		<b>2,18,42,939.43</b>	<b>1,26,89,302.26</b>
<b>Earnings per share (of Rs. 10/- each):</b>	26		
(a) Basic		3.76	2.50
(b) Diluted		3.76	2.50

As per our Report of even date attached

For M A CHAVAN & CO.

Chartered Accountants

FRN 115164W

**For Shree Surgovind Tradelink Limited**

Navin Mehta

Director

DIN - 00764424

Virat S Shah

Director

DIN - 00764118

CA JAGRUTI PATIL

Partner

M No 159522

Mumbai, 28th May 2018

Tanvi Bobhate

Company Secretary

Mumbai, 28th May 2018

<b>SHREE SURGOVIND TRADELINK LIMITED</b>		
	₹	₹
<b>Cash Flow Statement</b>	<b>31-03-2018</b>	<b>31-03-2017</b>
<b>Cash flow from operating activities</b>		
Net Profit/(Loss) as Per Profit & Loss Account before tax	2,74,20,738.60	1,71,79,524.42
<b>Non-cash adjustments to reconcile profit before tax to net cash flows</b>		
Rent from car		(1,95,000.00)
Depreciation / amortization on continuing operation	12,44,144.04	8,77,027.08
Taxes Adjustment towards excess prov w/back	37,025.00	(44,88,503.99)
Adjustment in accordance with transitional provision		(1,718.18)
Unrealized foreign exchange Loss/ (Gains)	(8,30,771.23)	8,93,388.43
Profit from sale of Investments	(1,19,641.30)	(3,97,124.15)
Loss frm sale of assets		63,527.47
Finance expenses	(2,30,75,823.54)	81,25,763.91
Interest (incomes)	(4,01,366.00)	(7,71,914.00)
<b>Operating Profit before Working Capital changes</b>	<b>42,74,305.57</b>	<b>2,12,84,970.99</b>
<b>Movements in working capital :</b>		
Increase/(decrease) in short-term borrowings	(51,60,112.68)	25,36,349.36
Increase/(decrease) in trade & other payables	(1,22,66,253.11)	(31,82,092.79)
Increase/(decrease) in other current liabilities	(9,56,319.38)	18,87,639.70
Increase/(decrease) in short-term provision	2,08,940.00	(38,20,000.00)
(Increase)/decrease in Inventories	4,38,84,872.95	3,04,38,507.01
(Increase)/decrease in Receivables	(4,22,23,634.04)	(2,78,29,667.80)
(Increase)/decrease in Other Non Current Liabilities	55,815.00	
(Increase)/decrease in long term loans and advances	(77,44,289.80)	2,28,72,470.99
(Increase)/decrease in short term loans and advances	(68,52,670.53)	(1,23,38,306.15)
<b>Cash generated from/ (used in) operations</b>	<b>(2,67,79,346.03)</b>	<b>3,18,49,871.31</b>
Less : Income Taxes Paid	-	-
<b>Net cash flow from/ (used in) operating activities</b>	<b>(2,67,79,346.03)</b>	<b>3,18,49,871.31</b>
<b>Cash flow from investing activities</b>		
Purchase of Fixed Assets		(1,34,64,500.00)
Rent from Car		1,95,000.00
Maturity/(Investment) of non-current investments	(46,71,509.00)	18,21,839.00
Investments in Mutual funds	58,31,023.45	(57,00,000.00)
Sale of Fixed asstes		7,90,338.11
Interest Received	72,875.00	4,40,492.00
<b>Net cash flow from/ (used in) investing activities</b>	<b>12,32,389.45</b>	<b>(1,59,16,830.89)</b>
<b>Cash flow from financing activities</b>		
Proceeds from Issue of shares	64,25,000.00	52,25,000.00
Proceeds from Share Appl Money Pending allotment	(16,06,250.00)	36,31,250.00
Finance Cost	1,98,34,804.11	(2,37,02,387.98)
<b>Net cash flow from/ (used in) financing activities</b>	<b>2,46,53,554.11</b>	<b>(1,48,46,137.98)</b>
<b>Net Increase in Cash &amp; Cash equivalents</b>	<b>(8,93,402.47)</b>	<b>10,86,902.44</b>
Cash & Cash Equivalents at the beginning of the year	11,20,072.24	33,169.79
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,26,669.77</b>	<b>11,20,072.23</b>
<b>Components of Cash &amp; Cash equivalents</b>		
Cash on Hand	2,11,438.58	10,32,989.58
With banks on current account	15,231.19	87,082.65
With banks on Term Deposit		
<b>Total Cash &amp; Cash equivalents (note 16)</b>	<b>2,26,669.77</b>	<b>11,20,072.23</b>

For M A CHAVAN & CO.  
Chartered Accountants  
FRN 115164W

CA JAGRUTI PATIL  
Partner  
M No 159522  
Mumbai, 28th May 2018

For Shree Surgovind Tradelink Limited

Navin Mehta                      Virat S Shah  
Director                              Director  
DIN - 00764424                  DIN - 00764118

Tanvi Bobhate  
Company Secretary  
Mumbai, 28th May 2018

## SHREE SURGOVIND TRADELINK LTD

Statement of Changes in Equity for the period ended March 31, 2018

	₹	₹	₹	₹	₹
Particulars	Equity Share Capital	Warrants	Surplus/Deficits	Other Equity	Total Equity
<b>Balance as at April 1, 2016</b>	5,01,00,000.00	-	-1,98,10,504.16	-	3,02,89,495.84
Preferential Issue	52,25,000.00	-	-	-	52,25,000.00
Warrant Application Money	-	36,31,250.00	-	-	36,31,250.00
Adjustments	-	-	0.00	-	0.00
Total Comprehensive Income	-	-	1,26,89,302.26	-	1,26,89,302.26
Restated balance at the beginning of the reporting period	-	-	-	-	-
<b>Balance as at March 31, 2017</b>	<b>5,53,25,000.00</b>	<b>36,31,250.00</b>	<b>-71,21,201.90</b>	<b>-</b>	<b>5,18,35,048.10</b>
<b>Balance as at April 1, 2017</b>	5,53,25,000.00	36,31,250.00	-71,21,201.90	-	5,18,35,048.10
Preferential Issue	64,25,000.00	-	0.00	-	64,25,000.00
Conversion of Warrants	-	-16,06,250.00	0.00	-	-16,06,250.00
Adjustments	-	-	0.00	-	0.00
Total Comprehensive Income	-	-	2,18,42,939.43	-	2,18,42,939.43
Restated balance at the beginning of the reporting period	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>6,17,50,000.00</b>	<b>20,25,000.00</b>	<b>1,47,21,737.53</b>	<b>-</b>	<b>7,84,96,737.53</b>

For M A CHAVAN &amp; CO.

Chartered Accountants

FRN 115164W

For Shree Surgovind Tradelink Limited

Navin Mehta

Director

DIN - 00764424

Virat S Shah

Director

DIN - 00764118

CA JAGRUTI PATIL

Partner

M No 159522

Mumbai, 28th May 2018

Tanvi Bobhate

Company Secretary

Mumbai, 28th May 2018

Note 3 : Property, Plant and Equipment

SR NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK					
		AS AT 1-Apr-2017	Additions	Deductions	AS AT 31-Mar-2018	UPTO 1-Apr-2017	FOR THE YEAR	Deductions	Adjustment to Reserves	UPTO 31-Mar-2018	AS AT 31-Mar-2018	AS AT 31-Mar-2017	AS AT 31-Mar-2016
I	Buildings	1,34,64,500.00			1,34,64,500.00	6,39,791.66	12,15,442.40			18,55,234.06	1,16,09,265.94	1,28,24,708.34	
II	Furnitures #	5,90,236.00			5,90,236.00	5,73,985.03	-	(13,260.83)		5,60,724.20	29,511.80	16,250.97	16,250.97
III	Office Equipments	6,51,374.00			6,51,374.00	6,14,775.56	8,674.08			6,23,449.64	27,924.36	36,598.44	10,95,141.46
IV	Computers & printers	7,48,545.00			7,48,545.00	6,86,492.60	20,027.56			7,06,520.16	42,024.84	62,052.40	94,610.39
	<b>TOTAL</b>	<b>1,54,54,655.00</b>	<b>-</b>	<b>-</b>	<b>1,54,54,655.00</b>	<b>25,15,044.85</b>	<b>12,44,144.04</b>	<b>(13,260.83)</b>	<b>-</b>	<b>37,45,928.06</b>	<b>1,17,08,726.94</b>	<b>1,29,39,610.15</b>	<b>12,06,002.82</b>
	<b>PREVIOUS YEAR</b>	<b>50,19,029.00</b>	<b>1,34,64,500.00</b>	<b>30,28,874.00</b>	<b>1,54,54,655.00</b>	<b>38,13,026.18</b>	<b>8,77,027.08</b>	<b>1,718.18</b>	<b>21,76,726.59</b>	<b>25,15,044.84</b>	<b>1,29,39,610.16</b>	<b>12,06,002.82</b>	<b>35,58,016.57</b>

# No Depreciation had been charged on Furnitures, as their respective useful lives had been exhausted. Pending Disposal, they had been shown as Residual value of Original Costs.



Particulars	₹	₹	₹
Notes forming part of the Financial statement for the year ended March 31	2018	2017	2016
<b>4 Non-Current investments</b>			
a Investment in Coporate Securities-Closely Held (RR Life Care Pvt Ltd)	50,00,000.00	-	-
<b>Total</b>	<b>50,00,000.00</b>	<b>-</b>	<b>-</b>
<b>4 Current investments</b>			
Investment in Mutual funds	-	60,97,124.15	-
<b>Total</b>	<b>-</b>	<b>60,97,124.15</b>	<b>-</b>
<b>5 Loans and advances given</b>			
<b>a Unsecured, Considered Good</b>	<b>Long-Term</b>	<b>Long-Term</b>	<b>Long-Term</b>
Security Deposits	6,04,510.59	5,83,468.58	9,96,616.58
Prepaid Rent Deposit	18,674.00	19,441.42	38,115.42
Trade & Other Advances	50,00,000.00	50,00,000.00	1,15,50,000.00
Advance & other prepaid taxes	1,15,877.00	3,84,551.00	84,43,104.09
Sales tax Refund	10,13,926.06	4,36,632.84	4,36,632.84
Service tax receivable due on export	9,85,982.00	9,85,982.00	-
Special Additional duty refund	35,43,009.40	5,01,167.40	94,00,165.40
income Tax Refundable AY 12-13	-	70,375.00	-
Prepaid taxes AY 2017-18	37,03,792.00	-	-
Prepaid taxes AY 2018-19	7,40,137.00	-	-
<b>Total</b>	<b>1,57,25,908.05</b>	<b>79,81,618.24</b>	<b>3,08,64,634.33</b>
<b>b Unsecured, Considered Good</b>	<b>Short-Term</b>	<b>Short-Term</b>	<b>Short-Term</b>
Prepaid Expenses	7,95,758.86	9,91,216.21	90,514.00
Trade Advances	2,37,65,257.52	3,35,88,228.94	2,21,50,625.00
Part Payment of Sales Tax	1,45,575.00	-	-
GST Receivables	1,66,99,030.88	-	-
Prepaid Rent Deposit	767.42	18,674.00	18,674.00
Security Deposits	44,400.00	-	-
<b>Total</b>	<b>4,14,50,789.68</b>	<b>3,45,98,119.15</b>	<b>2,22,59,813.00</b>
<b>6 Defered Tax Liabilities/Assets (Net)-Defered Tax (Liability)/assets for the year end</b>	been provided on the estimated tax computation for the year		
<b>a Defered Tax Liability</b>	<b>Total</b>	<b>-</b>	<b>-</b>
<b>b Defered Tax Assets</b>			
Depreciation	2,18,843.10	2,55,868.10	2,27,145.00
<b>Total</b>	<b>2,18,843.10</b>	<b>2,55,868.10</b>	<b>2,27,145.00</b>
<b>Net Difference</b>	<b>2,18,843.10</b>	<b>2,55,868.10</b>	<b>2,27,145.00</b>
<b>7 Inventories- (As taken, valued and certified by the management)</b>			
Goods for resale at cost	10,46,30,622.99	14,85,15,495.94	17,89,54,002.95
<b>Total</b>	<b>10,46,30,622.99</b>	<b>14,85,15,495.94</b>	<b>17,89,54,002.95</b>
<b>8 Trade Receivables</b>			
<b>a Unsecured, Considered Good</b>			
Outstanding for less than six months	13,51,82,519.30	10,34,37,424.78	7,35,11,385.98
<b>b Others</b>	1,35,84,745.70	31,06,206.18	52,02,577.18
<b>Total</b>	<b>14,87,67,265.00</b>	<b>10,65,43,630.96</b>	<b>7,87,13,963.16</b>
<b>9 Cash and cash equivalents</b>			
<b>a Cash and bank balances</b>			
i Cash on Hand	2,11,438.59	10,32,989.59	26,832.85
ii Balance with bank in Current accounts	15,231.19	87,082.65	6,336.94
<b>Total-a</b>	<b>2,26,669.78</b>	<b>11,20,072.24</b>	<b>33,169.79</b>
<b>b Other Bank Balances</b>			
a Deposits with bank-maturity-for more than 12 months	57,77,278.00	53,91,536.00	69,00,131.00
	-	-	-
<b>Total-b</b>	<b>57,77,278.00</b>	<b>53,91,536.00</b>	<b>69,00,131.00</b>
<b>Total-a+b</b>	<b>60,03,947.78</b>	<b>65,11,608.24</b>	<b>69,33,300.79</b>
<b>10 Share capital</b>			
<b>a Authorised</b>			
80,00,000 (Prev year 60,00,000) Equity Shares of ` 10 each	8,00,00,000.00	8,00,00,000.00	6,00,00,000.00
<b>b Issued, Subscribed &amp; Fully paid up</b>			
61,75,000 (Prev year 55,32,500) Equity Shares of ` 10 each	6,17,50,000.00	5,53,25,000.00	5,01,00,000.00
<b>c Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>			

