

Annual Accounts

2008 -2009

of

Mercury Trade Links Limited

Vinay Doshi & Co.

Chartered Accountants

112/13, Jawahar Nagar,

Road No. 8, Goregaon (W),

Mumbai : 400 062.

 2872 2454

MERCURY TRADE LINKS LIMITED

18, Vikas Centre, S. V. Road, Santacruz (West), Mumbai - 400 054

Phone : 26613026 / 66780131-33 Fax : 66780135 Email : share@sardagroup.com

NOTICE TO THE MEMBERS

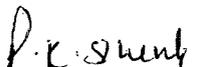
NOTICE is hereby given that the **Twenty Fourth Annual General Meeting** of the Members of **MERCURY TRADE LINKS LIMITED** will be held on Friday the 25th day September, 2009 at 2.30 P. M. at the Registered Office of the Company at 18, Vikas Centre, S.V. Road, Santacruz (West), Mumbai - 400 054 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Gopal Somani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

FOR AND ON BEHALF OF THE BOARD

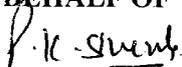
Place : Mumbai
Date : 29th June, 2009


PRADEEP KUMAR SARDA
CHAIRMAN

NOTES :-

- i. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his place and the proxy need not be a member of the company. Proxies in order to be effective must be received 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 will remain closed from Friday the 18th day of September, 2009 to Friday the 25th day of September, 2009 (both days inclusive).
3. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
4. Members are requested to:
 - (i) notify immediately any change in their address to the Company.
 - (ii) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD


PRADEEP KUMAR SARDA
CHAIRMAN

Place : Mumbai
Date : 29th June, 2009

MERCURY TRADE LINKS LIMITED

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DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the **Twenty Fourth Annual Report** together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2009.

1. <u>FINANCIAL RESULTS</u>	<u>YEAR ENDED</u> <u>31/03/2009</u> <u>Rupees</u>	<u>YEAR ENDED</u> <u>31/03/2008</u> <u>Rupees</u>
Gross Income	65,154	4,56,160
Less : Expenditure	78,734	79,756
Profit/(Loss) before Tax	(13,580)	3,76,404
Less : Provision for Taxation		
Current Tax	0	19,500
Deferred Taxation	(295)	514
Fringe Benefit Tax	0	709
Profit/ (Loss) after Tax	(13,285)	3,55,681
Balance profit brought forward from previous year	32,05,051	28,49,370
Surplus carried to Balance Sheet	<u>31,91,766</u>	<u>32,05,051</u>

2. PERFORMANCE

The performance of the Company remained subdued, due to sluggishness in the Capital Market and therefore normal returns are generated by the Company on its investments. During the year Company has incurred a net loss of Rs. 0.14 Lacs (Previous year Profit Rs. 3.56 Lacs). The outlook for coming year looks normal and your Directors are hopeful of achieving better results in future.

3. DIVIDEND

In order to conserve the financial resources, the Directors regret their inability to recommend any dividend for the year ended 31st March, 2009.

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4. BOARD OF DIRECTORS

In terms of the Articles of Association of the Company and as per the provisions of the Companies Act, 1956 Shri Gopal Somani, Director of the Company retires by rotation and being eligible offers himself for re-appointment.

5. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility statement, it is hereby confirmed :

- (i) That in the preparation of Annual Accounts for the financial year ended 31st March, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures if any;
- (ii) That the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and the Loss of the Company for the year under review.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities..
- (vi) That the Directors had prepared the accounts for the financial year ended 31st March, 2009 on a going concern basis.

6. AUDITORS

Members are requested to appoint auditors of the company for the current financial year.

M/s. Vinay Doshi & Co., Chartered Accountants, present Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a Certificate from them certifying that their appointment, if made would be within the limits specified under Section 224 (1-B) of the Companies Act, 1956.

7. AUDITORS REPORT

Observations made in the Auditors' Report regarding non provision towards decline in value of long term investments, no provision has been made in the accounts since your Directors consider that the investment are likely to appreciate in near future and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956:

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8. FIXED DEPOSITS

Your Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and rules made there under during the year.

