

**33<sup>rd</sup> Annual Report**

**&**

**Accounts**

**2014 - 2015**

Shree Nidhi Trading Co. Ltd.

# Shree Nidhi Trading Co. Ltd.

Corporate Identity No.: L67120WB1982PLC035305

## 33<sup>rd</sup> Annual Report & Accounts 2014 – 2015

### Board of Directors :

Mr. Tanumay Laha	Managing Director
Mr. Shibashis Mukherjee	Independent Director
Mr. Rajesh Kurmi	Independent Director
Mr. Arun Kumar Khemka	Independent Director
Mr. Amalesh Sadhu	Independent Director
Mr. Rakesh Kumar Agarwal	Independent Director
Mrs. Jyoti Lohia	Independent Director

### Audit Committee :

Mr. Arun Kumar Khemka	Chairman
Mr. Amalesh Sadhu	Independent Director
Mr. Rakesh Kumar Agarwal	Independent Director
Mr. Rajesh Kurmi	Independent Director
Mrs. Jyoti Lohia	Independent Director

### Nomination And Remuneration Committee :

Mr. Amalesh Sadhu	Chairman
Mr. Shibashis Mukherjee	Independent Director
Mr. Rajesh Kurmi	Independent Director
Mrs. Jyoti Lohia	Independent Director

### Stakeholder's Relationship Committee :

Mr. Amalesh Sadhu	Chairman
Mr. Shibashis Mukherjee	Independent Director
Mr. Rajesh Kurmi	Independent Director

### Risk Management Committee :

Mr. Rajesh Kurmi	Chairman
Mr. Arun Kumar Khemka	Independent Director
Mr. Tanumay Laha	Managing Director

### Chief Financial Officer :

Mr. Avik Gupta

### Registered Office :

7, Lyons Range,  
3<sup>rd</sup> Floor, Room No. 9 & 10,  
Kolkata – 700 001  
Ph. : 033 3262 4539  
E-mail ID : shreenidhico@yahoo.com  
Website : www.shreenidhitrading.com

### Registrar and Transfer Agent :

Niche Technologies Pvt. Ltd.  
D-511, Bagree Market,  
71, B.R.B. Basu Road  
Kolkata-700 001

### Bankers :

Bank Of India  
HDFC Bank  
Indian Overseas Bank  
Indusind Bank

### Auditors:

M/s. Pachisia & Associates  
Chartered Accountants  
454, Dum Dum Park, Kolkata-700 055

# SHREE NIDHI TRADING CO. LTD.

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting before you 33<sup>rd</sup> Annual Report of the Company together with Audited Accounts for the year ended 31<sup>st</sup> March, 2015.

### 1. Financial Summary or Highlights.

(in `)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Total Revenue	<b>5,67,24,730</b>	1,44,26,815	<b>5,67,24,730</b>	1,44,26,815
(Less):Total Expenditure	<b>(5,57,44,325)</b>	(1,43,16,122)	<b>(5,57,87,897)</b>	(1,44,05,762)
Profit before Exceptional & Extraordinary Items	<b>9,80,405</b>	1,10,693	<b>9,36,833</b>	21,053
Add/(Less): Exceptional Items	-	-	-	-
Add/(Less): Extraordinary Items-Profit on sale of Fixed Assets	<b>497</b>	-	<b>497</b>	-
Profit Before Tax	<b>9,80,902</b>	1,10,693	<b>9,37,330</b>	21,053
(Less): Provision for Current Tax	<b>(3,05,000)</b>	(34,583)	<b>(3,05,000)</b>	(34,583)
Add/(Less):Provision for Deferred Tax	<b>635</b>	379	<b>635</b>	379
Add/(Less): Contingent Provision for Standard Asset	<b>(13,302)</b>	-	<b>(13,302)</b>	-
Add/(Less): Current Tax Expense relating to prior year	<b>(15,811)</b>	-	<b>(15,811)</b>	-
Net Profit after Tax	<b>6,47,424</b>	76,489	<b>6,03,852</b>	(13,151)
(Less): Transfer to Statutory Reserve	<b>(1,35,180)</b>	(15,300)	<b>(1,35,180)</b>	(15,300)
Add/(Less): Brought forward from previous year	<b>6,98,162</b>	6,36,973	<b>6,08,522</b>	6,36,973
Balance carried to Balance Sheet	<b>12,10,406</b>	6,98,162	<b>10,77,194</b>	6,08,522

### 2. Consolidated Financial Statements.

In accordance with the Companies Act, 2013(hereinafter referred to as "the Act") and Accounting Standard (AS) – 21 on Consolidated Financial Statements read with AS – 23 on Accounting for Investments in Associates, the audited consolidated financial statement is provided in the Annual Report.

### 3. Change in Share Capital.

During the year under review, there has been no change in the Authorised or Paid-up Share Capital. The Authorised Share Capital of the Company stands at ` 8,00,00,000/- divided into 80,00,000 Equity Shares of ` 10 each.The Paid-up Share Capital of the Company is ` 7,79,37,000 divided into 77,93,700 Equity Shares of ` 10/- each.

### 4. Corporate Governance.

Pursuant to SEBI Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15<sup>th</sup> September, 2014 Clause 49 of the Equity Listing Agreement is not applicable to the Company, However, on a voluntary basis the Company has complied with the provisions of Clause 49 to the extent feasible for the Company.

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A separate report on Corporate Governance is furnished as a part of the Directors' Report and the certificate from the Practicing Chartered Accountant regarding compliance with the condition of Corporate Governance is annexed to the said Report.

**5. Extract of Annual Return.**

The Extract of the Annual Return as on the financial year ended on 31<sup>st</sup> March, 2015, in Form MGT-9 pursuant to section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is appended to the Directors' Report in *Annexure-1*.

**6. Number of Meetings of the Board.**

The Board of Directors of the Company met eight (8) times during the Financial Year under review, i.e. on 30/04/2014, 02/05/2014, 30/05/2014, 31/07/2014, 08/10/2014, 12/11/2014, 13/02/2015 and 23/03/2015.

Further, one exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Act and Clause 49(II)(B)(6) of the Listing Agreement was held on 31<sup>st</sup> March, 2015.

All the meetings were held in accordance with the provisions of the Act and the Listing Agreement.

The Details of the above meetings are given in Corporate Governance Report which is annexed in the Annual Report.

**7. Disclosure pursuant to Section 177(8) of the Act-Composition of the Audit Committee.**

Pursuant to section 177(8) of the Act disclosure of the Composition of Audit Committee is given below:-

The Audit Committee of the Company comprises of five non-executive independent directors as on 31<sup>st</sup> March, 2015 and is chaired by Mr. Arun Kumar Khemka (having DIN: 00428276), non-executive Independent Director. The details of the same is more fully provided in the Corporate Governance Report.

During the Financial Year under review, the Committee met four (4) times and all such meetings were held in accordance with the provisions of the Act and the Listing Agreement.

Further, the Board of Directors has accepted all the recommendations of the Audit Committee in the Financial Year 2014-15.

**8. Composition of the Nomination and Remuneration Committee.**

Pursuant to the requirements of Section 178 of the Act, the Nomination and Remuneration Committee of the Company comprises of four Non Executive Independent Directors.

The details of the Committee is provided in the Corporate Governance Report.

**9. Composition of the Stakeholders Relationship Committee.**

Pursuant to the requirements of Section 178 of the Act, the Stakeholders Relationship

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Committee of the Company consists of three Non Executive Independent Directors as on 31<sup>st</sup> March, 2015.

The details of the Committee are provided in the Corporate Governance Report.

## **10. Directors' Responsibility Statement.**

Pursuant to Section 134(3)(c) read with section 134 (5) of the Act, to the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors of the Company hereby make the following statements :

- a. In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- b. The Directors have selected such accounting policies and have 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 as on the Financial Year ended on 31<sup>st</sup> March, 2015 and of the profit of the company for the year under review.
- c. The Directors have taken proper and sufficient care for the 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 fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis.
- e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **11. Declaration by the Independent Directors.**

Pursuant to Section 149(7) of the Act, all the independent directors have submitted the statement at their first Board Meeting of the financial year under review that they meet the criteria of independence as laid down under section 149(6) of the Act, read with clause 49 of listing agreement.

## **12. Policy on Directors' Appointment & Remuneration.**

Pursuant to the provisions of Section 178(4) of the Act read with the Rules made thereunder and Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director and has further formulated a policy relating to the remuneration for directors, key managerial personnel and other employees, which has been duly approved by the Board of Directors.

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While formulating the Policy, the Nomination and Remuneration Committee has assured that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- b. The relationship of remuneration to performance is clear and meets appropriate benchmarks;and
- c. The remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay,reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The details of the same have been provided in the Corporate Governance Report for the Financial Year 2014-15.The shareholders may also visit the Company's website, viz; **www.shreenidhitrading.com** for the detailed Nomination and Remuneration Policy of the Company on Directors appointment and remuneration.

## **13. Auditors & Auditors' Report.**

### **A. Statutory Auditors**

M/s. Pachisia & Associates, Chartered Accountants (Firm Registration No. 327542E) of 454, Dumdum Park, Kolkata – 700 055, was appointed as the Statutory Auditor of the Company for a period of five years from the conclusion of the 32<sup>nd</sup> Annual General Meeting, held on 29<sup>th</sup> September, 2014, till the conclusion of the 37<sup>th</sup> Annual General Meeting, subject to ratification by members at every subsequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing Annual General Meeting.

### **B. Independent Auditors' Report**

The Self Explanatory Independent Auditors' Report does not contain any adverse remarks or qualification.