<b>Equity Shares</b>			
	<b>Nos</b>	<b>Nos</b>	<b>Nos</b>
At the beginning of the period	55,32,500	50,10,000	50,10,000
Issued during the period	6,42,500	5,22,500	-
<b>Outstanding at the end of the period</b>	<b>61,75,000</b>	<b>55,32,500</b>	<b>50,10,000</b>

<b>Equity Shares</b>			
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
At the beginning of the period	5,53,25,000.00	5,01,00,000.00	5,01,00,000.00
Issued during the period-Fresh Issues	64,25,000.00	52,25,000.00	-
<b>Outstanding at the end of the period</b>	<b>6,17,50,000.00</b>	<b>5,53,25,000.00</b>	<b>5,01,00,000.00</b>

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

**e Details of shareholders holding more than 5% shares in the company**

<b>i Name of the Shareholder</b>	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Virat S Shah	13,55,700	10,34,450	7,73,200
Rajan S Shah	8,80,900	8,80,900	8,80,900
Alok V Shah	12,93,600	9,72,350	7,11,100
Keyur Patel	3,54,300	3,54,300	3,54,300

<b>ii In Percentage</b>	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
Virat S Shah	21.95%	18.70%	15.43%
Rajan S Shah	14.27%	15.92%	17.58%
Alok V Shah	20.95%	17.58%	14.19%
Keyur Patel	5.74%	6.40%	7.07%

**11 Other Equity**

**11 Money received against share warrants**

a Virat S Shah	9,75,000.00	17,78,125.00	-
b Alok V Shah	10,50,000.00	18,53,125.00	-
<b>Total</b>	<b>20,25,000.00</b>	<b>36,31,250.00</b>	<b>-</b>

**11 Other Equity**

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

a Opening balance	(71,21,201.90)	(1,98,10,504.16)	(81,51,836.89)
b Add/(Less): Adjustments	-	-	-
c Add: Current Year Profit /(Loss)	2,18,42,939.43	1,26,89,302.26	(1,16,58,667.27)
<b>Total</b>	<b>1,47,21,737.53</b>	<b>(71,21,201.90)</b>	<b>(1,98,10,504.16)</b>
<b>Other Equity Aggregates</b>	<b>1,67,46,737.53</b>	<b>(34,89,951.90)</b>	<b>(1,98,10,504.16)</b>

**12 Non Current Liabilities - Provision for Gratuity**

	<b>1,91,137.00</b>	<b>1,35,322.00</b>	<b>-</b>
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**13.1 Additional Information to Secured/Unsecured Long term borrowings**  
The long term portion of term loans are shown under long term borrowings and the current maturities of the long term borrowing, if any are shown under the current liabilities as per the disclosure requirements of the Revised Schedule II

**13.2 Short Term Borrowings**

	<b>Current</b>	<b>Current</b>	<b>Current</b>
Cash Credit-From Banks-(secured)	10,59,56,146.24	11,43,57,278.35	11,18,20,928.99
<b>Total</b>	<b>10,59,56,146.24</b>	<b>11,43,57,278.35</b>	<b>11,18,20,928.99</b>

**Detail of Securities :-** The facility from Union Bank of India is secured by hypothecation of assets and personal guarantee of the directors and relatives.

**14 Trade & Other payables**

a Trade Payables from Other than Micro, Small & Medium Entps	11,23,82,500.80	8,12,55,320.00	16,83,58,760.91
b Other payables (for expenses)	2,64,13,803.61	5,47,38,008.75	15,42,642.27
c Creditors for Capital expenditure	-	1,59,00,000.00	-
<b>Total</b>	<b>13,87,96,304.41</b>	<b>15,18,93,328.75</b>	<b>16,99,01,403.18</b>

\*The company does not possess any information about the category of its creditors as per MSME act

<b>15 Other Current liabilities including TDS and VAT</b>	6,65,778.36	16,22,097.74	(2,72,965.96)
<b>16 Short-Term Provisions including Income Tax Provisions of earlier years</b>	94,00,000.00	36,00,000.00	74,20,000.00

<b>17 Revenue from Operations</b>		
<b>A Sales of Products:</b> Finished Goods	86,13,81,477.86	64,69,63,983.89
<b>Total; Further classification</b>	<b>86,13,81,477.86</b>	<b>64,69,63,983.89</b>
Indigenous	86,13,81,477.86	55,39,72,998.89
Exports	-	9,29,90,985.00
<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 also export iron ore.		
<b>B Direct Incomes</b>		
i Brokerage, Commission and Discount Incomes	5,86,934.30	7,49,409.40
ii Interest-Others.,	6,94,074.04	5,74,433.20
	<b>12,81,008.34</b>	<b>13,23,842.60</b>
<b>18 Other Incomes</b>	<b>86,26,62,486.20</b>	<b>64,82,87,826.49</b>
a Interest on Term Deposits	4,01,366.00	4,40,492.00
b Profit from Sale of Mutual Fund Investment	1,19,641.30	
c Gain on Fair Value of Mutual Fund Investment		3,97,124.15
c Interest on Security Deposit	21,042.00	18,178.00
d Rent from Car	-	1,95,000.00
<b>TOTAL</b>	<b>5,42,049.30</b>	<b>10,50,794.15</b>
<b>19 Purchase of Stock in Trade and direct expenses</b>		
a Purchases	75,64,43,073.31	50,14,85,082.53
b Direct Expenses	21,84,139.80	5,75,65,849.00
	<b>75,86,27,213.11</b>	<b>55,90,50,931.53</b>
<b>20 Change in inventories of finished goods</b>		
a Stock at Close	10,46,30,622.99	14,85,15,495.94
b Stock at commencement	14,85,15,495.94	17,89,54,002.95
	<b>4,38,84,872.95</b>	<b>3,04,38,507.01</b>
<b>21 Employee benefit expenses</b>		
a Salary & Bonus	15,18,078.00	9,28,394.00
b Staff Welfare	1,43,070.00	
c Gratuity Expenses	58,660.00	1,42,746.00
	<b>17,19,808.00</b>	<b>10,71,140.00</b>
<b>22 Other Expenses</b>		
a Rent for office	3,55,200.00	3,00,000.00
b Godown rent	12,17,350.00	12,00,000.00
d <u>Auditors' Remuneration</u>		
i -Services as statutory auditors(including quartely audits/review)	1,72,500.00	1,38,000.00
ii -Income tax matters	-	50,000.00
iii -Certification fees	-	37,000.00
e Insurance charges	61,431.73	1,18,540.00
f Legal and professional fees	14,11,012.00	10,95,317.00
g Office expenses	4,98,357.00	2,66,216.00
h Listing and other charges	3,66,225.00	3,16,000.00
i Post,telegram , telephone and couriers expenses	17,058.06	9,620.00
j Printing and stationery expenses	54,195.00	22,175.00
k Rates and Taxes	2,16,869.51	7,38,900.37
l Tour and travels	39,565.00	21,335.00
m Bad Debts/ Irrecoverable amounts written off	68,941.00	17,24,051.00
n Advertisement	57,168.00	81,120.00
o Brokerage and Commission Expenses	25,15,207.00	11,90,489.75
p Discount Given	85,655.96	47,584.69
q Loss on Sale of Assets	-	63,527.47
r Preliminary expenses-Exps for Authorised Capital	-	6,31,000.00
s Miscellaneous expenses	95,200.00	91,820.00
<b>TOTAL</b>	<b>72,31,935.26</b>	<b>81,42,696.28</b>
<b>23 Finance Costs</b>		
a Interest Expenses	1,98,08,354.94	2,69,42,048.31
b Other Borrowing costs-Finance & Other Charges	40,79,565.83	47,43,357.58
c Applicable net gain/loss on foreign currency transactions and translation	(8,30,771.23)	8,93,388.43
d Interest on Deposit	18,674.00	-
	<b>2,30,75,823.54</b>	<b>3,25,78,794.32</b>
<b>24 Depreciation and amortization expense</b>		
a Depreciation on tangible assets	12,44,144.04	8,77,027.08
b Amortization on intangible assets	-	-
	<b>12,44,144.04</b>	<b>8,77,027.08</b>

<b>25 Tax expenses</b>		
a Current tax expenses/(savings) for current year	58,00,000.00	36,00,000.00
b (Less) MAT credit (where applicable)	-	
c Add/(Less) Excess/(Short) provisions	(2,45,965.00)	9,17,227.09
d Net current tax expense	55,54,035.00	45,17,227.09
e Deferred tax	37,025.00	(28,723.10)
	<b>55,91,060.00</b>	<b>44,88,503.99</b>
<b>26 Earning Per Share</b>		
A. Profit/(Loss) Computation for basis earnings per share of ` 10 each		
PAT as per Stat of Profit & loss availbale to Equity Sh.holders	2,18,29,678.60	1,26,91,020.43
<b>B. Weighted average number of Equity shares for BEPS</b>		
i At the beginning of the Year-Fully paid Weighted Avg for 365 days	55,32,500	50,10,000
ii Issued during the year-Fully paid Weighted Avg [642500 for 153 days ] / [522,500 for 47 days]	2,69,322	67,281
<b>B. Weighted average number of Equity shares for BEPS</b>	<b>58,01,822</b>	<b>50,77,281</b>
C Basic EPS (before and after Extraordinary items)	<b>3.76</b>	<b>2.50</b>
<b>D. Weighted average number of Equity shares for DEPS</b>		
i At the beginning of the Year-Fully paid Weighted Avg for 365 days	55,32,500	50,10,000
ii Issued during the year-Fully paid Weighted Avg [642500 for 153 days ] / [522,500 for 47 days]	2,69,322	67,281
<b>iv Weighted average number of Equity shares for DEPS</b>	<b>58,01,822</b>	<b>50,77,281</b>
e Diluted EPS (before and after Extraordinary items)	<b>3.76</b>	<b>2.50</b>
<b>27 Contingent liabilities</b>		
a Bank Guarantee issued	-	-
b Letters of Credit outstanding (including Local LCs)	5,99,26,649.08	4,47,01,320.19
c Claims against the company not acknowledged as debts		
<i>I) Disputed dues in respect of Sales tax</i>		
For FY 2008-09	-	2,13,161.00
For FY 2012-13 (Part Payment Rs 145,575)	6,44,406.00	6,44,406.00
<i>II) Disputed dues in respect of income tax</i>		
The Income-tax assessments of the Company have been completed upto the accounting year ended 31.3.2013		
For AY 2013-14	-	3,17,150.00
	<b>6,44,406.00</b>	<b>11,74,717.00</b>
d Claims against the company Civil case for damage of perishable goods supplied	14,00,000.00	14,00,000.00
Total (a+b+c+d)	<b>6,19,71,055.08</b>	<b>4,72,76,037.19</b>
<b>28</b> The Company has a single segment namely "Commodity Trading and Distribution", Therefore the company business does not fall under different segments as defined by AS-17-"Segment Reporting" issued by ICAI.		
<b>29</b> Some of the Debit or Credit balances on whatever account are subject to confirmation from parties/authorities concerned. However in the opinion of the Management, these amounts are realisable and payable at the amount stated in the Company's accounts.		
<b>30 Case againts The Company/Directors by ROC/ SEBI</b>		
As informed in the last annual report ended March 31, 2017,the final order in relation to the said matters had been received. During the year under review the Court case has been closed. However the same is yet to be updated in the Registrar of Company (ROC)/ MCA records		