9. LISTING FEES

The Listing Fees for the year 2009-2010, has been paid to the Bombay Stock Exchange Limited, where the Company's Shares are listed.

10. PARTICULARS OF EMPLOYEES

Information required to be given under Section 217 (2A) of the Companies Act, 1956 with The Companies (Particulars of Employees) Rules 1975 are not applicable to the Company, as the Company has not employed any employee whose salary exceeds the limits as laid down in the said section.

11. INFORMATION ON ENERGY CONSERVATION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information's required to be given under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 the particulars in respect of conservation of energy, technology absorption are not applicable to the company because company has no activities relating to conservation of Energy and Technology Absorption. During the year Company has neither earned any Foreign Exchange nor there was outgo for the same.

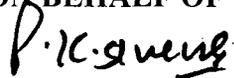
12. SECRETARIAL COMPLIANCE REPORT

Your Directors attach herewith a copy of the Compliance Certificate issued by a Practicing Company Secretary for the year ended 31st March, 2009 pursuant to Section 383A(1) of the Companies Act, 1956.

13. ACKNOWLEDGEMENTS

Your Directors wish to thank Company's Clients, Bankers, Auditors and Investors for their continued support during the year. Your Directors place on record their appreciation of the contribution made by employees at all levels and look forward to their continued support.

FOR AND ON BEHALF OF THE BOARD



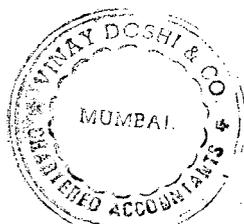
PRADEEP KUMAR SARMA
CHAIRMAN

Place : Mumbai
Date : 29th June, 2009

Auditors' Report

To,
The Members,
Mercury Trade Links Limited

1. We have audited the attached Balance sheet of **Mercury Trade Links Limited** as on 31st March, 2009 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - iii. The Balance Sheet, Profit and Loss Account and Cash flow Statement referred to in this report are in agreement with the books of accounts.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and the Cash-flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 except wherever expressly stated otherwise.



- v. On the basis of written representations received from the directors as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanation given to us, the accounts, subject to *Note no II. 2 regarding non-provision towards decline, which is not temporary, in the book value of long term investments of Rs. 30,49,806/- (Previous year Rs. 11,31,353/-) in the Profit and Loss Account contrary to the recommendations of Accounting Standard - 13, Valuation of Investments, and*

And their consequential effect on the Investments, Closing Inventory and the profit for the year and read together with the Significant Accounting Policies and other Notes appearing in **Schedule - 7** give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- b) In the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
- c) In the case of the Cash-flow Statement, of the Cash Flows of the Company for the year ended on that date.



For Vinay Doshi & Co.
Chartered Accountants

V. Doshi
Vinay Doshi
Proprietor
Membership No. F 49169

Place : Mumbai

Date : 29th June 2009

ANNEXURE TO AUDITORS REPORT

(Referred to paragraph 3 of Auditors Report of even date)

In terms of the information and explanations given to us and on the basis of such checks, as we considered appropriate, we further report that:

1. The Company is in the process of updating its Fixed Assets Register. Based on the records made available to us, in our opinion, the fixed assets have been physically verified at reasonable intervals by the management and no material discrepancies were noticed on such verification. The Company has not disposed off any significant part of the fixed assets during the year under review.
2. There was no inventory with the Company at any time during the year under review.
3. The Company has taken (interest-free) unsecured loans/deposits from director, which is not covered in the register required to be maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding at any time during the year in respect of the said loans/deposits was Rs. 0.26 Lacs and the balance as at the end of the year was Rs. 0.26 Lacs.

The Company has not entered into any formal loan agreement for the same. However, in our opinion, the rate of interest wherever applicable and other terms and conditions in respect of the above loans /deposits are not prima-facie prejudicial to the interest of the Company. Since the above loans are repayable on demand, there can not be any overdue principal or interest in respect of the same as at the close of the year.