### **C. Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder, Mr. Praveen Sharma (C.P. No.14501, Membership No. A30365), Company Secretary in whole-time Practice, was appointed for the issuance of the Secretarial Audit Report for the Financial Year 2014-15.

### **D. Secretarial Audit Report**

The Report of the Secretarial Audit Report does not contain any adverse remark save and except the followings:-

*There was a delay in filing e-form MGT-14 regarding adoption of Annual Accounts, adoption of Director's Report, DIR-12 regarding appointment of Directors etc.*

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The Secretarial Audit Report is annexed herewith as **Annexure-2**.

**14. Particulars of Loans, Guarantees or Investments under Section 186 of the Act.**

The provisions of section 186 are not applicable upon a Non-Banking Financial Company. Therefore, the Company is not required to provide any disclosure pursuant to Section 134(3)(g) of the Act.

**15. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form.**

All related party transactions, contracts or arrangements that were entered into, during the financial year under review, were on an arms-length basis and in the ordinary course of business.

The Company has adhered to its “Policy on Related Party Transactions and Materiality of Related Party Transactions” while pursuing all Related Party transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

During the year under review, the Company has not entered into any material related party transaction as defined in Clause 49 of the Listing Agreement. All Related Party Transactions were placed before the Audit Committee and the Board for approval. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Act read with the Rules made thereunder.

**16. State of Company Affairs & Future Outlook.**

During the Financial year under review, the Company has recorded a total income of ` 56,724,730/- for the current financial year as compared to ` 1,44,26,815/-, for the previous financial year.

The Profit After Tax on a standalone basis amounted to ` 6,47,424/- as against ` 76,489/- in the previous year. There has been a consistent increase in profit of the Company during the financial year under review.

The Company is showing substantial growth and is making all due efforts in achieving its business objectives in the most efficient manner.

**17. The amount proposed to be carried to reserves.**

The detail of the amounts apportioned to the reserves has been provided under the category “Financial Summary or Highlights” in this Directors Report.

**18. Dividend**

Considering the future prospects and for strengthening the financial position of the Company, your Directors do not recommend any dividend for the financial year under review.

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**19. Material changes and commitments affecting the financial position of the company between the end of the financial year and the date of the Report.**

No Material Changes and commitments affecting the financial position of the Company, have occurred between the end of the financial year of the company to which the financial statements relate and the date of this Directors' Report.

Disclosure pertaining to the effect on the financial results of material changes in the composition of the Company, if any, pursuant to Clause 41 (iv)(m) of the Listing Agreement.

There has not been any material change in the composition of the Company and therefore the Disclosure of Clause 41(IV)(m) of the Listing Agreement pertaining to material changes in the composition of the Company, is not applicable upon the Company.

**20. Conservation of Energy, Technology absorption, Foreign exchange earnings and outgo.**

In terms of Section 134 (3) (m) of the Act read with the Rules made there under, the Company has no activity relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo during the financial year under review.

**21. Risk Management Policy**

During the year, the Company constituted a Risk Management Committee in accordance with Clause 49 of the Listing Agreement which has been entrusted with the responsibility of:

- a) Overseeing and approving the Company's enterprise wide risk management framework; and
- b) Overseeing that all the risks that the organization faces.

Accordingly, the Company has in place a Risk Management Policy in accordance with Clause 49 of the Listing Agreement provisions and in compliance with Section 134(3)(n) of the Act. The Policy provides for the identification therein of elements of risk , which in the opinion of the Board may threaten the existence of the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

Pursuant to Schedule IV (II)(4) of the Act, the Independent Directors, inter-alia amongst others, review the system from time to time to ensure that Risk Management is resilient.

Further, in compliance with Clause 49(I)(D)(2)(a) of the Listing Agreement, the Board of Directors have also been reviewing on a periodical basis the Risk Management Policy of the Company to make it at par with the Company's objectives.

**22. Policy on Corporate Social Responsibility (CSR) Initiatives.**

Pursuant to provisions of Section 135 of the Act, the Company is not required to constitute a Corporate Social Responsibility Committee or to undertake any CSR activities.



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Therefore, the Company is not required to make any disclosure as specified in Section 134(3)(o) of the Act.

## **23. Manner of Formal Annual Performance Evaluation of the Board, Individual Directors And Committees.**

Pursuant to Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, other applicable provisions of the Act, and various applicable clauses of the Listing Agreement, the manner in which annual performance of individual directors and the committees was evaluated in the reported year, is described hereunder:-

- a. Pursuant to Clause 49(IV)(B)(1), the Nomination & Remuneration Committee has formulated criteria for determining qualifications, positive attributes and independence and independence of a director and recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The details of the same are described in the Corporate Governance Report.
- b. The Nomination & Remuneration Committee also identifies persons qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommends to the Board their appointment and removal and carries out the evaluation of every director's performance in accordance with Section 178(2) of the Act read with the Rules framed thereunder and Clause 49(IV)(B)(4) of the Listing Agreement.
- c. The performance evaluation criteria of the Board and Independent Directors has been formulated by the Nomination and Remuneration Committee Pursuant to Clause 49(IV)(B)(2) of the Listing Agreement.
- d. Pursuant to section 178(2) of the Act, the Nomination and Remuneration Committee of the Company carries out the performance evaluation of the individual directors.
- e. Further, the Committee has also devised a Policy on Board Diversity as provided in Clause 49(IV)(B)(3) of the Listing Agreement.
- f. Pursuant to Clause VIII of Schedule IV to the Act and Clause 49(II)(B)(5) of the Listing Agreement, the performance evaluation of the Independent Directors is pursued by the entire Board of Directors, excluding the director being evaluated. On the basis of the report of performance evaluation, the extension of the term of appointment or its continuance in respect of the independent directors is considered.
- g. Pursuant to Clause VII of Schedule IV to the Act and Clause 49(II)(B)(6) of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 31<sup>st</sup> March, 2015 to Review the performance of the non-independent directors and the Board as a whole and that of the Chairman of the company, taking into account the views of the executive directors and non-executive directors. The parameters of evaluation was as per the criteria formulated by the Nomination and Remuneration Committee.

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h. Further, the board monitors and reviews the board evaluation framework in compliance with Clause 49 (I)(D)(2)(i) of the Listing Agreement and evaluates the performance of all the Committees.

## **24. Nomination and Remuneration Policy.**

Section 178 of the Act, read with Rules made thereunder and Clause 49(IV)(B) of the Listing Agreement, defines the role of the Nomination and Remuneration Committee to include, inter alia amongst others, the following:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The details of the same have been provided in the Corporate Governance Report for the Financial Year 2014-15. The shareholders may also visit the Company's website, viz; **[www.shreenidhitrading.com](http://www.shreenidhitrading.com)** for the detailed Nomination and Remuneration Policy of the Company on Directors appointment and remuneration.

## **25. Change in the nature of business.**

There has been no change in the nature of business of the Company in the Financial Year under review.

## **26. Directors and Key Managerial Personnel.**

### **a. Non-Executive, Independent & Executive Directors**

Mr. Tanumay Laha (DIN- 01731277), being Executive Director of the Company, retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as the Managing Director without any variation in the terms of his appointment.

Pursuant to Section 149 of the Act read with the Rules made thereunder, the Independent Directors shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 years each. In terms of revised clause 49 of the listing agreement applicable from 1<sup>st</sup> October, 2014, in case the Independent Director has already served for 5 or more years, he can be appointed for only one term of 5 years.

In this connection, all the Independent Directors of the Company, viz: Arun Kumar Khemka, Shibashis Mukherjee, Rajesh Kurmi, Rakesh Kumar Agarwal and Amalesh Sadhu were appointed for a term of five consecutive years commencing from the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company, keeping in view their educational / professional qualifications, working experience, expertise in line with Company's business, positive attributes, already being on the Board of the Company and benefits that the Company will

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derive with their appointment.

Further, the Board of Directors of the Company has appointed Mrs. Jyoti Lohia (DIN-07113757) as an Additional Director of the Company with effect from 23<sup>rd</sup> March, 2015. She is holding office as an Independent Director of the Company and is entitled to hold office as additional director up to the date of ensuing Annual General Meeting. Accordingly, it is proposed to appoint Mrs. Jyoti Lohia as a non-retiring Independent Director of the Company in accordance with Section 149 of the Act, to hold office till the conclusion of 38<sup>th</sup> AGM, i.e. for a tenure of 5 years.

## **b. Chief Financial Officer**

Mr. Avik Gupta continues to hold office as the Chief Financial Officer of the Company .

## **27. Names of Companies which have become or ceased to be the Company's Subsidiaries, Joint Ventures or Associate Companies during the year under review.**

Name of the Companies which became subsidiaries in the financial year under review are as follows:

- a. SNCL Properties Limited
- b. SNCL Projects Limited
- c. Sunwhite Builders Limited
- d. Sunwhite Constructions Limited
- e. Sunwhite Consultants Limited
- f. Sunwhite Homes Limited
- g. Sunwhite Housing Limited
- h. Sunwhite Projects Limited
- i. Sunwhite Real Estates Limited
- j. Sunwhite Properties Limited

Further, the business of above mentioned companies have not been commence and during the year under review, no subsidiary of the Company ceased to be subsidiary of the Company.

Further, the Company does not have any associate companies (as defined in Section 2(6) of the Act) nor is associated with any joint ventures and therefore disclosure requirement pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable for the Company.

## **28. Annual Accounts of the Subsidiaries.**

In accordance with Section 129(3) of the Act, and rules thereunder, the Consolidated Financial Statement is presented in the Annual Report 2014-15. The audited financial statements together with the Consolidated Financial Statements and related information of the Company and audited accounts of each subsidiary company are available on the Company's Website [www.shreenidhitrading.com](http://www.shreenidhitrading.com). It shall also lay down the Separate Financial Statements of the Subsidiaries with the Financial Statement of the Company in its Annual General Meeting.