<b>31 Additional information pursuant to the provisions of Schedule VI to the companies Act, 2013</b>							
<b>(i) Quantitative Data</b>							
Class of Goods	Units	Quantity				Amount in ₹	
		Opening Stock	Purchases	Sales	Closing Stock	Closing Stock ₹	
2018	Commodities	Kilograms	-	-	-	-	-
2017			24,961.520	12,972.960	37,934.480	-	-
2018	Steel	Metric Tonnes	4,068.919	21,273.411	22,645.376	2,696.954	10,45,40,237.18
2017			5,252.485	69,262.289	70,445.855	4,068.919	14,85,15,495.94
2018	Iron ore	Metric Tonnes	-	-	-	-	-
2017			-	56,320.000	56,320.000	-	-
2018	DEPB License	Numbers	-	-	-	-	90,385.81
2017			-	-	-	-	-
2018	Total		4,068.919	21,273.411	22,645.376	2,696.954	10,46,30,622.99
2017	Total		30,214.005	1,38,555.249	1,64,700.335	4,068.919	14,85,15,495.94
				₹		₹	
(ii)	<b>Value of imported and indigenous goods *</b>				<b>2017 - 18</b>	<b>2016 - 17</b>	
	Imported into India				21,53,03,386.89	-	
					<b>21,53,03,386.89</b>	<b>-</b>	
* As the Company is engaged only in trading business, this information thereof is limited to trading and not consumption. The indigenous purchases of materials are not reported herewith. The Trading purchases is a part of total purchases.							
(iii)	<b>Disclosure in accordance with Accounting Standard-18 Related Party Transaction</b>						
A	Names of Related Parties & Nature of Relationship						
i	<b>Names of Related Parties</b>			<b>Nature of Relationship</b>			
	Rkb Global Pvt ltd			Promoter Group Co			
	Rkb Steel Pvt ltd			Promoter Group Co			
ii	<b>Key Management personnel</b>						
	Mr. Navin Madhavji Mehta			Whole Time Director			
	Ms. Tanvi Bobhate			Company Secretary			
iii	<b>Transactions with Related Parties</b>			<b>2017 - 18</b>	<b>2016 - 17</b>		
a	Purchase of Materials, etc.,			33,46,26,937.17	25,16,82,591.96		
b	Sale of Materials etc.,			13,67,42,163.13	9,67,37,742.02		
c	Advances given/repaid			99,07,990.80	21,53,62,180.95		
d	Remuneration Paid			11,87,672.00	9,30,894.00		
e	Services Receipts/Payments			15,00,000.00	17,40,000.00		
f	Received for Issue of Warrants			-	36,31,250.00		
a	<b>Purchases of Materials etc.,</b>						
	Rkb Global Pvt ltd			33,46,26,937.17	25,16,82,591.96		
	Rkb Steel Pvt ltd			-	-		
b	<b>Sales of Materials etc.,</b>						
	Rkb Global Pvt ltd			13,67,42,163.13	1,62,36,163.02		
	Rkb Steel Pvt ltd			-	8,05,01,579.00		
c-i	<b>Advances given/repaid</b>						
	Opening Balance			-	-		
	Received during the year			-	26,12,658.00		
	Paid during the year			-	26,12,658.00		
	Closing Balance			-	-		
c-ii	<b>Advances given/repaid (RKB Global Pvt Ltd)</b>						
	Opening Balance			21,53,62,180.95	21,61,27,846.95		
	Received during the year			86,40,33,114.02	28,93,35,181.00		
	Paid during the year			1,06,94,87,304.17	29,01,00,847.00		
	Closing Balance			99,07,990.80	21,53,62,180.95		
				<b>99,07,990.80</b>	<b>21,53,62,180.95</b>		
d	<b>Remuneration Paid</b>						
	Navin Madhavji Mehta			7,89,000.00	6,25,453.00		
	Tanvi Bobhate			3,98,672.00	3,05,441.00		
				<b>11,87,672.00</b>	<b>9,30,894.00</b>		
e	<b>Services Receipts/Payments</b>						
	Godown rent (RKB Global Pvt Ltd)			12,00,000.00	12,00,000.00		
	Office/Transport charges reimbursed			-	5,40,000.00		
	Sugar House Rent ( Alok Shah & Aarti Alok Shah)			3,00,000.00	-		
				<b>15,00,000.00</b>	<b>17,40,000.00</b>		
f	<b>Received for Issue of Warrants</b>						
	Virat S Shah			-	17,78,125.00		
	Alok V Shah			-	18,53,125.00		
				-	<b>36,31,250.00</b>		
32	Previous year's figures are regrouped and rearranged to make them comparable with current year's figures.						

## **Shree Surgovind Tradelink Limited**

Notes to financial statements for the year ended 31 March 2018

### **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**

**A. Basis of Accounting:** The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

#### **B. Tangible assets**

- a. Tangible assets are stated at cost, less accumulated depreciation. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit and Loss.
- b. Depreciation on tangible assets is provided on the written-down-value over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a written down value method, commencing from the date the asset is available to the Company for its use. The Management estimates the useful lives for the **other fixed assets** as follows:

*Buildings-30 years ; Plant and machinery-15 years ; Office equipment-5 years ; Computer equipment-3-5 years ; Furniture and fixtures-5 years ; Vehicles-8 years*

#### **C. 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 recognized as income or expense in the Statement of Profit and loss.

#### **D. Impairment**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is

estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

#### **E. Investments**

Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary, in the value of investments. Current investments are valued at the lower of cost and fair value, determined by category of investment.

#### **F. Valuation of Inventories:**

Inventories consist of Finished Goods which 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.

#### **G. Foreign currency transactions**

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place. 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.

#### **H. Derivative Instruments and Hedge Accounting**

At present no accounting policy is formulated for Derivative Instruments and Hedge Accounting.

#### **I. 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.
- iv) Dividend income is recognized when the Company's right to receive dividend is established.

## **J. Government Grants**

No government grant or any incentives from government authorities the company is entitled to receive and hence no accounting policy formulated.

## **K. Employees benefits**

### **a. Short-term obligations**

Liabilities for wages and salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

### **b. Post-employment obligations (Defined Benefit Obligations)**

The Company operates the following postemployment schemes:-defined benefit plans - gratuity and postretirement medical benefit scheme- The liability or asset recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

## **L. Borrowing Costs**

All borrowing costs are charged to the Statement of Profit and Loss except:

- (i) Borrowing costs, if any that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready



for their intended use, which are capitalised as part of the cost of such assets.

- (ii) Expenses incurred on raising long term borrowings, if any are amortised over the period of borrowings. On early buyback, conversion or repayment of borrowings, any unamortised expenditure is fully written off in that year.

#### **M. Provisions and Contingent liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **N. Leases**

The Company's significant leasing arrangements are in respect of operating leases for premises (godowns, office spaces etc.). The leasing arrangements, which are not non-cancellable, range between eleven months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent.

#### **O. Taxes on Incomes**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Minimum Alternate Tax (MAT), if any paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

#### **P. Segment Reporting**

The Company has a single segment namely "Commodity Trading and Distribution", Therefore the company business does not fall under different segments as defined by AS-17-"Segment Reporting" issued by ICAI.

### **3. First time adoption of Ind AS**

These are the Company's first financial statement prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of the opening Ind AS balance sheet as at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### **Explanation 1 – Exemptions and exceptions availed**

#### **Explanation 2 – Reconciliation of total comprehensive income for the year ended March 31, 2017**

#### **Explanation 3 – Impact on Standalone cash flows for the year ended March 31, 2017**

#### **Explanation 1 - Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

#### **b. Ind AS Optional exemptions**

##### **Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 - Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

#### **b. Ind AS mandatory exceptions**

##### **i. Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**ii. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company accordingly has made such assessment to assess such classification and measurement on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Similarly, the Company has determined the classification of mutual fund investments at FVTPL based on the facts and circumstances that are existing as of transition date.

**iii. De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS

**Explanation 2 – Reconciliation of total comprehensive income for the year ended 31st March, 2017  
Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017**

**Notes to the reconciliations:**

- a. The Investments in mutual funds under IGAAP were carried at lower of cost and fair value. Under Ind AS, the investments in mutual funds are to be fair valued with the corresponding gains/losses to be recognized in the statement of profit and loss. Consequently, there is increase in equity by Rs. 397,124 as on March 31, 2017 respectively.
- b. During the year ended March 31, 2017, Gratuity Provision thereof both Non-Current and Current was accounted for Rs. 135,322 and Rs. 7,424 respectively. Consequently, there is decrease in equity by similar amount respectively.
- c. Interest on Security Deposits receivable from Non-Current Deposits of Rs. 496 and Interest on Security Deposits payable for Rs. 18,674 was accounted. Consequently, there is decrease in equity by net amount of Rs. 18,178 respectively.
- d. No Deferred tax adjustment for the same was accounted for above
- e. For the year ended April 1, 2016, the Interest on deposits was accounted for Rs. 18,674. Consequently other financial assets and Loans were adjusted accordingly.