The Company has not granted any loans to the parties listed in the Register maintained under Section 301 of the Companies Act, 1956 during the year under review.

4. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase and sale of shares and securities and for the provision of services. There is no continuing failure to correct major weakness in internal control.
5. There were no transactions of purchase or sale of goods and provision of services with parties listed in the register maintained under Section 301 of the Companies Act, 1956 aggregating to Rs.500 000/- or more in respect of each party during the year under review.
7. The Company has not accepted any deposits from the public within the purview of the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
8. No cost records and accounts have been prescribed by the Central Government u/s 209 (1)(d) of the Companies Act, 1956.
9. As per the records verified by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess or any other statutory dues with the appropriate authorities.



As explained to us, no dues of Sales tax, Income tax, Customs duty, Wealth tax, Excise duty and Cess have been disputed and lying pending as at the close of the year *except for income tax of Rs.0.18Lacs which was outstanding for a period exceeding six month.*

Provision of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 State Insurance Act, 1940, are not applicable to the Company.

10. As per the accounts verified by us, the Company's accumulated losses as at the end of the current financial year are not more than fifty percent of its net worth. Also, the Company has incurred cash losses in the current financial year amounting to Rs.10, 166 (Previous year Rs. Nil).
11. As per the records verified by us, no amounts were borrowed by the Company from Financial Institutions / bank or through Debentures.
12. As per the records verified by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statutes applicable to Chit fund, Nidhi, Mutual Benefit Fund or Societies are not applicable to the Company.
14. The Company has maintained proper record of the transactions and contracts of dealing in shares and securities and timely entries have been made therein. The shares and securities have been held by the Company in its own name except to the extent of the exemption granted under section 49 of the companies Act, 1956.
15. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. ~~There were no Term Loans obtained by the Company during the year.~~
17. As per the records verified by us, the Company has not raised funds on short-term basis hence; the question for utilization in long-term investment does not arise.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any Debentures and hence no securities are required to be created in respect thereof.
20. No money has been raised by way of public issue by the Company during the year under review.
21. As per the books examined by us and based on the explanations given to us no fraud on or by the Company has been noticed or reported during the year.



For Vinay Doshi & Co.
Chartered Accountants

V. Doshi
Vinay Doshi
Proprietor

Membership No. F 49169

Place : Mumbai

Date : 29th June 2009

MERCURY TRADE LINKS LTD.

Balance Sheet As At 31st March 2009

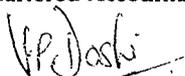
PARTICULARS	SCHEDULE	AS AT 31.03.2009 Amount (Rs.)	AS AT 31.03.2008 Amount (Rs.)
<u>SOURCE OF FUNDS</u>			
<u>SHAREHOLDERS FUNDS</u>			
Share Capital	1	2,475,000	2,475,000
<u>RESERVES & SURPLUS</u>			
Profit & Loss Account		3,191,766	3,205,051
<u>LOAN FUNDS</u>			
Unsecured Loans	2	25,750	-
Deferred Tax Liability		652	947
TOTAL		5,693,168	5,680,998
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	3	31,492	31,492
Less:- Depreciation		10,362	6,948
Net Block		21,130	24,544
<u>INVESTMENTS</u>			
	4	5,439,179	5,439,179
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
	5	536,392	514,827
<u>Less : CURRENT LIABILITIES & PROVISIONS</u>			
Sundry Creditors		23,048	19,739
Out Standing Expenses		18,110	15,438
Provision for Tax		262,375	262,375
NET CURRENT ASSETS		232,859	217,275
TOTAL		5,693,168	5,680,998

Significant Accounting Policies and
Notes on Accounts

7

As per our attached report of even date.