Having regard to the first proviso to Section 136 of the Act read with the Rules made thereunder, a separate statement containing the salient features of the financial statement in i.e., Form AOC-1 is disclosed in *Annexure-3*. The Company will provide a copy of the annual accounts in respect

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of each Subsidiary to the shareholders on request and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and the respective Subsidiary Companies. Any member interested in obtaining the said information may write to Mr. Tanumay Laha, Managing Director at 7, Lyons Range, 3<sup>rd</sup> floor, Room No. 9 & 10, Kolkata-700 001, E-Mail ID-shreenidhico@yahoo.com and the same shall be furnished on request.

As per Listing Agreement, a policy on material subsidiaries as approved by the board may be assessed on the Company's Website [www.shreenidhitrading.com](http://www.shreenidhitrading.com).

**29. Details relating to deposits covered under Chapter V of the Act.**

The Company has not accepted any deposits during the financial year under review. No public deposits are outstanding or held by the Company as on 31<sup>st</sup> March, 2015.

**30. Details of deposits which are not in compliance with the requirements of Chapter V of the Act.**

Since the Company has neither accepted any deposits during the financial year under review nor has any outstanding deposits as on 31<sup>st</sup> March, 2015, therefore there are no disclosures as specified in Rule 8(5)(vi) of the Companies (Accounts) Rules, 2014, for non-compliance with the requirements of Chapter V of the Act.

**31. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.**

There were no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations in the concerned financial year.

**32. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

Pursuant to the section 177(4)(vii) of the Act and the SEBI Circular No. CIR/CFD/POLICY CELL/2/2014, dated 17<sup>th</sup> April, 2014 regarding the amendment of Clause 49 of the Listing Agreement, applicable with effect from 1<sup>st</sup> October, 2014, the Audit Committee has been empowered by the Board in its meeting to review the adequacy of internal financial controls and the risk management systems of the Company.

Thus, the audit committee ensures that there is a direct relationship between the Company's objectives and the internal financial controls it implements to provide reasonable assurance about their achievement.

**33. Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

The Company has no employee whose remuneration exceeds the limit prescribed under

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section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, Various disclosures pursuant to the section 197 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided herein below:

## **I. Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year**

None of the employees have served the Company for a complete financial year and therefore the Company is not required to provide the aforesaid disclosure.

## **II. The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.**

<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase in remuneration in the Financial Year</b>
Mr. Tanumay Laha-Managing Director	- No increase in remuneration
Mr. Rajesh Kurmi-Non-Executive Director	- No remuneration or sitting fees was paid
Mr. Arun Kumar Khemka-Non-Executive Director	- No remuneration or sitting fees was paid
Mr. Amalesh Sadhu-Non-Executive Director	- No remuneration or sitting fees was paid
Mr. Shibashis Mukherjee-Non-Executive Director	- No remuneration or sitting fees was paid
Mr. Rakesh Kumar Agarwal-Non-Executive Director	- No remuneration or sitting fees was paid
Mrs. Jyoti Lohia-Non-Executive Director w.e.f. 23 <sup>rd</sup> March, 2015	Since this information is for part of the year, the same is not comparable. It would be further noted that no remuneration or sitting fees was paid to her.
Mr. Avik Gupta-Chief Financial Officer	-No increase in remuneration

## **III. The percentage increase in the median remuneration of the employees in the financial year**

None of the employees have served the Company for a complete financial year and therefore the Company is not required to provide the aforesaid disclosure.

## **IV. The number of permanent employees on the rolls of the company**

As on 31<sup>st</sup> March, 2015, there are 12 employees on the roll of the Company.

## **V. The explanation on the relationship between average increase in remuneration and company performance**

There has been no increase in remuneration of any of the Directors or employees.

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## VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company

Comparitive Parameter	Amount (in `)
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2014-15.	1,63,500
Total Revenue	5,67,24,730
Remuneration of KMP's as a percentage of Total Revenue	0.29%
Profit before tax	9,80,902
Remuneration of KMP's as a percentage of Profit before Tax	16.67%
Profit after tax	6,47,424
Remuneration of KMP's as a percentage of Profit after Tax	25.25%

## VII. Variations in :

### A. The market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014	% Change
<b>Market Capitalisation</b>	<b>` 1,24,62,12,630</b> (Equity Shares are not traded in CSE Platform. Thus, Market Cap. is calculated on the basis of the last traded price)	<b>` 1,24,62,12,630</b> (Equity Shares are not traded in CSE Platform. Thus, Market Cap. is calculated on the basis of the last traded price)	0.00
<b>Price Earnings Ratio</b>	<b>15990</b>	<b>15990</b>	0.00

### B. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last public offer

Particulars	31 <sup>st</sup> March, 2015	(IPO)	% Change
Market Price	0.00	The Company has not made any Public Issue or Rights issue of securities in the last 15 years, so comparison have not been made of current share price with public offer price.	0.00

## VIII. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.

None of the employees have served the Company for a complete financial year and therefore the Company is not required to provide the aforesaid disclosure.

# SHREE NIDHI TRADING CO. LTD.

## IX. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.

(in `)

Comparative Parameter	Tanumay Laha Managing Director	Avik Gupta Chief Financial Officer
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2014-15.	96,000	67,500
Total Revenue	5,67,24,730	5,67,24,730
Remuneration of KMP's as a percentage of Total Revenue	0.17%	0.12%
Profit before tax	9,80,902	9,80,902
Remuneration of KMP's as a percentage of Profit before Tax	9.79%	6.88%
Profit after tax	6,47,424	6,47,424
Remuneration of KMP's as a percentage of Profit after Tax	14.83%	10.43%

## X. The key parameters for any variable component of remuneration availed by the directors.

Any variable component of remuneration payable to the Directors is based on the parameters, as approved by the Board of Directors, on the basis of the recommendation of the Nomination and Remuneration Committee. The said parameters are set considering the provisions of applicable regulations and Nomination & remuneration Policy of the Company.

## XI. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

None of the employees' remuneration is more than that of the highest paid director for the Financial Year under review.

## XII. Affirmation that the remuneration is as per the remuneration policy of the company.

The Board of Directors hereby affirm that the remuneration paid to all directors, Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy of the Company.

## 34. Vigil Mechanism / Whistle Blower Policy.

Pursuant to the provisions of Section 177(9) and 177(10) of the Act read with the Companies(Meetings of Board and its Powers) Rules, 2014 and Clause 49 of Equity Listing Agreement (as amended by the Securities and Exchange Board of India (SEBI) vide Circular

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

nos. CIR/CFD/POLICY CELL/2/2014, dated 17<sup>th</sup> April,2014 and CIR/CFD/POLICY CELL/7/2014, dated 15<sup>th</sup> September,2014), a Vigil Mechanism for directors and employees to report genuine concerns has been established.

The details of the Vigil Mechanism/Whistle Blower Policy is explained in the Corporate Governance Report and also disclosed on the website of the Company.

## **35. Insider Trading**

The Company has put in place a prevention of Insider Trading Code based on SEBI(Prohibition of Insider Trading) Regulations,1992. This code was applicable to all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The aforesaid Code was effective till 14<sup>th</sup> May, 2015 & thereafter repealed with the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” and “Code of Conduct to Regulate, Monitor and Report Trading”, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from 15<sup>th</sup> May, 2015.

The aforesaid Codes have been disclosed on the website of the Company.

## **36. Transfer of amount to The Investor Education And Protection Fund.**

There is no amount pending for transfer to the Investor Education and Protection Fund, in accordance to the provisions of Section 205A(5) and 205C of the Act.

## **37. Listing**

The Company's shares are listed on the Calcutta Stock Exchange Limited. The Company has paid the annual listing fee for the financial year 2015-16 to the Stock Exchange.

## **38. Prudential Norms for NBFC's.**

The Company has been complying with all the requisite norms prescribed by the Reserve Bank of India for income recognition, accounting standards, capital adequacy, credit rating, provisioning & all other requirements.

## **39. Green Initiative.**

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail with M/s. Niche Technologies Private Ltd., D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001, E- mail: nichetechpl@nichetechpl.com, if shares are held in physical mode or with their DP if the holding is in electronic mode.

Electronic Copies of the Annual Report and Notice of the Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s). Physical copies of Annual Report and Notice of the Annual General Meeting are sent in the permitted mode to the members who have not registered their email address.



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Pursuant to Section 108 of the Act read with the Rules made thereunder, the Company is providing e-voting facility to all the members to enable them to cast their votes electronically on all the resolutions set forth in the Notice.

**40. Compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013.**

The Company believes in creating a safe environment for the employees which is free from any discrimination. Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013, the Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment. Mrs. Jyoti Lohia, is the Presiding Officer to the Committee.

The Directors of the Company state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

**41. Management's Discussion and Analysis.**

In accordance with the listing requirement, the Management's Discussion and Analysis is presented in a separate section and forms part of the Annual Report 2014-15.

**42. Acknowledgement**

The Directors of the Company would like to express their appreciation for the continued co-operation and support by the banks, customers and business associates. The Board takes this opportunity to place on record its deep sense of appreciation for the total commitment, dedication and hard work put in by the employees of the Company. Lastly, the Board of Directors is deeply grateful for the continuous confidence and faith shown by the members of the Company.