## Shree Surgovind Tradelink Limited

### Notes to Standalone financial statements for the year ended 31 March 2018

#### Standalone Statement of Assets and Liabilities

#### Explanation 2 – Reconciliation of total equity as at March 31, 2017 and as at April 1, 2016

Particulars	Notes	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 1, 2016 (Date of transition)		
		Previous GAAP	Effect of Ind AS transition	As per Ind AS Balance Sheet	Previous GAAP	Effect of Ind AS transition	As per Ind AS Balance Sheet
<b>A ASSETS</b>							
<b>I Non- Current Assets</b>							
Property, Plant and equipment		1,29,39,610.16		1,29,39,610.16	12,06,002.82	-	12,06,002.82
Capital Work in Progress		-		-	-	-	-
Goodwill		-		-	-	-	-
Other Intangible Assets		-		-	-	-	-
Intangible assets under development		-		-	-	-	-
Financial Assets							
(i) Investments		-		-	-	-	-
(ii) Loans and Advances		79,82,114.24	-496.00	79,81,618.24	3,08,83,308.33	-18,674.00	3,08,64,634.33
(iii) Other financial assets		-		-	-	-	-
(b) Deferred tax assets (net)		2,55,868.10		2,55,868.10	2,27,145.00		2,27,145.00
Other Non Current Assets		-		-	-	-	-
<b>Sub Total - Non- Current Assets</b>		<b>2,11,77,592.50</b>	<b>-496.00</b>	<b>2,11,77,096.50</b>	<b>3,23,16,456.15</b>	<b>-18,674.00</b>	<b>3,22,97,782.15</b>
<b>II Current Assets</b>							
Inventories		14,85,15,495.94		14,85,15,495.94	17,89,54,002.95		17,89,54,002.95
Financial Assets							
(i) Investments		57,00,000.00	3,97,124.15	60,97,124.15	-		-
(ii) Trade receivables		10,65,43,630.96		10,65,43,630.96	7,87,13,963.16		7,87,13,963.16
(iii) Cash and cash equivalents		65,11,608.24		65,11,608.24	69,33,300.79		69,33,300.79
(iv) Other financial assets		3,45,79,445.15	18,674.00	3,45,98,119.15	2,22,41,139.00	18,674.00	2,22,59,813.00
Current tax assets (net)		-		-	-	-	-
Other Current assets		-		-	-	-	-
<b>Sub Total - Current Assets</b>		<b>30,18,50,180.29</b>	<b>4,15,798.15</b>	<b>30,22,65,978.44</b>	<b>28,68,42,405.90</b>	<b>18,674.00</b>	<b>28,68,61,079.90</b>
<b>TOTAL ASSETS</b>		<b>32,30,27,772.79</b>	<b>4,15,302.15</b>	<b>32,34,43,074.94</b>	<b>31,91,58,862.05</b>	<b>-</b>	<b>31,91,58,862.05</b>
<b>B EQUITY AND LIABILITIES</b>							
<b>I Equity</b>							
(a) Equity Share Capital		5,53,25,000.00		5,53,25,000.00	5,01,00,000.00		5,01,00,000.00
(b) Other Equity		-37,62,508.05	2,72,556.15	-34,89,951.90	-1,98,10,504.17	-	-1,98,10,504.17
<b>Sub Total - Equity</b>		<b>5,15,62,491.95</b>	<b>2,72,556.15</b>	<b>5,18,35,048.10</b>	<b>3,02,89,495.83</b>	<b>-</b>	<b>3,02,89,495.83</b>
Minority		-		-	-		-
<b>II LIABILITIES</b>							
<b>Non Current Liabilities</b>							
Financial Liabilities							
(i) Borrowings		-		-	-		-
(ii) Other Financial liabilities		-		-	-		-
Deferred Tax Liabilities (Net)		-		-	-		-
Other Non current liabilities		-	1,35,322.00	1,35,322.00	-		-
<b>Sub Total - Non- Current Liabilities</b>		<b>-</b>	<b>1,35,322.00</b>	<b>1,35,322.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>							
Financial Liabilities							
(i) Borrowings		11,43,57,278.35		11,43,57,278.35	11,18,20,928.99		11,18,20,928.99
(ii) Other Financial liabilities							
(iii) Trade payables		15,18,93,328.75		15,18,93,328.75	16,99,01,403.19		16,99,01,403.19
Other Current liabilities		16,14,673.74	7,424.00	16,22,097.74	-2,72,965.96		-2,72,965.96
Provisions		36,00,000.00		36,00,000.00	74,20,000.00		74,20,000.00
Current tax liabilities(net)		-		-	-		-
<b>Sub Total - Current Liabilities</b>		<b>27,14,65,280.84</b>	<b>7,424.00</b>	<b>27,14,72,704.84</b>	<b>28,88,69,366.22</b>	<b>-</b>	<b>28,88,69,366.22</b>
<b>Total Liabilities</b>		<b>27,14,65,280.84</b>	<b>1,42,746.00</b>	<b>27,16,08,026.84</b>	<b>28,88,69,366.22</b>	<b>-</b>	<b>28,88,69,366.22</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,30,27,772.79</b>	<b>4,15,302.15</b>	<b>32,34,43,074.94</b>	<b>31,91,58,862.05</b>	<b>-</b>	<b>31,91,58,862.05</b>

#### Notes

- a As the Investment in Mutual funds were made on 16/06/2016, no corresponding adjustments for the same was made on Financial statement As at April 1, 2016

#### Reconciliation of total equity as at March 31, 2017 and as at April 1, 2016

Particulars	Notes	As at	As at
		March 31, 2017	April 1, 2016
<b>Balance as reported under previous GAAP</b>		-73,93,758.05	-1,98,10,504.17
Effect of measuring investments at Fair Value through profit or loss		3,97,124.15	-
Interest on Security Deposit		18,178.00	-
Gratuity Expenses		-1,42,746.00	-
<b>Reserves</b>		<b>-71,21,201.90</b>	<b>-1,98,10,504.17</b>
<b>Money Received Against Share Warrants</b>		<b>36,31,250.00</b>	<b>-</b>
<b>Equity Share Capital</b>		<b>5,53,25,000.00</b>	<b>5,01,00,000.00</b>
<b>Balance as reported under IND AS</b>		<b>5,18,35,048.10</b>	<b>3,02,89,495.83</b>

## Shree Surgovind Tradelink Limited

### Notes to Standalone financial statements for the year ended 31 March 2018

#### Reconciliation of Standalone Profit as at March 31, 2017

<b>Profit / (Loss) as per Indian GAAP</b>	<b>12418,464.28</b>
Effect of measuring investments at Fair Value through profit or loss	397,124.15
Interest on Security Deposit	18,178.00
Gratuity Expenses	-142,746.00
<b>Profit / (Loss) as per IND AS</b>	<b>12,691,020.43</b>

#### Explanation 3 – Impact on Standalone cash flows for the year ended March 31, 2017

There is no impact on cash flows due to transition to Ind AS.

For M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

For Shree Surgovind Tradelink Limited

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

Navin Mehta  
Director  
DIN – 00764424

Virat S Shah  
Director  
DIN - 00764118

Mumbai, 28<sup>TH</sup> May 2018.

Tanvi Bobhate  
Company Secretary  
Mumbai, 28<sup>th</sup> May, 2018

## **Independent Auditors' report to the members of Shree Surgovind Tradelink Limited**

### **Report on the Consolidated financial Statements**

1. We have audited the accompanying Consolidated financial statements of **Shree Surgovind Tradelink Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss account and the Consolidated Cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial Statements").

### **Management's Responsibility for the consolidated financial statements**

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable. The respective Board of Directors of the Companies included in the Group included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statement.

**Opinion:**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit and there consolidated cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

8. As required by Section 143 (3) of the Act, we report, to the extent applicable that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of accounts, as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of the books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the applicable Accounting standards specified under the 133 of the Act as applicable.

- (e) On the basis of written representation received from the directors of the Holding Company, as on March 31, 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group is disqualified as on March 31, 2018 from being appointed as a director in terms, of section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” ; and
- (g) 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 Consolidated financial statement discloses the impact of pending litigations, if any on the consolidated financial position of the Group, in accordance with the generally accepted accounting practice - also refer to Note 27 to the consolidated financial statements.
  - The Group did not have any long-term contracts pending on the balance sheet date 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 Group.

For M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

Mumbai, 28<sup>th</sup> May, 2018



## **Annexure A to the Independent Auditor's Report**

**(Referred to in paragraph 8(f) under "Report on Other Legal and Regulatory Requirements' of our report of even date)**

### **Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company for the year ended on March 31, 2018, we have audited the internal financial controls of Shree Surgovind Tradelink Limited ("the Holding Company") and its subsidiary companies, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Holding Company, its subsidiary companies, are responsible for establishing and maintaining internal Consolidated financial controls based on the internal control over Consolidated financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Consolidated financial Controls over Consolidated financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial Controls over Consolidated financial Reporting (the "Guidance Note") issued by ICAI and Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal Consolidated financial controls both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal financial Controls over financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company , its subsidiary companies has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

Mumbai, 28<sup>th</sup> May, 2018

**SHREE SURGOVIND TRADELINK LTD**  
**Consolidated Balance Sheet as at March 31, 2018**

	Notes	₹ 2018	₹ 2017	₹ 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	3	1,17,08,726.94	1,29,39,610.16	12,06,002.81
Goodwill on Consolidation	4	43,001.61	-	
Non-Current investments	4	-	52,45,000.00	52,45,000.00
Long-term loans and advances	5a	1,90,67,379.05	82,67,784.24	3,08,68,457.33
Deferred tax assets (net)	6	2,18,843.10	2,55,868.10	2,27,145.00
<b>Current assets</b>				
Current investments	4	62,90,000.00	1,23,87,124.15	-
Inventories	7	10,46,30,622.99	14,85,15,495.94	17,89,54,002.95
Trade receivables	8	14,87,67,265.00	10,65,43,630.96	7,87,13,963.16
Cash and cash equivalents	9	63,99,164.17	68,17,128.76	69,37,412.31
Short-term loans and advances	5b	4,19,61,805.68	3,52,97,907.15	2,22,59,813.00
		<b>33,90,86,808.54</b>	<b>33,62,69,549.46</b>	<b>32,44,11,796.57</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share capital	10	6,17,50,000.00	6,03,25,000.00	5,51,00,000.00
Other Equity	11	1,67,46,737.53	(37,24,579.38)	(1,96,73,069.64)
<b>Non-current liabilities</b>				
Long-term borrowings		-	-	-
Deferred tax liabilities (net)	6a	-	-	-
Other Non Current Liabilities	12	1,91,137.00	1,35,322.00	-
<b>Current liabilities</b>				
Short-term borrowings	13	10,66,75,426.24	12,06,02,278.35	11,18,20,928.99
Trade & Other payables	14	14,36,11,729.41	15,37,09,430.75	17,00,16,903.18
Other Current liabilities	15	6,65,778.36	16,22,097.74	(2,72,965.96)
Short term Provision	16	94,46,000.00	36,00,000.00	74,20,000.00
		<b>33,90,86,808.54</b>	<b>33,62,69,549.46</b>	<b>32,44,11,796.57</b>
Contingent Liabilities	27	-	-	-
Corporate Information	1			
Significant Accounting Policies	2			
Notes on Financial Statements	1 to 32			

As per our Report of even date attached  
For M A CHAVAN & CO.  
Chartered Accountants  
FRN 115164W

CA JAGRUTI PATIL  
Partner  
M No 159522  
Mumbai, 28th May 2018

**For Shree Surgovind Tradelink Limited**

Navin Mehta                      Virat S Shah  
Director                              Director  
DIN - 00764424                  DIN - 00764118

Tanvi Bobhate  
Company Secretary  
Mumbai, 28th May 2018

**SHREE SURGOVIND TRADELINK LTD**

**Consolidated Statement of Profit and Loss for the year ended March 31, 2018**

	Notes	2018	2017
<b>Contuing operations</b>			
Revenue from operations	17	86,26,62,486.20	64,82,87,826.49
Other Incomes	18	20,40,275.30	12,86,678.15
<b>Total</b>	<b>i</b>	<b>86,47,02,761.50</b>	<b>64,95,74,504.64</b>
<b>Expenses</b>			
Purchases of stock in Trade and direct expenses	19	75,86,27,213.11	55,90,50,931.53
Change in inventories of finished goods	20	4,38,84,872.95	3,04,38,507.01
Employee benefits expense	21	17,19,808.00	10,71,140.00
Other expenses	22	84,90,576.90	87,45,828.28
Finance costs	23	2,30,77,782.03	3,25,83,608.32
Depreciation and amortisation	24	12,44,144.04	8,77,027.08
<b>Total</b>	<b>ii</b>	<b>83,70,44,397.03</b>	<b>63,27,67,042.22</b>
<b>Profit before exceptional items</b>	iii=i-ii	<b>2,76,58,364.47</b>	<b>1,68,07,462.42</b>
Exceptional items			
<b>Profit / (Loss) before tax</b>		2,76,58,364.47	1,68,07,462.42
<b>Tax expenses</b>	25	56,37,060.00	44,88,503.99
<b>Profit / (Loss) after tax</b>		<b>2,20,21,304.47</b>	<b>1,23,18,958.43</b>
<b>Other Comprehensive Incomes</b>	26	<b>13,260.83</b>	<b>(1,718.17)</b>
<b>Total Other Comprehensive Incomes</b>		<b>2,20,34,565.30</b>	<b>1,23,17,240.26</b>
<b>Earnings per share (of Rs. 10/- each):</b>	27		
(a) Basic		<b>3.80</b>	<b>2.43</b>
(b) Diluted		<b>3.80</b>	<b>2.43</b>

As per our Report of even date attached

For M A CHAVAN & CO.