For Vinay Doshi & Co.
Chartered Accountants


Vinay Doshi
Proprietor



For and on behalf of the Board


Pradeep Kumar Sarda
Director


Gopal Somani
Director

Place : Mumbai
Date : 29th June 2009

MERCURY TRADE LINKS, LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 AMOUNT (Rs.)	FOR THE YEAR ENDED 31.03.2008 AMOUNT (Rs.)
<u>INCOME</u>			
Interest received on Bank Deposit		8,808	-
Dividend		56,254	222,885
Profit on Sale of Shares/Units (Net)		93	233,275
Total (A)		65,154	456,160
<u>EXPENDITURE</u>			
Other Expenses	6	75,320	68,504
Security Transaction Tax		-	8,106
Depreciation		3,414	3,147
Total (B)		78,734	79,756
Profit Before Tax (A-B)		(13,580)	376,404
Provision for Income Tax -			
Current Tax		-	19,500
Deferred Taxation		(295)	514
(Excess)/Short Provision of Tax		-	-
Fringe Benefit Tax		-	709
Profit for the year after Tax		(13,285)	355,681
Balance brought forward from Last year		3,205,051	2,849,370
Net Balance carried to Balance Sheet		3,191,766	3,205,051
Earnings per Shares (Basic & Diluted) (Rs.) (Refer note II 6 - Schedule - 7)		-0.05	1.44

Significant Accounting Policies and
Notes on Accounts

7

As per our attached report of even date.

For Vinay Doshi & Co.
Chartered Accountants

V. Doshi

Vinay Doshi
Proprietor



Place : Mumbai
Date : 29th June 2009

For and on behalf of the Board

P. K. Sarda

Pradeep Kumar Sarda
Director

Gopal Somani

Gopal Somani
Director

MERCURY TRADE LINKS LTD.

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 AMOUNT (Rs.)	AS AT 31.03.2008 AMOUNT (Rs.)
<u>SCHEDULE - 1</u>			
<u>Share Capital</u>			
<u>Authorised</u>			
2,47,500 Equity Shares of Rs.10/- each		2,475,000	2,475,000
<u>Issued, Subscribed & Paid up</u>			
2,47,500 Equity Shares of Rs.10/- fully paid up		2,475,000	2,475,000
<u>SCHEDULE - 2</u>			
<u>UNSECURED LOANS</u>			
<u>From Directors (Interest Free)</u>			
Shri Pradeep Kumar Sarda		25750	0
<u>SCHEDULE - 4</u>			
<u>Investments</u>			
<u>At Cost (Non - Trade)</u>			
<u>In Equity Shares, Preference Shares & Units (Quoted)</u>			
157 (P.Y. 157) Equity Shares of TISCO Limited of Rs 10 each		14,280	14,280
135 (P.Y. 135) Preference Shares of TISCO Limited of Rs. 10 each		13500	13500
20000 (P.Y.20000) Equity Shares of Sarda Papers Ltd of Rs. 10 each		200,000	200,000
1900 Equity Shares of Hindustan Petroleum Coporation Limited of Rs. 10 each		496850	496850
500 Equity Shares of Kotak Mahindra Bank Limited of Rs. 10 each		526660	526660
1900 Equity Shares of LIC Housing Finance Limited of Rs. 10 each		497610	497610
250 Equity Shares of Reliance Industries Limited of Rs. 10 each		618629	618629
2000 Equity Shares of Rain Commodities Limited of Rs. 10 each		445620	445620
600 Equity Shares of Hindal Saw Limited of Rs. 10 each		478692	478692
1500 Equity Shares of Greaves Limited of Rs. 10 each		495990	495990
4500 Equity Shares of Mercator Lines Limited of Rs. 10 each		488565	488565
1500 Equity Shares of Jaiprakash Associates Limited of Rs. 10 each		509520	509520
500 Equity Shares of DLF Limited of Rs. 10 each		464900	464900
3060 Equity Shares of Golden Tabaco Limited of Rs. 10 each		168,606	168,606
50 Equity Shares of Baroda Rayon of Rs. 10 each		19,757	19,757
		5,439,179	5,439,179
Aggregate Market Value of quoted Shares		2,421,875	4,341,083



MERCURY TRADE LINKS LTD.