Place : Kolkata  
Dated : 28.05.2015

**On Behalf of the Board of Directors  
For Shree Nidhi Trading Co. Limited**

**Arun Kumar Khemka  
Chairman  
DIN - 00428276**

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

ANNEXURE - 1

Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March, 2015

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

## I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L67120WB1982PLC035305
ii.	Registration Date	30/09/1982
iii.	Name of the Company	SHREE NIDHI TRADING CO LTD
iv.	Category/Sub-Category of the Company	PUBLIC COMPANY, LIMITED BY SHARES
v.	Address of the Registered office and contact details	7, LYONS RANGE, 3 <sup>rd</sup> FLOOR, ROOM NO. 9 & 10, KOLKATA - 700001
vi.	Whether listed company	Yes/No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Pvt. Ltd. D-511, Bagree Market, 5 <sup>th</sup> Floor, 71, B.R.B.Basu Road, Kolkata – 700 001

## 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
1	Textile	5131	92.98

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

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

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section (Companies Act, 2013)
1.	SNCL Iron And Steel Limited *	U51909WB2014PLC201275	Subsidiary	100%	2(87)(ii)
2.	SNCL Marketing Limited**	U51909WB2014PLC201370	Subsidiary	100%	2(87)(ii)
3.	SNCL Paper Trading Limited*	U51909WB2014PLC201276	Subsidiary	100%	2(87)(ii)
4.	SNCL Real Estate Limited*	U70102WB2014PLC201277	Subsidiary	100%	2(87)(ii)
5.	SNCL Properties Limited***	U70102WB2015PLC205490	Subsidiary	100%	2(87)(ii)
6.	SNCL Projects Limited***	U70102WB2015PLC205489	Subsidiary	100%	2(87)(ii)
7.	Sunwhite Constructions Limited***	U70102WB2015PLC205498	Subsidiary	100%	2(87)(ii)
8.	Sunwhite Projects Limited***	U70102WB2015PLC205494	Subsidiary	100%	2(87)(ii)
9.	Sunwhite Real Estates Limited***	U70102WB2015PLC205497	Subsidiary	100%	2(87)(ii)
10.	Sunwhite Builders Limited***	U70102WB2015PLC205488	Subsidiary	100%	2(87)(ii)
11.	Sunwhite Homes Limited***	U70102WB2015PLC205492	Subsidiary	100%	2(87)(ii)
12.	Sunwhite Housing Limited***	U70102WB2015PLC205493	Subsidiary	100%	2(87)(ii)
13.	Sunwhite Consultants Limited***	U74900WB2015PLC205491	Subsidiary	100%	2(87)(ii)
14.	Sunwhite Properties Limited***	U70102WB2015PLC205496	Subsidiary	100%	2(87)(ii)

\*Incorporated on 24<sup>th</sup> March, 2014

\*\*Incorporated on 25<sup>th</sup> March, 2014

\*\*\*Incorporated on 4<sup>th</sup> March, 2015

# SHREE NIDHI TRADING CO. LTD.

## 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. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total (A)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
<b>2) Foreign</b>									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total(A)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
<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									



# SHREE NIDHI TRADING CO. LTD. ≡

## ii. Shareholding of Promoters

Sr. No	Shareholder' Name	Shareholding at the beginning of the year			Shareholding at the end of 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.	-	-	-	-	-	-	-
	<b>Total</b>						

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

Sr. no	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	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.	At the beginning of the year	-	-	-	-
	At the End of the year	-	-	-	-

# SHREE NIDHI TRADING CO. LTD. ≡

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

Sr. no	Shareholder Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	% of total shares of the company
1.	Srijan Vyapar Pvt. Ltd.	At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	369499	4.74	-	-	-
		At the End of the year (or on the date of separation, if separated during the year)			369499	4.74	
2.	Wonder Vinimay Pvt. Ltd.	At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	269275	3.46	-	-	-
		At the End of the year (or on the date of separation, if separated during the year)			269275	3.46	
3.	Edmond Commercial Pvt. Ltd.	At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	206863	2.66	-	-	-
		At the End of the year (or on the date of separation, if separated during the year)			206863	2.66	

# SHREE NIDHI TRADING CO. LTD. ≡

		At the End of the year (or on the date of separation, if separated during the year)				206863	2.66
4.	Hemlata Sudhakar Shetty	At the beginning of the year	194000	2.49			
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		-	-
		At the End of the year (or on the date of separation, if separated during the year)			194000		2.49
5.	Scope Vyapar Pvt. Ltd.	At the beginning of the year	188518	2.42			
		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)				188518	2.42
6.	Anjani Vanijiya Pvt. Ltd.	At the beginning of the year	184000	2.36			
		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)				184000	2.36



# SHREE NIDHI TRADING CO. LTD.

		if separated during the year)					
7.	Aparnaa Commodities Pvt. Ltd.	At the beginning of the year	182674	2.34	-	-	-
		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)	182674			2.34	
8.	Rajendra Prasad Shah	At the beginning of the year	178400	2.29	-	-	-
		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)	178400			2.29	
9.	Sajjan Kumar Saraswat	At the beginning of the year	150000	1.93	-	-	-
		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)	150000			1.93	

# SHREE NIDHI TRADING CO. LTD.

10.	Innova Auto Distributors Pvt. Ltd.	At the beginning of the year	146411	1.88	
		Increase in shares on 14/11/2014 (Purchase of Shares in Open Market)	9204	0.118	1.997
		At the End of the year (or on the date of separation, if separated during the year)			1.997

## *v. Shareholding of Directors and Key Managerial Personnel*

Sr. no	Name	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Arun Kumar Khemka (Director)	At the beginning of the year	Nil		Nil	
		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	Nil		Nil	
2.	Shibashis Mukherjee (Director)	At the beginning of the year	Nil		Nil	
		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	Nil		Nil	
3.	Rakesh Kumar Agarwal (Director)	At the beginning of the year	Nil		Nil	
		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	Nil		Nil	

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	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
4.	Rajesh Kurmi (Director)	At the End of the year	Nil	Nil	Nil
		At the beginning of the year	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
5.	Jyoti Lohia (Director)	At the End of the year	Nil	Nil	Nil
		At the beginning of the year	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
6.	Tanumay Laha (Managing Director)	At the End of the year	Nil	Nil	Nil
		At the beginning of the year	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
7.	Amallesh Sadhu (Director)	At the End of the year	Nil	Nil	Nil
		At the beginning of the year	Nil	Nil	Nil



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## 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>	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total(i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
- Addition				
- Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-

# SHREE NIDHI TRADING CO. LTD.

## VI. 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	Total Amount
		Tarumay Laha (Managing Director)	
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	Rs. 96,000  NIL  NIL	Rs. 96,000
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
6.	Total (A)	Rs. 96,000	Rs. 96,000
	Ceiling as per the Act		Rs. 42 Lakhs

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## B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	<u>Independent Directors</u>	-	-	-	-	-
	- Fee for attending board Committee meetings					
	- Commission					
	- Others, please specify					
	<b>- Total(1)</b>	-	-	-	-	-
	<u>Other Non-Executive Directors</u>	-	-	-	-	-
	- Fee for attending board committee meetings					
	- Commission					
	- Others, please specify					
	<b>Total(2)</b>	-	-	-	-	-
	<b>Total(B)=(1+2)</b>	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-	-
	<b>Over all Ceiling as per the Act</b>	-	-	-	-	-

## C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO (Mr. Avik Gupta)	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	-	-	Rs. 67,500	Rs. 67,500
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as%of profit -others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	<b>Total</b>	-	-	Rs. 67,500	Rs. 67,500

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## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>	<b>NONE</b>				
Penalty					
Punishment					
Compounding					
<b>B. Director</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officer in default</b>					
Penalty					
Punishment					
Compounding					



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ANNEXURE - 2

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015.

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015.

To,  
The Members,  
**Shree Nidhi Trading Co. Limited**  
7 Lyons Range,  
3<sup>rd</sup> Floor, Room No. 9 & 10,  
Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Nidhi Trading Co. Limited** (hereafter called the Company). Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980) and in a 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 representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Shree Nidhi Trading Co. Limited** for the financial year ended on 31<sup>st</sup> March, 2015 according to the applicable provisions of:

- (i) The Companies Act, 1956 (the Old Act) and the rules made thereunder
- (ii) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The Reserve Bank of India Act, 1934;
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange

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Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agent) Regulations, 1993 regarding the Companies Act.

I further report that, there were no action/events in pursuance of ;

- (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the period under Audit).
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **except to the extent as mentioned herein below:**

1. ***There was a delay in filing e-form MGT-14 regarding adoption of Annual Accounts, adoption of Director's Report, DIR-12 regarding appointment of Directors etc.***

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

provisions of the Act.

Adequate notice is given to all directors for 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.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.:

During the audit period under review, there were no instances of :

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (i) Merger / amalgamation / reconstruction, etc.
- (ii) Foreign technical collaborations.

*This Report is to be read with the Auditor's Note on the Maintenance of Secretarial Records of the Company as provided in **ANNEXURE A** & which forms an integral part of this Secretarial Audit Report.*

Place : Kolkata  
Date : 28.05.2015

**PRAVEEN SHARMA**  
**Practicing Company Secretary**  
**M. No. A30365**  
**CP No. : 14501**

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## ANNEXURE – A

Auditor's Note on the Maintenance of Secretarial Records of Shree Nidhi Trading Co. Limited for the financial year ended 31<sup>st</sup> March, 2015

To,  
The Members,  
**Shree Nidhi Trading Co.Limited**  
7 Lyons Range,  
3<sup>rd</sup> Floor, Room No. 9 & 10,  
Kolkata – 700 001

My Report of even date is to be read alongwith this letter.