Chartered Accountants

FRN 115164W

**For Shree Surgovind Tradelink Limited**

Navin Mehta

Director

DIN - 00764424

Virat S Shah

Director

DIN - 00764118

CA JAGRUTI PATIL

Partner

M No 159522

Mumbai, 28th May 2018

Tanvi Bobhate

Company Secretary

Mumbai, 28th May 2018

SHREE SURGOVIND TRADELINK LIMITED  
Consolidated Cash Flow Statement

	SSTL Standalone ₹	SSTL Standalone ₹	RRLC Standalone ₹	RRLC Standalone ₹	TOTAL Consolidated ₹	TOTAL Consolidated ₹
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Cash flow from operating activities</b>						
Net Profit/(Loss) as Per Profit & Loss Account before tax	2,74,20,738.60	1,71,79,524.42	2,37,625.87	(3,72,062.00)	2,76,58,364.47	1,68,07,462.42
<b>Non-cash adjustments to reconcile profit before tax to net cash flows</b>						
Rent from car	-	(1,95,000.00)	-	-	-	(1,95,000.00)
Depreciation / amortization on continuing operation	12,44,144.04	8,77,027.08	-	-	12,44,144.04	8,77,027.08
Taxes Adjustment towards excess prov w/back	37,025.00	(44,88,503.99)	-	-	37,025.00	(44,88,503.99)
Adjustment in accordance with transitional provision	-	(1,718.18)	-	-	-	(1,718.18)
Unrealized foreign exchange Loss/ (Gains)	(8,30,771.23)	8,93,388.43	-	-	(8,30,771.23)	8,93,388.43
Profit from sale of Investments	(1,19,641.30)	(3,97,124.15)	-	-	(1,19,641.30)	(3,97,124.15)
Loss from sale of assets	-	63,527.47	-	-	-	63,527.47
Finance expenses	(2,30,75,823.54)	81,25,763.91	-	-	(2,30,75,823.54)	81,25,763.91
Interest (incomes)	(4,01,366.00)	(7,71,914.00)	-	-	(4,01,366.00)	(7,71,914.00)
	-	-	-	-	-	-
<b>Operating Profit before Working Capital changes</b>	<b>42,74,305.57</b>	<b>2,12,84,970.99</b>	<b>2,37,625.87</b>	<b>(3,72,062.00)</b>	<b>45,11,931.44</b>	<b>2,09,12,908.99</b>
<b>Movements in working capital :</b>						
Increase/(decrease) in short-term borrowings	(51,60,112.68)	25,36,349.36	(55,25,720.00)	62,45,000.00	(1,06,85,832.68)	87,81,349.36
Increase/(decrease) in trade payables	(1,22,66,253.11)	(31,82,092.79)	29,99,323.00	17,00,602.00	(92,66,930.11)	(14,81,490.79)
Increase/(decrease) in other current liabilities	(9,56,319.38)	18,87,639.70	-	-	(9,56,319.38)	18,87,639.70
Increase/(decrease) in short-term provision	2,08,940.00	(38,20,000.00)	-	-	2,08,940.00	(38,20,000.00)
(Increase)/decrease in Inventories	4,38,84,872.95	3,04,38,507.01	-	-	4,38,84,872.95	3,04,38,507.01
(Increase)/decrease in Receivables	(4,22,23,634.04)	(2,78,29,667.80)	-	-	(4,22,23,634.04)	(2,78,29,667.80)
(Increase)/decrease in Other Non Current Liabilities	55,815.00	-	-	-	55,815.00	-
(Increase)/decrease in long term loans and advances	(77,44,289.80)	2,28,72,470.99	-	-	(77,44,289.80)	2,28,72,470.99
(Increase)/decrease in short term loans and advances	(68,52,670.53)	(1,23,38,306.15)	-	-	(68,52,670.53)	(1,23,38,306.15)
<b>Cash generated from/ (used in) operations</b>	<b>(2,67,79,346.03)</b>	<b>3,18,49,871.31</b>	<b>(22,88,771.13)</b>	<b>75,73,540.00</b>	<b>(2,90,68,117.16)</b>	<b>3,94,23,411.31</b>
Less : Income Taxes Paid	-	-	-	-	-	-
<b>Net cash flow from/ (used in) operating activities</b>	<b>A (2,67,79,346.03)</b>	<b>3,18,49,871.31</b>	<b>(22,88,771.13)</b>	<b>75,73,540.00</b>	<b>(2,90,68,117.16)</b>	<b>3,94,23,411.31</b>
<b>Cash flow from investing activities</b>						
Purchase of Fixed Assets	-	(1,34,64,500.00)	-	-	-	(1,34,64,500.00)
Rent from Car	-	1,95,000.00	-	-	-	1,95,000.00
(Purchase) of long term investments-Subidiaries	(46,71,509.00)	18,21,839.00	52,45,000.00	(62,90,000.00)	5,73,491.00	(44,68,161.00)
Sale/(Purchase) of current investments	58,31,023.45	(57,00,000.00)	-	-	58,31,023.45	(57,00,000.00)
Sale of Fixed asstes	-	7,90,338.11	-	-	-	7,90,338.11
Interest Received	72,875.00	4,40,492.00	-	-	72,875.00	4,40,492.00
<b>Net cash flow from/ (used in) investing activities</b>	<b>B 12,32,389.45</b>	<b>(1,59,16,830.89)</b>	<b>52,45,000.00</b>	<b>(62,90,000.00)</b>	<b>64,77,389.45</b>	<b>(2,22,06,830.89)</b>
<b>Cash flow from financing activities</b>						
Proceeds from Issue of shares	64,25,000.00	52,25,000.00	-	-	64,25,000.00	52,25,000.00
Repayment of long term borrowings	-	-	(28,66,533.00)	(9,82,131.00)	(28,66,533.00)	(9,82,131.00)
Proceeds from Share Appl Money Pending allotment	(16,06,250.00)	36,31,250.00	-	-	(16,06,250.00)	36,31,250.00
Finance Cost	1,98,34,804.11	(2,37,02,387.98)	-	-	1,98,34,804.11	(2,37,02,387.98)
<b>Net cash flow from/ (used in) financing activities</b>	<b>C 2,46,53,554.11</b>	<b>(1,48,46,137.98)</b>	<b>(28,66,533.00)</b>	<b>(9,82,131.00)</b>	<b>2,17,87,021.11</b>	<b>(1,58,28,268.98)</b>
<b>Net Increase in Cash &amp; Cash equivalents</b>	<b>A+B+C (8,93,402.47)</b>	<b>10,86,902.44</b>	<b>89,695.87</b>	<b>3,01,409.00</b>	<b>(8,03,706.60)</b>	<b>13,88,311.44</b>
Cash & Cash Equivalents at the beginning of the year	11,20,072.24	33,169.79	3,05,520.52	4,111.52	14,25,592.76	37,281.31
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>2,26,669.77</b>	<b>11,20,072.23</b>	<b>3,95,216.39</b>	<b>3,05,520.52</b>	<b>6,21,886.16</b>	<b>14,25,592.75</b>
<b>Components of Cash &amp; Cash equivalents</b>						
Cash on Hand	2,11,438.58	10,32,989.58	1,41,360.00	1,35,000.00	3,52,798.58	11,67,989.58
With banks on current account	15,231.19	87,082.65	2,53,856.39	1,70,520.52	2,69,087.58	2,57,603.17
<b>Total Cash &amp; Cash equivalents (note 16)</b>	<b>2,26,669.77</b>	<b>11,20,072.23</b>	<b>3,95,216.39</b>	<b>3,05,520.52</b>	<b>6,21,886.16</b>	<b>14,25,592.75</b>

For MA CHAVAN & CO.  
Chartered Accountants  
FRN 115164W

For Shree Surgovind Tradelink Limited

Navin Mehta  
Director  
DIN - 00764424

Virat S Shah  
Director  
DIN - 00764118

CA JAGRUTI PATIL  
Partner  
M No 159522  
Mumbai, 28th May 2018

Tanvi Bobhate  
Company Secretary  
Mumbai, 28th May 2018

Note 3 : Property, Plant and Equipment

SR NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK					
		AS AT 1-Apr-2017	Additions	Deductions	AS AT 31-Mar-2018	UPTO 1-Apr-2017	FOR THE YEAR	Deductions	Adjustment to Reserves	UPTO 31-Mar-2018	AS AT 31-Mar-2018	AS AT 31-Mar-2017	AS AT 31-Mar-2016
I	Buildings	1,34,64,500.00			1,34,64,500.00	6,39,791.66	12,15,442.40			18,55,234.06	1,16,09,265.94	1,28,24,708.34	
II	Furnitures #	5,90,236.00			5,90,236.00	5,73,985.03	-	(13,260.83)	5,60,724.20	29,511.80	16,250.97	16,250.97	
III	Office Equipments	6,51,374.00			6,51,374.00	6,14,775.56	8,674.08		6,23,449.64	27,924.36	36,598.44	10,95,141.46	
IV	Computers & printers	7,48,545.00			7,48,545.00	6,86,492.60	20,027.56		7,06,520.16	42,024.84	62,052.40	94,610.39	
	<b>TOTAL</b>	<b>1,54,54,655.00</b>	<b>-</b>	<b>-</b>	<b>1,54,54,655.00</b>	<b>25,15,044.85</b>	<b>12,44,144.04</b>	<b>(13,260.83)</b>	<b>37,45,928.06</b>	<b>1,17,08,726.94</b>	<b>1,29,39,610.15</b>	<b>12,06,002.82</b>	
	<b>PREVIOUS YEAR</b>	<b>50,19,029.00</b>	<b>1,34,64,500.00</b>	<b>30,28,874.00</b>	<b>1,54,54,655.00</b>	<b>38,13,026.18</b>	<b>8,77,027.08</b>	<b>1,718.18</b>	<b>25,15,044.84</b>	<b>1,29,39,610.16</b>	<b>12,06,002.82</b>	<b>35,58,016.57</b>	

# No Depreciation had been charged on Furnitures, as their respective useful lives had been exhausted. Pending Disposal, they had been shown as Residual value of Original Costs.