SCHEDULE - 3 OF FIXED ASSETS AS AT 31.03.2009

FIXED ASSETS (At Cost, Less Depreciation)

SR.NO.	PARTICULARS	Rate of Depreciation %	GROSS BLOCK				LESS : DEPRECIATION				NET BLOCK	
			AS AT	ADDITIONS	DEDUCTIONS	TOTAL AS AT	UP TO	PROVIDED	REDUCTION	TOTAL Depreciation UPTO	AS AT	AS AT
			01.04.2008	DURING THE	DURING THE	31.03.2009	01.04.2008	DURING THE	ON SOLD /DIS.	31.03.2009	31.03.2009	31.03.2008
				YEAR	YEAR			YEAR	YEAR			
			AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	
1	MOBILE PHONE	13.91	13800.00	0.00	0.00	13800.00	5192	1197.37	0.00	6389.37	7410.63	8608
2	FURNITURE & FIXTURES	13.91	17692.00	0.00	0.00	17692.00	1756.00	2216.70	0.00	3972.70	13719.30	15936.00
	CURRENT YEAR RS.		31492.00	0.00	0.00	31492.00	6948.00	3414.07	0.00	10362.07	21129.93	24544.00
	PREVIOUS YEAR RS.		13800.00	17692.00	0.00	31492.00	3801.00	3147.00	0.00	6948.00	24544.00	



MERCURY TRADE LINKS LTD.

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 AMOUNT (Rs.)	AS AT 31.03.2008 AMOUNT (Rs.)
<u>SCHEDULE - 5</u>			
<u>CURRENT ASSETS, LOANS AND ADVANCES :</u>			
A) Interest receivable on Fixed Deposit		8,808	-
<u>B) Cash & Bank Balances</u>			
Cash in Hand		83	873
Balance with S.B.I. in Current Account		9,950	-
Citi Bank in Current Account		3,436	198,838
Fixed Deposit with SBI		190,000	-
<u>C) Loans & Advances</u>			
(Unsecured & considered good)			
Advances recoverable in Cash or in kind or for value to be received		323,616	314,616
Telephone Deposit with Airtel (Bharti Cellular Ltd.)		500	500
		536,392	514,827
<u>SCHEDULE - 6</u>			
<u>Other Expenses</u>			
Stock Exchange Listing Fees		11,084	10,000
D'mat Charges		787	-
Board Meeting Fees		8,250	9,750
Audit Fess		3,309	3,371
Legal & Professional Charges		9,750	10,214
Statutory Advertisement Expenses		13,946	10,421
Filing Fees		1,524	985
Printing & Stationery		9,438	49
Payment to Registrar for Share Transfer Job		8,427	10,213
Telephone Expenses		7,515	9,128
Appeal Fees		250	250
Misc. Expenses		1,040	4,124
		75,320	68,504



Mercury Trade Links Limited

Schedule -7

Significant Accounting Policies and Notes on Accounts: 31.03.09

I. Significant Accounting Policies

a. Basis of preparation of financial statements:

The Company follows accrual system of accounting and the accompanying financial statements have been prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles and as per the provisions of the Companies Act, 1956.

b. Depreciation

Depreciation is provided on the fixed assets as per the Written Down Value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

c. Investments

Investments are valued at cost.

d. Inventories

Inventory is carried at cost.

e. Deferred Taxation

Provision for Deferred Taxation is made in the accounts as per the requirements of the Accounting Standard-22 Taxes on Income issued by the Institute of Chartered Accountants of India.

f. Revenue recognition:

The Company follows the Mercantile System of Accounting and recognizes income and expenditure on accrual basis except taxes due on assessment.

e. Contingent Liabilities and Provisions

Disputed liabilities and claims against the Company including claims raised by the revenue authorities pending in appeal for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes on accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimated, is recognised in accounts, wherever applicable.

II. Notes on Accounts

1. In the opinion of the management, the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and adequate provision for all the known liabilities has been made.



2. As per the consistently followed practice, the Investments are valued at cost. Accounting Standard - 13 requires that any decline other than temporary, in the value of long-term investments have to be charged to the Profit and Loss Account. Had the same been made, profit for the year and Investments would have been lower by Rs. 30,49,806/- (Previous year Rs. 11,31,353/-).