1. The Company's Management is responsible for the maintenance of Secretarial Records in a manner to ensure compliance by the Company of applicable laws and to take adequate steps for the existence of proper and adequate systems and processes in this regard. Our responsibility is to express an opinion on such secretarial records based on our audit.
2. I have followed the Audit Practices and process as where appropriate to obtain reasonable assurance about the correctness of the contains of the Secretarial record. The verification was done on test basis to ensure that correct facts was reflected in Secretarial Records. I believe that the process and practices, I have followed provide reasonable basis for my opinion.
3. I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
4. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations is the responsibility of the management. This Secretarial Audit Report is not an assurance of the effectiveness with which the Management has conducted the affairs of the Company.
6. The Secretarial Audit Report is neither and assurance as to future viability for the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata

Date : 28.05.2015

**PRAVEEN SHARMA**  
**Practicing Company Secretary**  
**M. No. A30365**  
**C P No. : 14501**

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

ANNEXURE - 3

## 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

#### PART-“A”: Subsidiaries

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

1. Sl. No.	: i.
2. Name of the Subsidiary	: SNCL Iron And Steel Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (33,303)
7. Total assets	: ` 53,72,315
8. Total Liabilities	: ` 53,72,315
9. Investments	: ` 49,00,000
10. Turnover	: NIL
11. Profit before taxation	: ` (11,118)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (11,118)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

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1. Sl. No.	: ii.
2. Name of the Subsidiary	: SNCL Marketing Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (33,303)
7. Total assets	: ` 13,92,315
8. Total Liabilities	: ` 13,92,315
9. Investments	: ` 9,20,000
10. Turnover	: NIL
11. Profit before taxation	: ` (10,668)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (10,668)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

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1. Sl. No.	: iii.
2. Name of the Subsidiary	: SNCL Paper Trading Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (33,303)
7. Total assets	: ` 12,72,315
8. Total Liabilities	: ` 12,72,315
9. Investments	: ` 8,00,000
10. Turnover	: NIL
11. Profit before taxation	: ` (11,118)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (11,118)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

1. Sl. No.	: iv.
2. Name of the Subsidiary	: SNCL Real Estate Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (33,303)
7. Total assets	: ` 46,12,315
8. Total Liabilities	: ` 46,12,315
9. Investments	: ` 41,40,000
10. Turnover	: NIL
11. Profit before taxation	: ` (10,668)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (10,668)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

## Notes:

### 1. Name of Subsidiaries which are yet to commence operations:

- i. SNCL Properties Limited
- ii. SNCL Projects Limited
- iii. Sunwhite Builders Limited
- iv. Sunwhite Constructions Limited
- v. Sunwhite Consultants Limited
- vi. Sunwhite Homes Limited
- vii. Sunwhite Housing Limited
- viii. Sunwhite Projects Limited
- ix. Sunwhite Real Estates Limited
- x. Sunwhite Properties Limited

### 2. Name of Subsidiaries which have been liquidated or sold during the year: Nil



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## PART-“B”: Associates and Joint Ventures

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

<b>Name of Associates/Joint Ventures</b>	Nil
<b>1. Latest Audited Balance Sheet Date</b>	
<b>2. Shares of Associate/Joint Ventures held by the Company on the year end</b>	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding %	
<b>3. Description of how there is significant influence</b>	
<b>4. Reason why the associate/joint venture is not consolidated</b>	
<b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	
<b>6. Profit/Loss for the year</b>	
(i) Considered in Consolidation	
(ii) Not Considered in Consolidation	

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **1. Industry Structure & Development**

The Indian Economy in 2014-15 has emerged as one of the largest economies with a promising economic outlook on the back of controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reform among others.

NBFCs in India have also recorded marked growth in recent years. After their existence, they are useful and successful for the evolution of a vibrant, competitive and dynamic financial system in Indian money market. The success factors of their business has been by making the most of their ability to contain risk, adapt to changes and tap demand in markets that are likely to be avoided by the bigger players. Thus the need for uniform practices and level playing field for NBFCs in India is indispensable.

The RBI and the Government have taken notable steps in FY 2014-15 to address the economic headwinds. The Non-Banking Financial Companies (“NBFCs”) in India, have evolved over the last fifty years to emerge as notable alternate sources of credit intermediation, especially for the last mile credit delivery. Regulation of NBFC sector over a last decade and a half has been incremental. As and when risks have been detected, they were sort to be addressed. RBI has taken major steps in FY 2014-15 to align asset classification norms with that of banks (90 days norm faced in over three years). The sector will report higher NPAs at the initial period; however, the sector as a whole will emerge stronger after the implementation of these initiatives.

The year ahead will be challenging on the credit quality front. However, if the Government and private spending revive, partially assisted by interest rate cuts, FY 2015-16 could witness an improvement in asset quality and growth.

### **2. Business Structure & Development**

The core financial activities of the Company comprises of providing business loan to corporate and individuals. However, the Company has diversified its financial business portfolio to stay competitive.

Your Company has been constantly focused on improving its revenue and maintaining a sustainable growth. The financial performance for the year ended 31<sup>st</sup> March, 2015 was satisfactory.

### **3. Opportunities, threats, risks and concerns**

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

The biggest challenges before NBFCs are that they are facing stiff competition from banks and financial institutions, due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. More stringent capital adequacy norms have been stipulated by RBI for NBFCs which is making difficult for them to give cheaper finance.

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Company has constituted a Risk Management Committee to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The committee has formulated a Risk Management policy to achieve their objective.

## 4. Future Outlook

The overall performance of the Company for the financial year under review was better than performance of the previous corresponding year. The focus for the forthcoming financial year for the Company will be continued delivery in progressing mode and inculcate a high performance.

The Company will strengthen its position in current business and will try to grab new opportunities beneficial for the Company as well as try to overcome all the hindrances and challenges blocking the performance of the Company. The Company is trying to explore new areas which can be developed and marketed to leverage its performance and growth.

## 5. Internal Control Systems

The Audit Committee is empowered by the Board to review the adequacy of internal financial controls. Thus, the audit committee periodically reviews the matter relating to internal control system. The Company has put in place internal control systems and processes commensurate with its size and scale of operations. In addition, the Company has an Internal Audit function, which oversees the implementation and adherence to various systems and processes and preparation of Financial Statements.

## 6. Review of Operational and Financial Performance

The Company concluded yet another year of substantial growth in its business. The Company is showing substantial growth and is making all due efforts in achieving its business objectives in the most efficient manner even in the dynamic market conditions.

In the Financial year under review the Company has recorded a total income on a standalone basis of Rs. 5,67,24,730/- as against Rs. 1,44,26,815/- . The Profit After Tax on a standalone basis as per the audited financial result amounted to Rs.6,47,424/- as against Rs.76,489/- in the previous year.

## 7. Debt Structure

During the year under review the Company has not raised any amount by way of debt.

## 8. Human Resources

Human resources play a key role in helping the Company deal with the fast-changing competitive environment. So, the company endeavors to provide individual development and growth to the employees that motivate them to give high performance helping the Company to achieve its goals. 12 no. of employees were there on roll at the end of the financial year under review.

## 9. Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors.



**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members of  
**Shree Nidhi Trading Co.Limited**

We have examined the compliance of conditions of Corporate Governance by **Shree Nidhi Trading Co. Limited** for the year ended on **31<sup>st</sup> March, 2015** as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR PACHISIA & ASSOCIATES**  
(F.R.N. No.327542E)  
(Chartered Accountants)

**(Satya Prakash Pachisia)**  
(Proprietor)  
(M. No.055040)

Place : 454, Dum Dum Park  
Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

# SHREE NIDHI TRADING CO. LTD.

## CORPORATE GOVERNANCE REPORT

### 1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Pursuant to SEBI Circular No. CIR/CFD/POLICY CELL/7/2014 dated 15<sup>th</sup> September, 2014 Clause 49 of the Equity Listing Agreement is not applicable to the Company, However, on a voluntary basis the Company has complied with the provisions of Clause 49 to the extent feasible for the Company.

Our Board of Directors has the responsibility towards our shareholders to ensure the sound running of the Company. This can only be achieved if supported by appropriate and well managed Corporate Governance Processes. We believe that there are a number of key elements which are essential for an effective board and good governance. The Governance process should ensure that these resources are utilized in a manner that meets stakeholder's aspirations and societal expectations.

At Shree Nidhi Trading Co. Ltd., Corporate Governance practices are based on the principles of adoption of transparent procedures and practices and complete and timely disclosures of corporate, financial and operational information to its stakeholders.

### 2. BOARD OF DIRECTORS

The Company's Board of Directors as on 31<sup>st</sup> March, 2015 comprises of One Executive Director and Six Non Executives Directors including the Chairman.

Eight Meetings of the Board of Directors were held during the financial year 2014-2015 i.e. on 30/04/2014, 02/05/2014, 30/05/2014, 31/07/2014, 08/10/2014, 12/11/2014, 13/02/2015 and 23/03/2015.

As is evident, the maximum time gap between any two Board Meetings was not more than four months.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of Directorship and Committee Membership /Chairmanship held by them in other Companies are given below :-

Name of Director	Category	No. of Board Meetings Attended	Whether last AGM Attended	No. of other Directorship		No. of other Committee(s) Membership/ Chairmanship	
				Public	Private	Member	Chairman
Mr. Tanumay Laha	Executive Director Managing Director	8	Yes	5	12	0	0
Mr. Rajesh Kurmi	Non Executive Independent Director	8	Yes	5	11	0	0
Mr. Arun Kumar Khemka	Non Executive Independent Director	8	Yes	9	10	2	0
Mr. Amalesh Sadhu	Non Executive Independent Director	8	Yes	0	0	0	0
Mr. Shibashis Mukherjee	Non Executive Independent Director	8	Yes	0	1	0	0
Mr. Rakesh Kr. Agarwal	Non Executive Independent Director	8	Yes	0	1	0	0
Mrs. Jyoti Lohia*	Non Executive Independent Director	0	No	11	10	2	1

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

\*Mrs. Jyoti Lohia (DIN-07113757) was appointed as an Additional and Independent Director w.e.f. 23<sup>rd</sup> March, 2015.