As Subsidiary Company does not hold any fixed assets at all, no data for the same are available

Particulars	₹	₹	₹	₹	₹	₹	₹	₹	₹
Notes forming part of the Financial statement for the year ended March 31 2018	RR (2018)	SSTL (2018)	2017	RR (2017)	SSTL (2017)	2016	RR (2016)	SSTL (2016)	
<b>4 Non-Current investments</b>									
a Investment in Corporate Securities-Closely Held (RR Life Care Pvt Ltd)	50,00,000.00	50,00,000.00	52,45,000.00	52,45,000.00	-	52,45,000.00	52,45,000.00	-	-
Less: Cost of Capital-Share Capital	(50,00,000.00)	-	-	-	-	-	-	-	-
Add: Cost of Capital-Reserves	43,001.61	43,001.61	-	-	-	-	-	-	-
<b>Total</b>	<b>43,001.61</b>	<b>(49,56,998.39)</b>	<b>52,45,000.00</b>	<b>52,45,000.00</b>	<b>-</b>	<b>52,45,000.00</b>	<b>52,45,000.00</b>	<b>-</b>	<b>-</b>
<b>4 Current investments</b>									
b-i Investment in Term Deposits	62,90,000.00	62,90,000.00	62,90,000.00	62,90,000.00	-	-	-	-	-
b-ii Investment in Mutual funds	-	-	60,97,124.15	60,97,124.15	-	-	-	-	-
<b>Total</b>	<b>62,90,000.00</b>	<b>62,90,000.00</b>	<b>1,23,87,124.15</b>	<b>62,90,000.00</b>	<b>60,97,124.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5 Loans and advances given</b>									
a Unsecured, Considered Good									
i Security Deposits	9,37,635.59	3,33,125.00	5,83,468.58	9,96,616.58	5,83,468.58	9,96,616.58	-	9,96,616.58	-
ii Prepaid Rent Deposit	18,674.00	18,674.00	19,441.42	19,441.42	19,441.42	38,115.42	-	38,115.42	-
iii Trade & Other Advances	80,03,441.00	30,03,441.00	50,00,000.00	1,15,50,000.00	50,00,000.00	1,15,50,000.00	-	1,15,50,000.00	-
iv Advances & other prepaid taxes	1,15,877.00	1,15,877.00	6,70,717.00	2,86,166.00	3,84,551.00	84,46,927.09	3,823.00	84,43,104.09	-
v Sales tax Refund/GST receivable	10,18,831.06	4,905.00	10,13,926.06	4,36,632.84	4,36,632.84	4,36,632.84	-	4,36,632.84	-
vi Service tax receivable due on export	9,85,982.00	9,85,982.00	9,85,982.00	9,85,982.00	9,85,982.00	9,85,982.00	-	9,85,982.00	-
vii Special Additional duty refund	35,43,009.40	35,43,009.40	5,01,167.40	5,01,167.40	5,01,167.40	94,00,165.40	-	94,00,165.40	-
viii income Tax Refundable AY 12-13	-	-	70,375.00	70,375.00	-	-	-	-	-
ix income Tax Refundable AY 13-14	37,03,792.00	37,03,792.00	-	-	-	-	-	-	-
x Prepaid taxes AY 2017-18	7,40,137.00	7,40,137.00	-	-	-	-	-	-	-
xi Prepaid taxes AY 2018-19	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,90,67,379.05</b>	<b>33,41,471.00</b>	<b>82,67,784.24</b>	<b>2,86,166.00</b>	<b>79,81,618.24</b>	<b>3,08,68,457.33</b>	<b>3,823.00</b>	<b>3,08,64,634.33</b>	<b>-</b>
<b>b Unsecured, Considered Good</b>									
i Prepaid Expenses	7,95,758.86	-	7,95,758.86	9,91,216.21	9,91,216.21	90,514.00	-	90,514.00	-
ii Trade Advances	2,42,76,273.52	5,11,016.00	2,37,65,257.52	3,42,88,016.94	6,99,788.00	2,21,50,625.00	-	2,21,50,625.00	-
iii Part Payment of Sales Tax	1,45,575.00	-	1,45,575.00	-	-	-	-	-	-
iv GST Receivables	1,66,99,030.88	-	1,66,99,030.88	-	-	-	-	-	-
v Prepaid Rent Deposit	767.42	-	767.42	18,674.00	18,674.00	18,674.00	-	18,674.00	-
vi Security Deposits	44,400.00	-	44,400.00	-	-	-	-	-	-
<b>Total</b>	<b>4,19,61,805.68</b>	<b>5,11,016.00</b>	<b>4,14,50,789.68</b>	<b>3,52,97,907.15</b>	<b>6,99,788.00</b>	<b>2,22,59,813.00</b>	<b>-</b>	<b>2,22,59,813.00</b>	<b>-</b>
<b>6 Deferred Tax Liabilities/Assets (Net)-Deferred Tax (Liability)/assets for the year end</b>									
a Deferred Tax Liability									
b Deferred Tax Assets-Depreciation	2,18,843.10	-	2,18,843.10	2,55,868.10	2,55,868.10	2,27,145.00	-	2,27,145.00	-
<b>Total</b>	<b>2,18,843.10</b>	<b>-</b>	<b>2,18,843.10</b>	<b>2,55,868.10</b>	<b>2,55,868.10</b>	<b>2,27,145.00</b>	<b>-</b>	<b>2,27,145.00</b>	<b>-</b>
<b>Net Difference</b>	<b>2,18,843.10</b>	<b>-</b>	<b>2,18,843.10</b>	<b>2,55,868.10</b>	<b>2,55,868.10</b>	<b>2,27,145.00</b>	<b>-</b>	<b>2,27,145.00</b>	<b>-</b>

7	Inventories- (As taken, valued and certified by the management) Goods for resale at cost	10,46,30,622.99	-	10,46,30,622.99	14,85,15,495.94	-	-	17,89,54,002.95
	<b>Total</b>	<b>10,46,30,622.99</b>	<b>-</b>	<b>10,46,30,622.99</b>	<b>14,85,15,495.94</b>	<b>-</b>	<b>-</b>	<b>17,89,54,002.95</b>
8	Trade Receivables-Unsecured, Considered Good							
a	Outstanding for less than six months	13,51,82,519.30	-	13,51,82,519.30	10,34,37,424.78	-	-	7,35,11,385.98
b	Others	1,35,84,745.70	-	1,35,84,745.70	31,06,206.18	-	-	52,02,577.18
	<b>Total</b>	<b>14,87,67,265.00</b>	<b>-</b>	<b>14,87,67,265.00</b>	<b>10,65,43,630.96</b>	<b>-</b>	<b>-</b>	<b>7,87,13,963.16</b>
9a	Cash and bank balances-Cash and cash equivalents							
i	Cash on Hand	3,52,798.59	1,41,360.00	2,11,438.59	11,67,989.59	1,35,000.00	10,32,989.59	26,832.85
ii	Balance with bank in Current accounts	2,69,087.58	2,53,856.39	15,23,119	2,57,603.17	1,70,520.52	87,082.65	10,448.46
	<b>Total-a</b>	<b>6,21,886.17</b>	<b>3,95,216.39</b>	<b>2,26,669.78</b>	<b>14,25,592.76</b>	<b>3,05,520.52</b>	<b>11,20,072.24</b>	<b>37,281.31</b>
9b	Other Bank Balances- Deposits with bank-maturity-for more than 12 months	57,77,278.00	-	57,77,278.00	53,91,536.00	-	69,00,131.00	69,00,131.00
	<b>Total-b</b>	<b>57,77,278.00</b>	<b>-</b>	<b>57,77,278.00</b>	<b>53,91,536.00</b>	<b>-</b>	<b>69,00,131.00</b>	<b>69,00,131.00</b>
	<b>Total-a+b</b>	<b>63,99,164.17</b>	<b>3,95,216.39</b>	<b>60,03,947.78</b>	<b>68,17,128.76</b>	<b>3,05,520.52</b>	<b>69,37,412.31</b>	<b>4,111.52</b>
10	Share capital							
a	Authorised							
	80,00,000 (Prey year 60,00,000) Equity Shares of ` 10 each	8,00,00,000.00	-	8,00,00,000.00	8,00,00,000.00	-	-	6,00,00,000.00
b	Issued, Subscribed & Fully paid up							
	61,75,000 (Prey year 55,32,500) Equity Shares of ` 10 each	6,17,50,000.00	-	6,17,50,000.00	6,03,25,000.00	-	-	5,51,00,000.00
c	Reconciliation of the shares outstanding at the beginning and at the end of the reporting period							

	Nos	Nos	Nos	Nos	Nos	Nos	Nos	Nos
<b>Equity Shares</b>								
At the beginning of the period	60,32,500	5,00,000	55,32,500	55,10,000	5,00,000	50,10,000	55,10,000	50,10,000
Issued during the period	6,42,500	-	6,42,500	5,22,500	-	5,22,500	-	-
Exclusions on Consolidations	(5,00,000)	(5,00,000)	-	(5,00,000)	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>66,75,000</b>	<b>-</b>	<b>61,75,000</b>	<b>60,32,500</b>	<b>-</b>	<b>55,32,500</b>	<b>55,10,000</b>	<b>50,10,000</b>
<b>Equity Shares</b>								
At the beginning of the period	6,03,25,000.00	50,00,000.00	5,53,25,000.00	5,51,00,000.00	5,01,00,000.00	5,01,00,000.00	5,51,00,000.00	5,01,00,000.00
Issued during the period-Fresh Issues	64,25,000.00	-	64,25,000.00	52,25,000.00	-	52,25,000.00	-	52,25,000.00
Exclusions on Consolidations	(50,00,000.00)	(50,00,000.00)	-	(50,00,000.00)	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>6,17,50,000.00</b>	<b>-</b>	<b>6,17,50,000.00</b>	<b>6,03,25,000.00</b>	<b>-</b>	<b>5,53,25,000.00</b>	<b>5,51,00,000.00</b>	<b>5,53,25,000.00</b>

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

	31 March 2018	31 March 2017	31 March 2016
<b>e Details of shareholders holding more than 5% shares in the company</b>			
<b>i Name of the Shareholder</b>			
Virat S Shah	13,55,700	10,34,450	7,73,200
Rajan S Shah	8,80,900	8,80,900	8,80,900
Alok V Shah	12,93,600	9,72,350	7,11,100
Keyur Patel	3,54,300	3,54,300	3,54,300
<b>ii In Percentage</b>			
Virat S Shah	21.95%	18.70%	15.43%
Rajan S Shah	14.27%	15.92%	17.58%
Alok V Shah	20.95%	17.58%	14.19%
Keyur Patel	5.74%	6.40%	7.07%





<b>18 Other Incomes</b>									
Interest on Term Deposits	8,50,592.00	4,49,226.00	4,01,366.00	6,76,276.00	2,35,884.00	4,40,492.00			
Profit from Sale of Mutual Fund Investment	1,19,641.30		1,19,641.30						
Profit on sale of shares	10,49,000.00	10,49,000.00		3,97,124.15		3,97,124.15			
Interest on Security Deposit	21,042.00		21,042.00	18,178.00		18,178.00			
Rent from Car	-		-	1,95,000.00		1,95,000.00			
<b>TOTAL</b>	<b>20,40,275.30</b>	<b>14,98,226.00</b>	<b>5,42,049.30</b>	<b>12,86,678.15</b>	<b>2,35,884.00</b>	<b>10,50,794.15</b>			
<b>19 Purchase of Stock in Trade and direct expenses</b>									
Purchases	75,64,43,073.31	-	75,64,43,073.31	50,14,85,082.53		50,14,85,082.53			
Direct Expenses	21,84,139.80	-	21,84,139.80	5,75,65,849.00		5,75,65,849.00			
	<b>75,86,27,213.11</b>	<b>-</b>	<b>75,86,27,213.11</b>	<b>55,90,50,931.53</b>	<b>-</b>	<b>55,90,50,931.53</b>			
<b>20 Change in inventories of finished goods</b>									
Stock at Close	10,46,30,622.99	-	10,46,30,622.99	14,85,15,495.94		14,85,15,495.94			
Stock at commencement	14,85,15,495.94	-	14,85,15,495.94	17,89,54,002.95		17,89,54,002.95			
	<b>4,38,84,872.95</b>	<b>-</b>	<b>4,38,84,872.95</b>	<b>3,04,38,507.01</b>	<b>-</b>	<b>3,04,38,507.01</b>			
<b>21 Employee benefit expenses</b>									
Salary & Bonus	15,18,078.00	-	15,18,078.00	9,28,394.00		9,28,394.00			
Staff Welfare	1,43,070.00	-	1,43,070.00						
Gratuity	58,660.00		58,660.00	1,42,746.00		1,42,746.00			
	<b>17,19,808.00</b>	<b>-</b>	<b>17,19,808.00</b>	<b>10,71,140.00</b>	<b>-</b>	<b>10,71,140.00</b>			
<b>22 Other Expenses</b>									
Rent for office	3,55,200.00		3,55,200.00	7,83,000.00	4,83,000.00	3,00,000.00			
Godown rent	12,17,350.00		12,17,350.00	12,00,000.00		12,00,000.00			
Repairs to Others	-		-						
Auditors' Remuneration	-		-	1,38,000.00		1,38,000.00			
-Services as statutory auditors(including quarterly audits/review)	1,84,300.00	11,800.00	1,72,500.00	61,800.00	11,800.00	50,000.00			
-Certification fees	-		-	37,000.00		37,000.00			
Insurance charges	61,431.73		61,431.73	1,18,540.00		1,18,540.00			
Legal and professional fees	15,24,162.00	1,13,150.00	14,11,012.00	11,61,817.00	66,500.00	10,95,317.00			
Office expenses	4,98,357.00		4,98,357.00	2,66,216.00		2,66,216.00			
Listing and other charges	3,80,560.64	14,335.64	3,66,225.00	3,20,500.00	4,500.00	3,16,000.00			
Post,telegram , telephone and couriers expenses	17,058.06		17,058.06	9,620.00		9,620.00			
Printing and stationery expenses	58,345.00	4,150.00	54,195.00	41,867.00	19,692.00	22,175.00			
Rates and Taxes	12,95,669.51	10,78,800.00	2,16,869.51	7,53,925.37	15,025.00	7,38,900.37			
Tour and travels	39,565.00		39,565.00	21,335.00		21,335.00			
Bad Debts/ Irrecoverable amounts written off	68,941.00		68,941.00	17,24,051.00		17,24,051.00			
Advertisement	69,424.00	12,256.00	57,168.00	81,120.00		81,120.00			
Brokerage and Commission Expenses	25,15,207.00		25,15,207.00	11,90,489.75		11,90,489.75			
Discount Given	85,655.96		85,655.96	47,584.69		47,584.69			
Loss on Sale of Assets	-		-	63,527.47		63,527.47			
Preliminary expenses-Exps for Authorised Capital	-		-	6,31,000.00		6,31,000.00			
Miscellaneous expenses	1,19,350.00	24,150.00	95,200.00	94,435.00	2,615.00	91,820.00			
<b>TOTAL</b>	<b>84,90,576.90</b>	<b>12,58,641.64</b>	<b>72,31,935.26</b>	<b>87,45,828.28</b>	<b>6,03,132.00</b>	<b>81,42,696.28</b>			