3. **Segment Accounting**

Accounting Standard- 17, Segmental Reporting is not applicable to the Company during the year under review.

4. **Related party Transactions**

(i) **Key Managerial personnel and their relatives**

(a)	Shri Pradeep Kumar Sarda	Chairman
(b)	Shri Gopal Somani	Director
(c)	Shri Parag Sarda	Director

(ii) **Relatives of Key Management Personnel**

None

Relationship	Name of the party	Nature of Transaction	Amount (In Rs.)	Closing Balance
Key management Personnel	Pradeep Kumar Sarda	Loan	25,750	25,750

5. **Computation of Earnings per Share (Basic and Diluted)**

Particulars	Current Year	Previous Year
Amounts used as numerator in calculating EPS (Rs.)	(13,285)	355,670
No. of Equity shares used as denominator (No.)	247,500	247,500
Nominal value per Equity Share (Rs.)	10	10
Earnings/(Loss) per share (Basic and Diluted)	(0.05)	1.44

6. **Deferred Taxation**

Deferred taxation as per Accounting Standard -22, Accounting for Taxes on Income is calculated as under:

Description	Amount (Rs)
Opening Deferred Tax Liability	947
Add: Deferred Tax liability due to timing differences in depreciation for the year 2008-2009	(295)
Balances of Deferred Tax Liability as on 31st March, 2009	652

Tax rate for the above calculations was considered @ 33.99%.

7. No provision for Current tax for year ended 31st March 2009 has been considered in view of losses incurred during the year by the Company and the set off available to the Company against the brought forward business/depreciation losses under the Income tax Act, 1961.



8. There were no dues to Micro, Small and Medium Enterprises in the Current as well in the Previous Financial Year. The same has been amended on the basis of information provided by the Company and relied upon by the Auditors.
9. Previous figures have been rearranged / regrouped wherever necessary to make them comparable with those of the current year.
10. Quantitative information pursuant to Part II of Schedule VI to the Companies Act, 1956 is as follows:-

Equity Shares, Quoted, Fully paid up (Stock in trade):

Name of the Scrip	Opening Stock		Purchases		Sales		Conversion in Investment		Closing Stock	
	Qty.	Value	Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)
NIL										

11. Information pursuant to Part IV of Schedule VI to the Companies Act, 1956:

Balance Sheet Abstract and Company's General Business Profile:

I. Registration Details

Registration No.	11-37213
State Code	11 (Maharashtra)
Balance Sheet date	31.03.2009

II. Capital Raised during the year

Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III. Position of mobilization and deployment of funds **Amount (Rs.000s)**

Total Liabilities	5693
Total Assets	5693

(A) Sources of Funds:

Paid-up capital	2475
Reserve & Surplus	3192
Secured Loan	-
Unsecured Loans	25
Deferred Tax Liability	1

(B) Application of Funds:

Net Fixed Assets	21
Investments	5439
Net Current Assets	233
Miscellaneous Expenditure	-



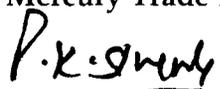
IV. Performance of the Company

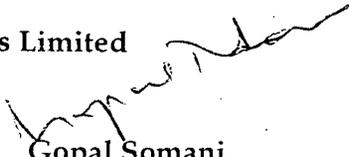
Turnover	65.15
Total Expenditure	78.73
Profit Before Tax	(13.58)
Profit After Tax	(13.29)
Earnings per Share (Rs.)	(0.05)
Dividend %	-