None of the Directors on the Board is a member of more than 10 Committees & Chairman of more than 5 Committees across all the Companies in which he is a Director.

Mr. Arun Kumar Khemka (DIN- 00428276), Non-Executive Independent Director is the Chairman of the Board.

## **2.1 Independent Directors' Meeting**

The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.

One exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement was held on 31<sup>st</sup> March, 2015 inter alia to discuss the following:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **2.2 Tenure & Formal Letter of appointment to Independent Directors**

All the Independent Directors of the Company were re-appointed for a term of five years at the 32<sup>nd</sup> Annual General Meeting of the Company with effect from 29<sup>th</sup> September, 2014 & were issued Appointment Letters in this regard. Further, Mrs. Jyoti lohia (DIN-07113757) was appointed as an Additional Director w.e.f. 23<sup>rd</sup> March, 2015 till the date of the ensuing Annual General Meeting.

The appointment letters containing the terms and conditions of appointment have been disclosed on the website of the Company: [www.shreenidhitrading.com](http://www.shreenidhitrading.com).

## **2.3 Annual Performance Evaluation of Committees and Individual Directors**

Pursuant to the provisions Section 134 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, board shall evaluate the performance of individual Directors and of the Committee on annual basis. Thus, an exercise was carried out by the board to evaluate the same. Individual Directors, including the Chairman and the Committees were evaluated on parameters such as contribution made and level of engagement with the Company throughout the year and independence of judgments made for safeguarding the interest of the Company. The performance evaluation of the Independent Directors and the Chairman (Independent Director) was carried out by the entire Board and the performance evaluation of the Non Independent Director was carried out by the Independent Directors.

The performance of the non-independent directors and the Board as a whole was evaluated in a separate meeting of the Independent Directors. Further, in the same meeting, the performance evaluation of the Chairman was perused, taking into account the views of the executive directors and non-executive directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors, excluding the director being evaluated.

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The performance of the Board Committees was evaluated by the entire Board.

## 2.4 Familiarisation Programme and Training for Independent Directors

The Company has taken up the initiative pursuant to the directive of the Securities and Exchange Board of India and Clause 49(II)(B)(7) of the Listing Agreement effective from 1<sup>st</sup> October, 2014 and has introduced a Familiarisation Programme and formal training for all the existing as well as new Non-executive and Independent Directors. The programme has been formulated with the objective of making the Independent Directors of the Company accustomed to their roles and responsibilities. The policy on same as approved by the Board is uploaded on the Company's website at <http://shreenidhitrading.com/familiarisation-program-for-independent-directors.html>

## 2.5 Code of Conduct

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company and separate Code of Conduct has also been incorporated for assigning the duties of Independent Directors.

The Company's Code of Conduct has been complied with by all the members of the Board and select employees of the Company.

The Company has put in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulations, 1992. This code was applicable to all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The aforesaid Code was effective till 14<sup>th</sup> May, 2015 & thereafter repealed with the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information", made effective from 15<sup>th</sup> May, 2015 pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code has been disclosed on the website of the Company via the link: [www.shreenidhitrading.com/code-of-conduct](http://www.shreenidhitrading.com/code-of-conduct).

## 2.6 Profile of the Directors appointed/Re-appointed

Profile of the Directors appointed/Re-appointed alongwith the shareholding in the Company is provided below:

Name of the Director	Category	Work experience	Date of Appointment	No of shares held & % of shareholding in the Co.	Qualification
Mr. Tanumay Laha	Managing Director	8 years of experience in the field of Finance, marketing & Management	21.03.2014	Nil	Higher Secondary
Mrs. Jyoti Lohia	Independent Director	5 years experience in the field of administration	23.03.2015	Nil	B.Com(Hons.)

# SHREE NIDHI TRADING CO. LTD.

## 3. AUDIT COMMITTEE

### 3.1 Composition

The Committee met 4 (Four) times during the year i.e. on 30/05/2014, 31/07/2014, 12/11/2014, and 13/02/2015. The composition of the Committee and the attendances of the members at the Committee meetings held during the financial year 2014-15 are as follows:

Sl. No.	Name	Status	No. of Meetings
1	Mr. Arun Kumar Khemka	Non Executive - Independent Director Chairman of the committee	4
2	Mr. Amalesh Sadhu	Non Executive - Independent Director	4
3	Mr. Rakesh Kumar Agarwal	Non Executive - Independent Director	4
4	Mr. Rajesh Kurmi	Non Executive - Independent Director	4
5	Mrs. Jyoti Lohia*	Non Executive - Independent Director	0

\* Mrs. Jyoti Lohia (DIN-07113757) became member w.e.f. 23<sup>rd</sup> March, 2015.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

### 3.2 Terms of Reference

The terms of reference of the Committee is in accordance with that specified in clause 49 of the Listing Agreement with Stock Exchange and also confirms to the requirements of provision of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014

## 4. NOMINATION AND REMUNERATION COMMITTEE

### 4.1 Composition of the Committee

The Nomination and Remuneration Committee comprises of:

Sl. No.	Name	Status
1	Mr. Amalesh Sadhu	Non Executive - Independent Director Chairman of the committee
2	Mr. Shibashis Mukherjee	Non Executive - Independent Director
3	Mr. Rajesh Kurmi	Non Executive - Independent Director
4	Mrs. Jyoti Lohia*	Non Executive - Independent Director

\*Mrs. Jyoti Lohia (DIN-07113757) became member w.e.f. 23<sup>rd</sup> March, 2015.

During the year, three meeting of the Committee was held as on 30/05/2014, 31/07/2014 and 23/03/2015.



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## 4.2 Terms of Reference

The terms of reference and the scope of Nomination and Remuneration Committee of the Board of Director are in accordance with the Section 178 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable rules, regulations and provisions if any, of the Listing Agreement.

## 4.3 Remuneration Policy

### Remuneration to Non-Executive / Independent Directors:

**Remuneration / Commission:** The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

**Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof only by the approval of Board for the same. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

At present the Directors are not receiving any Sitting Fees for attending the Board Meeting or any Committee Meeting.

**Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

### Remuneration to Managing/Whole-time / Executive / KMP, Senior Management Personnel and Other Employees:

The Remuneration/ Compensation/ Commission etc. to be paid to Managing Directors and Whole-Time Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The Remuneration shall be broadly divided into the following components:

- The Fixed Components: Salary, allowances, perquisites, etc.
- The Variable Components: Performance based promotion and bonus.

Further, in determining remuneration of other executive Directors, Senior Management and Other Employees will comprise of above two components and other factors as deemed fit by the Board, based on the recommendation of the committee and subject to statutory approvals, if any. In determining the Director's remuneration their performance evaluation as duly carried out by the board and/or Independent Directors, shall also be given due weightage.

## 4.4 Policy on Appointment of Directors

The Nomination and remuneration Committee evaluates the appropriate balance of skills, experience, expertise, gender, age etc. on the Board and Senior Management and in the light of this evaluation, prepares and recommend to the board the role and capabilities required for a particular appointment.

# SHREE NIDHI TRADING CO. LTD.

The shareholders may also visit the Company's website for the detailed Nomination and Remuneration Policy of the Company on Directors appointment of the Company.

## 4.5 Details of Remuneration paid to the Directors and Key Managerial Personnel

During the reported financial year, the Non-Executive and Independent Directors of the Company were not paid any sitting fee or any other remuneration or commission during the reported financial year.

The details of remuneration paid to the Executive Director of the Company during the F.Y. 2014-15 is given below:

Name	Designation	Salary	Perquisite & Allowances	Sitting Fees	Total
Mr. Tanumay Laha	Managing Director	96,000/-	0.00	0.00	96,000/-

## 4.6 Policy on Board Diversity

Pursuant to Clause 49(IV)(B)(3) of the Listing Agreement, the Nomination and Remuneration Committee has formulated a Policy on Board Diversity, which sets out the approach to attain and maintain optimum diversity on the Board. This Policy shall be reviewed and amended by the Committee as and when required, subject to the approval of the Board of Directors.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee comprises of three Independent Director. The Committee deals with matters relating to approval of Share Transfer, Transmissions and Transposition, Folio Consolidation, Issue of Duplicate Share Certificates, Replacement of Share Certificates, Split and Consolidation of Certificates, Dematerialization and Rematerialisation requests, monitoring of shareholder complaints /requests.

The Committee comprises of:

Sl. No.	Name	Status
1	Mr. Amalesh Sadhu	Non Executive - Independent Director Chairman of the committee
2	Mr. Shibashis Mukherjee	Non Executive - Independent Director
3	Mr. Rajesh Kurmi	Non Executive - Independent Director

Mr. Tanumay Laha, Managing Director was the Compliance Officer during the year under review.

During the year, no meeting of the Stakeholders' Relationship Committee was held.

During the year no requests/complaints were received from the shareholders.

Sl.No.	Nature of request	Nos.
1	Issue of Duplicate Share Certificates	Nil
2	Rematerialisation of Shares	Nil

# SHREE NIDHI TRADING CO. LTD.

## 6. RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company monitors and reviews the risk management plan of the Company. It is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company.

All the members of the Committee are Board members. The Committee comprises of two Independent Directors and one Executive Director.