<b>23 Finance Costs</b>						
Interest Expenses	1,98,08,354.94	-	1,98,08,354.94	2,69,42,048.31	-	2,69,42,048.31
Other Borrowing costs-Finance & Other Charges	40,81,524.32	1,958.49	40,79,565.83	47,48,171.58	4,814.00	47,43,357.58
Applicable net gain/loss on foreign currency transactions and translation	(8,30,771.23)	-	(8,30,771.23)	8,93,388.43	-	8,93,388.43
Interest on Deposit	18,674.00	-	18,674.00	-	-	-
	<b>2,30,77,782.03</b>	<b>1,958.49</b>	<b>2,30,75,823.54</b>	<b>3,25,83,608.32</b>	<b>4,814.00</b>	<b>3,25,78,794.32</b>
<b>24 Depreciation and amortization expense</b>						
Depreciation on tangible assets	12,44,144.04	-	12,44,144.04	8,77,027.08	-	8,77,027.08
Amortization on intangible assets	-	-	-	-	-	-
	<b>12,44,144.04</b>	<b>-</b>	<b>12,44,144.04</b>	<b>8,77,027.08</b>	<b>-</b>	<b>8,77,027.08</b>
<b>25 Tax expenses</b>						
a Current tax expenses(savings) for current year	58,46,000.00	46,000.00	58,00,000.00	36,00,000.00	-	36,00,000.00
b (Less) MAT credit (where applicable)	-	-	-	-	-	-
c Add/(Less) Excess/(Short) provisions	(2,45,965.00)	46,000.00	(2,45,965.00)	9,17,227.09	-	9,17,227.09
d Net current tax expense	56,00,035.00	46,000.00	55,54,035.00	45,17,227.09	-	45,17,227.09
e Deferred tax	37,025.00	-	37,025.00	(28,723.10)	-	(28,723.10)
	<b>56,37,060.00</b>	<b>46,000.00</b>	<b>55,91,060.00</b>	<b>44,88,503.99</b>	<b>-</b>	<b>44,88,503.99</b>
<b>26 Earning Per Share</b>						
<b>A. Profit/(Loss) Computation for basis earnings per share of ` 10 each</b>						
PAT as per Stat of Profit & loss available to Equity Sh.holders	2,18,29,678.60	2,18,29,678.60	1,26,91,020.43	1,26,91,020.43	-	1,26,91,020.43
PAT as per Subsidiary Stat of Profit & loss available to Equity Sh.holders	1,91,625.87	1,91,625.87	(3,72,062.00)	(3,72,062.00)	-	(3,72,062.00)
Aggregates PAT as per Stat of Profit & loss available to Equity Sh.holders	<b>2,20,21,304.47</b>	<b>-</b>	<b>2,20,21,304.47</b>	<b>1,23,18,958.43</b>	<b>-</b>	<b>1,23,18,958.43</b>
Weighted average number of Equity shares for DEPS						
At the beginning of the Year-Fully paid Weighted Avg for 365 days	55,32,500	55,32,500	50,10,000	50,10,000	-	50,10,000
Issued during the year-Fully paid Weighted Avg [642500 for 153 days ]	2,69,322	2,69,322	67,281	67,281	-	67,281
<b>Weighted average number of Equity shares for BEPS</b>	<b>58,01,822</b>	<b>58,01,822</b>	<b>50,77,281</b>	<b>50,77,281</b>	<b>-</b>	<b>50,77,281</b>
Basic EPS (before and after Extraordinary items)	3.80	3.80	2.43	2.43	-	2.43
Weighted average number of Equity shares for DEPS						
At the beginning of the Year-Fully paid Weighted Avg for 365 days	55,32,500	55,32,500	50,10,000	50,10,000	-	50,10,000
Issued during the year-Fully paid Weighted Avg [642500 for 365 days ]/[522,500 for 47 days]	2,69,322	2,69,322	67,281	67,281	-	67,281
<b>Weighted average number of Equity shares for DEPS</b>	<b>58,01,822</b>	<b>-</b>	<b>58,01,822</b>	<b>50,77,281</b>	<b>-</b>	<b>50,77,281</b>
Diluted EPS (before and after Extraordinary items)	3.80	3.80	2.43	2.43	-	2.43

<b>27</b>	<b>Contingent liabilities</b>				
<b>a</b>	Bank Guarantee issued	-	-	-	-
<b>b</b>	Letters of Credit outstanding (including Local LCs)	5,99,26,649.08	4,47,01,320.19	5,99,26,649.08	4,47,01,320.19
<b>c</b>	Claims against the company not acknowledged as debts	-	-	-	-
	<i>I) Disputed dues in respect of Sales tax</i>	-	-	-	-
	For FY 2008-09	-	2,13,161.00	-	2,13,161.00
	For FY 2012-13 (Part Payment Rs 145,575)	6,44,406.00	6,44,406.00	6,44,406.00	6,44,406.00
	<i>II) Disputed dues in respect of income tax</i>	-	-	-	-
	The income-tax assessments of the Company have been completed upto the accounting year ended 31.3.2013	-	-	-	-
	For AY 2013-14	<u>6,44,406.00</u>	<u>8,57,567.00</u>	<u>6,44,406.00</u>	<u>3,17,150.00</u>
<b>d</b>	Claims against the company Civil case for damage of perishable goods supplied	14,00,000.00	14,00,000.00	14,00,000.00	14,00,000.00
	Total (a+b+c+d)	<u>6,19,71,055.08</u>	<u>4,69,58,887.19</u>	<u>6,19,71,055.08</u>	<u>4,72,76,037.19</u>

**28** The Company has a single segment namely "Commodity Trading and Distribution". Therefore the company business does not fall under different segments as defined by AS-17-"Segment Reporting" issued by ICAI.

**29** Some of the Debit or Credit balances on whatever account are subject to confirmation from parties/authorities concerned. However in the opinion of the Management, these amounts are realisable and payable at the amount stated in the Company's accounts.

**30** **Case against The Company/Directors by ROC/SEBI**  
As informed in the last annual report ended March 31, 2017, the final order in relation to above matters had been received. The Court case has been closed and the compounding of offences u/s 628 is now closed. However the same is yet to be updated in the Registrar of Company (ROC) MCA records



## Shree Surgovind Tradelink Limited

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

1. The Consolidated Financial Statements related to Shree Surgovind Tradelink Limited (SHGOVTR, the Company) and its subsidiaries, has been prepared in accordance with Accounting Standard 21 (AS 21) "Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules, 2006. The Consolidated Financial Statements have been prepared on the following basis"

**(a) Investments in Subsidiaries :**

- i) The Financial Statements of the Company and its subsidiary company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated.
- ii) The difference between the costs of investment in the subsidiary and the Company's share of equity at the time of acquisition of shares in the subsidiary is recognised in the Financial Statements as Goodwill on consolidation or Capital Reserve on consolidation.
- iii) Minority Interest, *if any*, in the net assets of consolidated subsidiary consists:
  - a. The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
  - b. The minorities share, of movements in equity since the date the parent subsidiary relationship comes into existence.

The subsidiary (which along with Shree Surgovind Tradelink Limited, the parent, constitutes the group) considered in the presentation of these Consolidated Financial Statements are:

Name of the Subsidiary Company	Country of Incorporation	Proportion of ownership Interest		Proportion of voting power where different	
		as at 31-03-2018	as at 31-03-2017	as at 31-03-2018	as at 31-03-2017
RR Life Care Pvt Ltd	India	100%	-	-	-

## 2. SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of accounting and preparation of financial statements :

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

**B. Tangible assets**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress comprises the cost of fixed assets, if any, that are not yet ready for their intended use at the reporting date.

- (a) (i) Tangible assets are carried at cost less depreciation. Cost includes financing cost relating to borrowed funds, if any, attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit and Loss.

(ii) Depreciation on assets is calculated on Written down value over its useful life estimated by management/the Company's expected usage pattern supported by technical assessment or on the basis of depreciation rates/useful lives prescribed under respective local laws

**C. Intangible assets**

Intangible assets, if any 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 recognized as income or expense in the Statement of Profit and loss.

**D. Impairment**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets

**E. Investments**

Long term investments, other than in Subsidiary, are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary, in the value of investments. Current investments are valued at the lower of cost and fair value, determined by category of investment.

**F. Valuation of Inventories:**

Inventories consist of Finished Goods which 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.

**G. Foreign currency transactions**

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place. 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.

**H. Derivative Instruments and Hedge Accounting**

At present no accounting policy is formulated for Derivative Instruments and Hedge Accounting.

**I. 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
- iv) Dividend income is recognized when the Company's right to receive dividend is established.

**J. Government Grants**

No government grant or any incentives from government authorities the company is entitled to receive and hence no accounting policy formulated.

**K. Employees benefits****a. Short-term obligations**

Liabilities for wages and salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.



**b. Post-employment obligations (Defined Benefit Obligations)**

The Company operates the following postemployment schemes:-defined benefit plans - gratuity and postretirement medical benefit scheme- The liability or asset recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

**L. Borrowing Costs**

All borrowing costs are charged to the Statement of Profit and Loss except:

- (i) Borrowing costs, if any that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- (ii) Expenses incurred on raising long term borrowings, if any are amortised over the period of borrowings. On early buyback, conversion or repayment of borrowings, any unamortised expenditure is fully written off in that year.

**M. Provisions and Contingent liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a

present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**N. Leases**

The Company's significant leasing arrangements are in respect of operating leases for premises (godowns, office spaces etc.). The leasing arrangements, which are not non-cancellable, range between eleven months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent.

**O. Taxes on Incomes**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Minimum Alternate Tax (MAT), if any paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

**P. Segment Reporting**

The Company has a single segment namely "Commodity Trading and Distribution", Therefore the company business does not fall under different segments as defined by AS-17-"Segment Reporting" issued by ICAI.

**3. First time adoption of Ind AS**

These are the Company's first financial statement prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of the opening Ind AS balance sheet as at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**Explanation 1 – Exemptions and exceptions availed**

**Explanation 2 – Reconciliation of total comprehensive income for the year ended March 31, 2017**

**Explanation 3 – Impact on Consolidated cash flows for the year ended March 31, 2017**

**Explanation 1 - Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**b. Ind AS Optional exemptions**

**Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 - Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**b. Ind AS mandatory exceptions**

**i. Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**ii. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company accordingly has made such assessment to assess such classification and measurement on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Similarly, the Company has determined the classification of mutual fund investments at FVTPL based on the facts and circumstances that are existing as of transition date.