V. Generic names of the three principle product/services of Company
(as per monetary terms)

Item Code No. (ITC Code) Not Applicable
Product Description Finance & Investment

For Mercury Trade Links Limited


Pradeep Kumar Sarma
Director


Gopal Somani
Director

Place: Mumbai

Date : 29th June 2009



2009/06/29

MERCURY TRADE LINKS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

	Amount (Rs.)	For the year ended 31.03.2009 Amount (Rs.)	Amount (Rs.)	For the year ended 31.03.2008 Amount (Rs.)
<u>Cash Flow from Operating Activities</u>				
Profit as per Profit & Loss Account after Provision for Taxation		-13285		355,681
Add : a) Provision for Taxation	0		20209	
b) Depreciation	3414		3147	
c) Provision for Deferred Taxation	-295		514	
d) Profit on Sale of Investments	-93		-233275	
e) Dividend Received	-56254		-222885	
	(53,227)		(432,290)	
Add : a) Increase in Sundry Creditors	3309		3370	
b) Increase in Outstanding Exp.	2672		8719	
c) Decrease in Stock in Trade	0		0	
d) Income Taxes Paid	0		-19200	
	5,981	(47,246)	(7,111)	(439,401)
		(60,531)		(83,721)
<u>Cash Flow from Investment Activities</u>				
Add : (a) Decrease in Investments			0	
(b) Decrease in Advances			0	
(c) Dividend Received	56254		222885	
(d) Sale Proceeds of Investments	163854		6100746	
Less : a) Purchase of fixed asset	0		17692	
b) Increase in Investment	163762		6037079	
c) Increase in Advances	17808		0	
d) Increase in Deposits	0	38,538	0	268,860
<u>Cash Flow from Financing Activities</u>				
Add : a) Increase in Short Term borrowings		25750		0
Net Increase/(Decrease) in Cash Flow		3,757		185,139
Change in Cash and Cash equivalents				
Opening Balance of Cash & Cash Equivalents	199711		14572	
Closing Balance of Cash & Cash Equivalents	203468	3,757	199711	185,139

As per our attached report of even date.

For Vinay Doshi & Co.
Chartered Accountants

Vinay Doshi
Vinay Doshi
Proprietor

Place : Mumbai
Date : 29th June 2009



For and on behalf of the Board

P. K. Sarma
Pradeep Kumar Sarma
Director

Gopal Somani
Gopal Somani
Director

PRAVEEN JAIN & ASSOCIATES

COMPANY SECRETARIES

C-002, Vishal Apartments,
Ground Floor, Sir M.V. Road,
Andheri (East), Mumbai – 400 069
Ph : 26840145
Mail-ID praveenj5@rediffmail.com

COMPLIANCE CERTIFICATE

(Under Proviso to Sub-Section (1) of Section 383 A)

Registration No. : 11-037213
Nominal Capital : Rs. 24,75,000/-
Paid-up Capital : Rs. 24,75,000/-

To
The Members,
MERCURY TRADE LINKS LIMITED

I have examined the registers, records, books and papers of **MERCURY TRADE LINKS LIMITED** having its registered office at 18, Vikas Centre, S.V. Road, Santacruz (West), Mumbai – 400 054, required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year :

01. the company has kept and maintained all registers as stated in Annexure "A" to this certificate as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
02. the company has filed the forms and returns as stated in Annexure "B" to this certificate with the Ministry of Corporate affairs within the time prescribed under the Act and the rules made thereunder except as specified in the said annexure.
03. the company is a public limited company and hence comments are not required .
04. the Board of Directors duly met 5 times on 29th April, 2008, 30th June, 2008, 30th July, 2008, 31st October, 2008 and 30th January, 2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
05. the company has closed its Register of Members from 23rd September, 2008 to 30th September, 2008 and has complied with the provisions of the Act.

[Cont...2]



... 2 ...

06. the Annual General Meeting for the financial year ended on 31st March, 2008 was held on 30th September, 2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
07. no extra ordinary general meeting was held during the financial year under scrutiny.
08. the company has not advanced any loan to its directors and/or persons or firms or companies referred in the Section 295 of the Act.
09. no contracts were entered during the year attracting the provisions of Section 297 of the Act.
10. the company was not require to make any entries in the register maintained under Section 301 of the Act.
11. as there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. the company did not issue any duplicate share certificates during the financial year under scrutiny.
13. the company has :
 - i. delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act.
 - ii. not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii. not posted warrants to any member of the company as no dividend was declared during the financial year.
 - iv. no amounts unpaid in dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and hence transferring of the same to the Investor Education and Protection Fund does not arise.
 - v. duly complied with the requirements of Section 217 of the Act.
14. the Board of Directors of the company is duly constituted and there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year under scrutiny.