Sl. No.	Name	Status
1	Mr.Rajesh Kurmi	Non Executive - Independent Director Chairman of the committee
2	Mr. Arun Kumar Khemka	Non Executive - Independent Director
3	Mr. Tanumay Laha	Managing Director

## 7. SUBSIDIARY COMPANIES MONITORING FRAMEWORK

The Company have four subsidiaries and none of the subsidiaries is a “material non-listed Indian Subsidiary” as defined in the Clause 49 of the Listing Agreement. All subsidiaries companies of your the Company are managed by their respective Board of Directors in the best interest of their stake holders.

Further, during the year under review, 10 subsidiary companies were formed but the company has not invested in the share capital during the Financial Year. Moreover, the subsidiary companies have not commenced their business during the Financial Year 2014-15.

The Company monitors the performance of its subsidiary companies using, inter alia, the following means:

- Financial Statement, in particular the investment made by the unlisted subsidiary companies are reviewed by the Audit Committee of the Company.
- Minutes of the Board Meeting of all subsidiary companies are placed before the Board of Directors of the Company at their Meetings.
- A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Board of Directors of the Company at their meetings.

Pursuant to Clause 49(V)(D) of the Listing Agreement, the Audit committee recommended a Policy for Determining Material Subsidiaries to the Board of Directors. The same was subsequently approved and disclosed in the Company's website.

## 8. RELATED PARTY TRANSACTION

During the reported financial year, the Company entered into transactions with Related Parties defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement, which were done on arm's length basis and in the ordinary course of business as per the Related Party Transaction Policy of the Company, which was amended from time to time to align with the applicable laws/regulations.

# SHREE NIDHI TRADING CO. LTD.

The policy in relation to Related Party Transaction is adopted by the board and has been disclosed in Company's website [www.shreenidhitrading.com](http://www.shreenidhitrading.com)

## 9. General Body Meetings:

A. Location and time for last three Annual General Meetings were:

Financial Year	Date of AGM	Venue	Time
2013-2014	29-09-2014	7, Lyons range, 3 <sup>rd</sup> Floor, R.No. 9 & 10, Kolkata- 700 001	02.00 P.M.
2012-2013	26-08-2013	7, Lyons range, 3 <sup>rd</sup> Floor, R.No. 9 & 10, Kolkata- 700 001	11.30 A.M.
2011-2012	29-09-2012	7, Lyons range, 3 <sup>rd</sup> Floor, R.No. 9 & 10, Kolkata- 700 001	11.30 A.M.

## B. Special Resolutions at the last three Annual General Meetings :

No Special resolution has been put through in last three Annual General Meetings by the Company.

## C. Special Resolutions by Postal Ballot last year:

No Special resolution has been put through by postal ballot so far by the Company.

## D. Whether any Special Resolution proposed to be conducted through Postal Ballot:

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

## 10. DISCLOSURES

- There are no materially significant transactions with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large were held during the year.
- The Company has complied with all the requirements of the listing agreement with the Stock Exchange as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange on matters related to Capital Market so far.
- Certificate as stipulated in Clause 49 of the listing Agreement was obtained and placed before the Board.
- The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. Company has established Vigil Mechanism and formulated a policy for the same under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Vigilance Officer who operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee.  
Further, during the year under review, no personnel have been denied access to the Audit Committee.
- The Company has in place a Risk Management Committee which has framed a Risk Management framework and which lays down the procedures for risk management and minimization monitors and reviews the risk management plan of the Company. The details of the Committee is provided in **Point No. 6** of this Report. Company has also formulated Risk

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

Management Policy and the same is disclosed on the website of the Company.

- f. The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreement entered into with the Stock Exchanges:

## **The Board - Non-Executive Chairman's Office:**

The Board of Directors is chaired by Mr. Arun Kumar Khemka (DIN: 00428276), who is a Non-executive Independent Director;

## **Audit Qualifications :**

There are no audit qualifications in the Company's financial statements for the year under review.

## **11. CEO AND CFO CERTIFICATION**

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The annual certificate given by the Managing Director and the Chief Financial Officer is published in the Annual Report.

## **12. MEANS OF COMMUNICATIONS**

Quarterly unaudited financial results and annual financial result of the Company were published in accordance to the Listing Agreement with stock exchange in the Business Standard (English Daily) and Arthik Lipi (Bengali Daily) and are displayed on the Company's website i.e. [www.shreenidhitrading.com](http://www.shreenidhitrading.com).

The quarterly and the annual results of the Company are submitted to the Calcutta Stock Exchange Limited. The Annual Reports are posted to every shareholder of the Company at their registered address.

Section on Management Discussion and Analysis form part of this Annual Report.

## **13. GENERAL SHAREHOLDERS INFORMATION**

- Annual General Meeting :
- Date : 29<sup>th</sup> September, 2015
- Time : 2.00 P.M.
- Venue : 7, Lyons Range, 3<sup>rd</sup> Floor, Room No. 9 & 10, Kolkata- 700 001.

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## Financial Calendar : (Tentative)

Financial Year – 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016	Relevant Dates
Board Meeting for consideration of accounts	28 <sup>th</sup> May, 2015
Book closure dates	23 <sup>rd</sup> September, 2015 to 28 <sup>th</sup> September 2015
Unaudited results for the quarter ended on June 30 2015	On or before 14 <sup>th</sup> August, 2015
Unaudited results for the quarter ended on September 30, 2015	On or before 14 <sup>th</sup> November, 2015
Unaudited results for the quarter ended on December 31, 2015	On or before 14 <sup>th</sup> February, 2016
Unaudited results for the quarter ended on March 31, 2016	On or before 30 <sup>th</sup> May, 2016

- Listing on Stock Exchange at :

The Calcutta Stock Exchange Ltd. (Stock code :29319)  
7, Lyons Range, Kolkata 700 001.

- The Company has paid the listing fee to The Calcutta Stock Exchange Ltd. for the year 2014-2015.

Stock Market Price for the Financial Year 2014 - 2015 :

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2014	Not Traded	Not Traded	Not Traded
May, 2014	Not Traded	Not Traded	Not Traded
June, 2014	Not Traded	Not Traded	Not Traded
July, 2014	Not Traded	Not Traded	Not Traded
August, 2014	Not Traded	Not Traded	Not Traded
September, 2014	Not Traded	Not Traded	Not Traded
October, 2014	Not Traded	Not Traded	Not Traded
November, 2014	Not Traded	Not Traded	Not Traded
December, 2014	Not Traded	Not Traded	Not Traded
January, 2015	Not Traded	Not Traded	Not Traded
February, 2015	Not Traded	Not Traded	Not Traded
March, 2015	Not Traded	Not Traded	Not Traded

- Share Transfer System: The Company's shares are in compulsory demat mode. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects. Shares under objection are returned within two weeks. No physical shares were transferred during the year ended 31<sup>st</sup> March, 2015.

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

- **Dedicated email ID for Investors.** For the convenience of our investors, the Company has designated an exclusive email ID for investors i.e. **shreenidhico@yahoo.com**

Registrar & Share Transfer Agent :

M/s. Niche Technologies Pvt. Ltd.

D-511, Bagree Market, 5<sup>th</sup> Floor, 71, B.R.B.Basu. Road, Kolkata 700 001,

Phone Nos. (033) 2235-7270/7271/2234-3576.

- Dematerialisation of Shares and Liquidity:

The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company as allotted by NSDL and CDSL is INE066E01015. Nearly 98.69% of total equity shares have been dematerialized as on 31.03.2015

- Distribution of shareholding & shareholding pattern:

#### Distribution of shareholding as on 31/03/2015

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	75	11.78	18,806	0.24
501-1000	65	10.20	52,900	0.68
1001-5000	277	43.49	7,30,173	9.37
5001-10000	96	15.07	7,16,825	9.19
10001 -50000	89	13.97	18,99,144	24.37
50001-100000	16	2.51	12,21,111	15.67
100001 and above	19	2.98	31,54,741	40.48
<b>Total</b>	<b>637</b>	<b>100.00</b>	<b>77,93,700</b>	<b>100.00</b>

- **Shareholding Pattern as on 31/03/2015**

Sl. No.	Category	No. of share held	% of shares held
1	Promoters & Promoter Group	-	-
2	Public - Bodies Corporate	4,835,775	62.05
3	Public - Indian public	2,957,075	37.94
4	Public – Others	850	0.01
	<b>TOTAL</b>	<b>7,793,700</b>	<b>100.00</b>

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

- Outstanding ADRs/GDRs : Not Applicable

Address for matters related to shares, any correspondence:

M/s.Niche Technologies Private Ltd.,  
D-511, Bagree Market, 5<sup>th</sup> Floor, 71, B.R.B.Basu. Road, Kolkata 700 001,  
Phone Nos. (033) 2235-7270/7271/2234-3576

- Address for any kind of assistance/clarification :

Mr. Tanumay Laha, Compliance Officer  
C/o. Shree Nidhi Trading Co. Ltd.  
7, Lyons Range, 3<sup>rd</sup> Floor, Room No. 9 & 10,  
Kolkata –700 001

- Website :

[www.shreenidhitrading.com](http://www.shreenidhitrading.com)

## 14. DECLARATION

As provided under Clause 49 of the Listing Agreement with the stock exchange, the Board of Directors and Senior Management Employees have confirmed Compliance with the Company's code of conduct.