**iii. De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information

needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS

**Explanation 2 – Reconciliation of total comprehensive income for the year ended 31st March, 2017  
Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017**

**Notes to the reconciliations:**

- a. The Investments in mutual funds under IGAAP were carried at lower of cost and fair value. Under Ind AS, the investments in mutual funds are to be fair valued with the corresponding gains/losses to be recognized in the statement of profit and loss. Consequently, there is increase in equity by Rs. 397,124 as on March 31, 2017 respectively.
- b. During the year ended March 31, 2017, Gratuity Provision thereof both Non-Current and Current was accounted for Rs. 135,322 and Rs. 7,424 respectively. Consequently, there is decrease in equity by similar amount respectively.
- c. Interest on Security Deposits receivable from Non-Current Deposits of Rs. 496 and Interest on Security Deposits payable for Rs. 18,674 was accounted. Consequently, there is decrease in equity by net amount of Rs. 18,178 respectively.
- d. No Deferred tax adjustment for the same was accounted for above
- e. For the year ended April 1, 2016, the Interest on deposits was accounted for Rs. 18,674. Consequently other financial assets and Loans were adjusted accordingly.

# Shree Surgovind Tradelink Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

### Consolidated Statement of Assets and Liabilities

#### Explanation 2 – Reconciliation of total equity as at March 31, 2017 and as at April 1, 2016

Particulars	Notes	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 1, 2016 (Date of transition)		
		Previous GAAP	Effect of Ind AS transition	As per Ind AS Balance Sheet	Previous GAAP	Effect of Ind AS transition	As per Ind AS Balance Sheet
<b>A ASSETS</b>							
<b>I Non- Current Assets</b>							
Property, Plant and equipment		1,29,39,610.16		1,29,39,610.16	12,06,002.81	-	12,06,002.81
Capital Work in Progress		-		-	-		-
Goodwill		-		-	-		-
Other Intangible Assets		-		-	-		-
Intangible assets under development		-		-	-		-
Financial Assets							
(i) Investments		52,45,000.00		52,45,000.00	52,45,000.00		52,45,000.00
(ii) Loans and Advances		82,68,280.24	-496.00	82,67,784.24	3,08,87,131.33	-18,674.00	3,08,68,457.33
(iii) Other financial assets		-		-	-		-
Deferred tax assets (net)		2,55,868.10		2,55,868.10	2,27,145.00		2,27,145.00
Other Non Current Assets		-		-	-		-
<b>Sub Total - Non- Current Assets</b>		<b>2,67,08,758.50</b>	<b>-496.00</b>	<b>2,67,08,262.50</b>	<b>3,75,65,279.15</b>	<b>-18,674.00</b>	<b>3,75,46,605.15</b>
<b>II Current Assets</b>							
Inventories		14,85,15,495.94		14,85,15,495.94	17,89,54,002.95		17,89,54,002.95
Financial Assets							
(i) Investments		1,19,90,000.00	3,97,124.15	1,23,87,124.15	-		-
(ii) Trade receivables		10,65,43,630.96		10,65,43,630.96	7,87,13,963.16		7,87,13,963.16
(iii) Cash and cash equivalents		68,17,128.76		68,17,128.76	69,37,412.31		69,37,412.31
(iv) Other financial assets		3,52,79,233.15	18,674.00	3,52,97,907.15	2,22,41,139.00	18,674.00	2,22,59,813.00
Current tax assets (net)		-		-	-		-
Other Current assets		-		-	-		-
<b>Sub Total - Current Assets</b>		<b>30,91,45,488.81</b>	<b>4,15,798.15</b>	<b>30,95,61,286.96</b>	<b>28,68,46,517.42</b>	<b>18,674.00</b>	<b>28,68,65,191.42</b>
<b>TOTAL ASSETS</b>		<b>33,58,54,247.31</b>	<b>4,15,302.15</b>	<b>33,62,69,549.46</b>	<b>32,44,11,796.57</b>	<b>-</b>	<b>32,44,11,796.57</b>
<b>B EQUITY AND LIABILITIES</b>							
<b>I Equity</b>							
(a) Equity Share Capital		6,03,25,000.00		6,03,25,000.00	5,51,00,000.00		5,51,00,000.00
(b) Other Equity		-39,97,135.53	2,72,556.15	-37,24,579.38	-1,96,73,069.64	-	-1,96,73,069.64
<b>Sub Total - Equity</b>		<b>5,63,27,864.47</b>	<b>2,72,556.15</b>	<b>5,66,00,420.62</b>	<b>3,54,26,930.36</b>	<b>-</b>	<b>3,54,26,930.36</b>
Minority		-		-	-		-
<b>II LIABILITIES</b>							
<b>Non Current Liabilities</b>							
Financial Liabilities							
(i) Borrowings		-		-	-		-
(ii) Other Financial liabilities		-		-	-		-
Deferred Tax Liabilities (Net)		-		-	-		-
Other Non current liabilities		-	1,35,322.00	1,35,322.00	-		-
<b>Sub Total - Non- Current Liabilities</b>		<b>-</b>	<b>1,35,322.00</b>	<b>1,35,322.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>							
Financial Liabilities							
(i) Borrowings		12,06,02,278.35		12,06,02,278.35	11,18,20,928.99		11,18,20,928.99
(ii) Other Financial liabilities		-		-	-		-
(iii) Trade payables		15,37,09,430.75		15,37,09,430.75	17,00,16,903.18		17,00,16,903.18
Other Current liabilities		16,14,673.74	7,424.00	16,22,097.74	-2,72,965.96		-2,72,965.96
Provisions		36,00,000.00		36,00,000.00	74,20,000.00		74,20,000.00
Current tax liabilities(net)		-		-	-		-
<b>Sub Total - Current Liabilities</b>		<b>27,95,26,382.84</b>	<b>7,424.00</b>	<b>27,95,33,806.84</b>	<b>28,89,84,866.21</b>	<b>-</b>	<b>28,89,84,866.21</b>
<b>Total Liabilities</b>		<b>27,95,26,382.84</b>	<b>1,42,746.00</b>	<b>27,96,69,128.84</b>	<b>28,89,84,866.21</b>	<b>-</b>	<b>28,89,84,866.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>33,58,54,247.31</b>	<b>4,15,302.15</b>	<b>33,62,69,549.46</b>	<b>32,44,11,796.57</b>	<b>-</b>	<b>32,44,11,796.57</b>

#### Notes

- a As the Investment in Mutual funds were made on 16/06/2016, no corresponding adjustments for the same was made on Financial statement As at April 1, 2016

#### Reconciliation of total equity as at March 31, 2017 and as at April 1, 2016

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
<b>Balance as reported under previous GAAP</b>		-39,97,135.53	-1,96,73,069.64
Effect of measuring investments at Fair Value through profit or loss		3,97,124.15	-
Interest on Security Deposit		18,178.00	-
Gratuity Expenses		-1,42,746.00	-
<b>Reserves</b>		<b>-37,24,579.38</b>	<b>-1,96,73,069.64</b>
<b>Equity Share Capital</b>		<b>6,03,25,000.00</b>	<b>5,51,00,000.00</b>
<b>Balance as reported under IND AS</b>		<b>5,66,00,420.62</b>	<b>3,54,26,930.36</b>

## Shree Surgovind Tradelink Limited

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

### Reconciliation of Consolidated Profit as at March 31, 2017

<b>Profit / (Loss) as per Indian GAAP (12,418,64.28 – 372,062)</b>	<b>12,046,402.28</b>
Effect of measuring investments at Fair Value through profit or loss	397,124.15
Interest on Security Deposit	18,178.00
Gratuity Expenses	-142,746.00
<b>Profit / (Loss) as per IND AS</b>	<b>12,318,958.43</b>

### Explanation 3 – Impact on Consolidated cash flows for the year ended March 31, 2017

There is no impact on cash flows due to transition to Ind AS.

For M A CHAVAN & CO.  
Chartered Accountants  
Firm Registration Number: 115164W

CA JAGRUTI PATIL  
Partner  
Membership Number: 159522

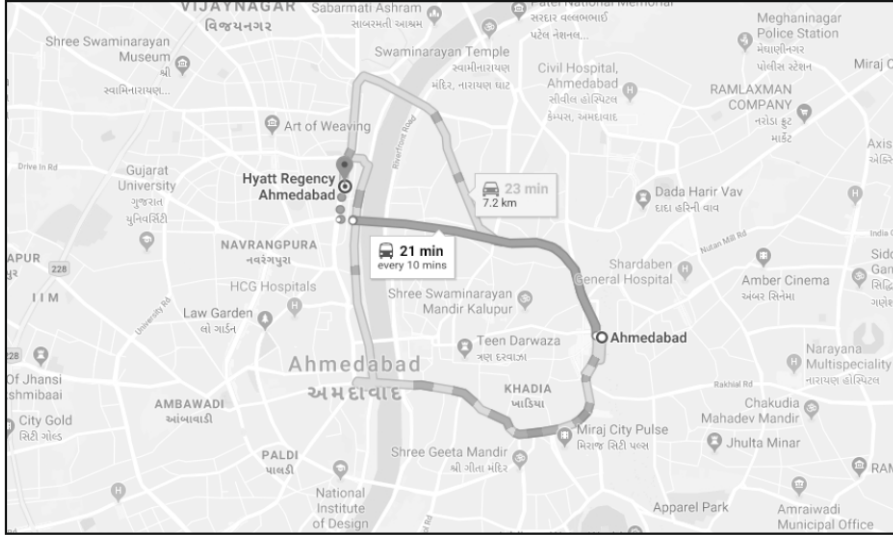
Mumbai, 28<sup>TH</sup> May 2018.

For Shree Surgovind Tradelink Limited

Navin Mehta	Virat S Shah
Director	Director
DIN – 00764424	DIN - 00764118

Tanvi Bobhate  
Company Secretary  
Mumbai, 28<sup>th</sup> May, 2018

**ROUTE MAP TO THE VENUE OF THE 23<sup>rd</sup> AGM OF SHREE SURGOVIND TRADELINK LIMITED**



Venue: Hyatt Regency, 17A, Ashram Road, Usmanpura, Ahmedabad - 380014

**CIN: L51901GJ1995PLC027958**

**SHREE SURGOVIND TRADELINK LIMITED**

*Regd. Office:* Office No.501, Neel Kamal Complex, Nr. Havmore Ice Cream Parlour, Navrangpura, Ahmedabad-380009

**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 Twenty Third Annual General Meeting of the Company at Hyatt Regency, 17A, Ashram Road, Usmanpura, Ahmedabad - 380014, at 2.30 p.m. on Tuesday, the 24<sup>th</sup> day of July, 2018.

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

.....  
Signature

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

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

.....  
Signature

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

**CIN: L51901GJ1995PLC027958**

**SHREE SURGOVIND TRADELINK LIMITED**

*Regd. Office:* Office No.501, Neel Kamal Complex, Nr. Havmore Ice Cream Parlour,  
Navrangpura, Ahmedabad-380009

**PROXY FORM**

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

2. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-Third Annual general meeting of the company, to be held on Tuesday, the 24<sup>th</sup> day of July, 2018 at 2.30 p.m. at Hyatt Regency, 17A, Ashram Road, Usmanpura, Ahmedabad - 380014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To consider and adopt consolidated and standalone audited Financial statement, report of Board of Directors and Auditors.
2. To re-appoint Mr. Navin Mehta, Director retiring by rotation.
3. Ratification of appointment of Statutory Auditor.
4. Regularisation of Mr. Virat Sevantilal Shah, Director.
5. Regularisation of Mr. Alok Virat Shah, Director.
6. Regularisation of Mr. Hemant Sheth, Independent Director.
7. Regularisation of Mr. Atith Shah, Independent Director.
8. Regularisation of Mrs. Kalpana Kulkarni, Director.
9. Increase in Authorised Capital of the company.

Signed this..... day of..... 2018

Signature of shareholder

Signature of Proxyholder(s)

Affix Revenue Stamp
---------------------------

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**