[Cont...3]



15. the company has not appointed any Managing Director or Whole-time Director during the financial year under scrutiny.
16. the company has not appointed any sole-selling agents during the financial year under scrutiny.
17. the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities prescribed under the various provisions of the Act.
18. the Directors have disclosed their interest in other companies/firms to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. the company has not issued any shares/debentures/other securities during the financial year under scrutiny.
20. the company has not bought back any shares during the financial year under scrutiny.
21. the company has not issued any preference shares/debentures and hence there is no question of redemption of the same.
22. during the year there was no need for the company to keep in abeyance right to dividend, rights shares and bonus shares.
23. the company has not invited/accepted any deposits falling within the purview of Section 58A during the financial year under scrutiny.
24. the amounts borrowed by the company from director are within the borrowing limits of the company.
25. the company has made investments in other bodies corporate and has made necessary entries in the register kept for the purpose.
26. the company has not altered the provisions of the Memorandum of Association with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. the company has not altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny.
28. the company has not altered the provisions of the Memorandum of Association with respect to name of the company during the year under scrutiny.

[Cont...4]



... 4 ...

29. the company has not altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. the company has not altered its Articles of Association during the year under scrutiny.
31. there was no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for the offences under the Act.
32. the company has not received any sum as security from its employees during the year under scrutiny.
33. the provisions of Section 418 of the Act are not applicable to the company during the year under scrutiny.

For PRAVEEN JAIN & ASSOCIATES
COMPANY SECRETARIES

Praveen Kumar Jain

(PRAVEEN KUMAR JAIN)
PROPRIETOR
C.P. NO. 5986

PLACE : MUMBAI
DATE : 29th JUNE, 2009.



Reg.: MERCURY TRADE LINKS LIMITED

Registration No. : 11- 037213
Nominal Capital : Rs. 24,75,000/-
Paid-up Capital : Rs. 24,75,000/-

Annexure A

Registers as maintained by the Company

1. Register of Members U/S. 150.
2. Attendance Register for General Meeting U/S. 174.
3. Minutes Books of General Meetings and Board Meetings U/S. 193.
4. Attendance Register for Board Meetings U/S. 287.
5. Register of Directors U/S. 303.
6. Register of Directors Shareholding U/S. 307.
7. Register of Investments U/S. 372A.
8. Register of Share Transfer.
9. Books of Accounts U/S. 209.

Annexure B

Forms and Returns as filed by the Company with the Ministry of Corporate Affairs, during the financial year ended on 31st March, 2009.

Sr. No.	Form No./ Return	Filed under Section	For	Date of filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid Yes/No.
1.	Form 61	205C	for filing an application with Registrar of companies	30 th April, 2008	Yes	No
2.	Form 61	205C	for filing an application with Registrar of companies.	30 th July, 2008	Yes	No
3.	Form 66	383A	Compliance Certificate for the year ended 31 st March, 2008	27 th October, 2008	Yes	No
4.	Form No. 23AC.	220	Balance Sheet and Profit & Loss Account for the year ended 31 st March, 2008	29 th October, 2008	Yes	No
5.	Form 61	205C	for filing an application with Registrar of companies	31 st October, 2008	Yes	No



[Cont...2]

... 2 ...

6.	Form 20 B	159	Annual Return as on the date of the Annual General Meeting held on 30 th September, 2008	20 th November, 2008	Yes	No
7.	Form 23	192	for special resolution passed in the AGM held on 30 th September, 2009.	20 th November, 2008	No	Yes
8.	Form 61	205C	for filing an application with Registrar of companies	30 th January, 2009	Yes	No

For PRAVEEN JAIN & ASSOCIATES
COMPANY SECRETARIES

Praveen Kumar Jain

(PRAVEEN KUMAR JAIN)
PROPRIETOR
C.P. NO. 5986

PLACE : MUMBAI
DATE : 29th JUNE, 2009.