Place : Kolkata

**For and on behalf of the Board of Directors**

Dated : 28<sup>th</sup> May, 2015

**Mr. Arun Kumar Khemka**  
**Chairman**  
**DIN - 00428276**



# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## CEO & CFO CERTIFICATION

**To**

The Board of Directors,  
Shree Nidhi Trading Co. Ltd.  
7, Lyons Range,  
3<sup>rd</sup> Floor, Room No. 9 & 10  
Kolkata – 700 001

**Re: CEO and CFO Certification on Financial Statements for the year ended on 31<sup>st</sup> March, 2015**

We, Mr. Tanumay Laha, Managing Director & Mr. Avik Gupta, CFO, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transaction entered into by the company during the year ending on 31<sup>st</sup> March, 2015 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We further certify that:
1. There have been no significant changes in the internal control over financial reporting during this year;
  2. There have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements; and
  3. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control system over financial reporting.

**Tanumay Laha**  
**Managing Director**  
**DIN: 01731277**

**Avik Gupta**  
**CFO**

Place : Kolkata  
Date : 28.05.2015

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## **Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct**

This is to confirm that the Company has adopted Code of Conduct for its Directors and senior management employees including the Managing Director. The Company has also adopted the Code of Conduct for Non-Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has for the financial year ended 31<sup>st</sup> March, 2015, received from the senior management employees of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Employees means the Members of the Management one level below the Managing Director as on 31<sup>st</sup> March, 2015.

**Place :**           **Kolkata**  
**Date :**            **28.05.2015**

**Tanumay Laha**  
**Managing Director**  
**DIN-01731277**



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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SHREE NIDHI TRADING CO. LTD

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SHREE NIDHI TRADING CO. LTD** ("the Company"), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, 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 standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, its Profit and its cash flows for the year ended on that date.



**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) 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:
    - i.) The Company does not have any pending litigations which would impact its financial position
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
    - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

Place : 454, Dum Dum Park

Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015



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**The Annexure referred to in our Independent Auditors" Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015,**  
we report that :

**(i) In respect of its Fixed Assets :**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- b) As explained to us, the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification

**(ii) In respect of its Inventories :**

- a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

**(iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:**

- (a) According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

**(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control**

**(v) The Company has not accepted any deposits from the public.**



- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) In respect of statutory dues:
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time by the company.
- (viii) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has given guarantee for loans taken by others from financial institutions for Rupees Fifty Three Crores only.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

Place : 454, Dum Dum Park

Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## BALANCE SHEET AS AT 31ST MARCH, 2015

	Particulars	Note No.	As At 31st March 2015	As At 31st March 2014
A	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<b>Shareholder's Funds</b>			
	Share Capital	2	7,79,37,000	7,79,37,000
	Reserves and Surplus	3	2,68,80,153	2,68,80,729
2	<b>Current Liabilities</b>			
	Deferred tax liabilities (net)	4	0	635
	Long-term provisions	5	1,27,156	1,13,854
	Trade payables	6	4,66,00,352	1,03,14,548
	Other current liabilities	7	5,91,155	48,799
	Short-term provisions	8	0	49,776
	<b>TOTAL</b>		<b>15,27,83,816</b>	<b>11,53,45,341</b>
B	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	Fixed assets			
	(i) Tangible assets	9	0	2,802
	Non-current investments	10	4,42,30,595	6,35,88,015
2	<b>Current assets</b>			
	Trade receivables	11	4,53,45,639	6,84,808
	Cash and cash equivalents	12	58,88,367	5,01,309
	Short-term loans and advances	13	5,73,19,215	5,05,68,327
	Other current assets	14	0	80
	<b>TOTAL</b>		<b>15,27,83,816</b>	<b>11,53,45,341</b>
	<b>Refer accompanying notes forming part of the financial statements</b>	1-22		

In terms of our report attached

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)  
(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)  
(M. No.055040)

Place : 454, Dum Dum Park  
Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

For Shree Nidhi Trading Co. Ltd.

Tanumay Laha  
Managing Director  
DIN: 01731277

For Shree Nidhi Trading Co. Ltd.

Rajesh Kurmi  
Director  
DIN: 01714280

For Shree Nidhi Trading Co. Ltd.

Avik Gupta  
Chief Financial Officer

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

	Particulars	Note No.	Year ended 31 March, 2015	Year ended 31 March, 2014
1	Revenue from operations	15	5,66,60,919	1,44,26,815
	Other Income	16	63,811	0
2	<b>Total Revenue</b>		<b>5,67,24,730</b>	<b>1,44,26,815</b>
3	<b>Expenses:</b>			
	Purchases of trading goods	17	5,19,68,308	1,04,69,742
	Employee benefits expenses	18	12,60,298	20,40,650
	Depreciation and amortisation expenses	19	99	1,394
	Other expenses	20	25,15,620	18,04,336
	<b>Total Expenses</b>		<b>5,57,44,325</b>	<b>1,43,16,122</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax (2 -3)</b>		<b>9,80,405</b>	<b>1,10,693</b>
5	Exceptional Items		0	0
6	<b>Profit / (Loss) before extraordinary items and tax (4 ± 5)</b>		<b>9,80,405</b>	<b>1,10,693</b>
7	<b>Extraordinary Items</b>			
	Profit on Sale of Fixed Assets		497	0
8	<b>Profit / (Loss) before tax (6 ± 7)</b>		<b>9,80,902</b>	<b>1,10,693</b>
9	<b>Tax expense:</b>			
	(1) Current tax		3,05,000	34,583
	(2) Deferred Tax		(635)	(379)
	(3) Contingent Provision for Standard Assets		13,302	0
	(4) Current tax expense relating to prior years		15,811	0
10	<b>Profit / (Loss) for the year (8 ± 9)</b>		<b>6,47,424</b>	<b>76,489</b>
11	<b>Earning per equity share:</b>			
	(1) Basic		0.08	0.01
	(2) Diluted		0.08	0.01
	<b>Refer accompanying notes forming part of the financial statements</b>	1-22		

In terms of our report attached

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

Place : 454, Dum Dum Park

Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**For Shree Nidhi Trading Co. Ltd.**

**Tanumay Laha**

**Managing Director**

**DIN: 01731277**

**For Shree Nidhi Trading Co. Ltd.**

**Rajesh Kurmi**

**Director**

**DIN: 01714280**

**For Shree Nidhi Trading Co. Ltd.**

**Avik Gupta**

**Chief Financial Officer**



# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
I.	<u>Cash flow from Operating Activities</u>		
	Net Profit / (Loss) before extraordinary items and tax	9,80,405	1,10,693
	Less: Profit on sale of Investments credited to other Income	(2,580)	0
	<u>Add: Adjustments for:</u>		
	Depreciation	99	1,394
	Cash flow before working capital changes	9,77,924	1,12,087
	<u>Adjustment for Working capital Changes:</u>		
	Trade receivables	(4,46,60,831)	(6,84,808)
	Short-term loans and advances	(67,55,413)	1,96,35,518
	Other current assets	80	0
	Trade payables	3,62,85,804	(2,17,35,337)
	Other current liabilities	5,42,356	6,623
	Cash flow from operating activities before taxes paid	(1,36,10,080)	(26,65,917)
	Less: Taxes Paid	(3,66,062)	(33,296)
	Cash flow from Operating Activities	(1,39,76,142)	(26,99,213)
II.	<u>Cash flow from Investing Activities</u>		
	Purchase of Investment	(42,00,000)	(61,49,920)
	Proceeds from sale of Fixed Assets	3,200	0
	Proceeds from sale of Investment	2,35,60,000	93,00,000
	Cash flow from Investing Activities	1,93,63,200	31,50,080
	Net Increase / (Decrease) in Cash flow (I + II + III)	53,87,058	4,50,867
	Opening Cash / Cash Equivalents	5,01,309	50,442
	Closing Cash / Cash Equivalents	58,88,367	5,01,309
	Refer accompanying notes forming part of the financial statements		

In terms of our report attached

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

Place : 454, Dum Dum Park

Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**For Shree Nidhi Trading Co. Ltd.**

**Tanumay Laha**

**Managing Director**

**DIN: 01731277**

**For Shree Nidhi Trading Co. Ltd.**

**Rajesh Kurmi**

**Director**

**DIN: 01714280**

**For Shree Nidhi Trading Co. Ltd.**

**Avik Gupta**

**Chief Financial Officer**

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

### **NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation:** - These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. 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, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

- (a) **Use of estimates:** - The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.
- (b) **Tangible fixed assets:** - Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (c) **Depreciation on tangible fixed assets:** - Depreciation on tangible assets is provided on the straight-line Method over the useful lives of assets as prescribed by schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.
- (d) **Borrowing costs:** - Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- (e) **Investments:** - Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses.
- (f) **Inventories:** - Trading Goods are valued at cost.
- (g) **Revenue recognition:** - Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:
- Sale of goods  
Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.
- Interest  
Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from operations" in the statement of profit and loss.
- Dividends  
Dividend income is recognized when the company's right to receive dividend is established by the reporting date.
- Other Income  
The amounts receivable from various agencies are accounted on accrual basis to the extent it is possible to ascertain the income with reasonable accuracy.
- (h) **Foreign currency transaction:** - No Foreign Currency Transactions has been made by the Company in the Financial Year 2014-15.
- (i) **Retirement and other employee benefits:** - No liability in respect of retirement benefits has been provided for since, none of its employee are eligible for entitlement of retirement benefit for non attainment of duration of services.

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

- (j) **Income taxes:** - Tax expense comprises of current tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- (k) **Segment reporting:** - The Company is a Non-banking Financial Company and as such additional disclosure required under Accounting Standard - 17 "Segment Reporting" is not applicable.
- (l) **Earnings Per Share:** - Basic Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- (m) **Provisions, Contingent Liabilities and Contingent Assets:** - A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require and 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.

Contingent assets are neither recognized nor disclosed in the financial statements.

- (n) **Cash and cash equivalents:** - Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- (o) Balance in respect of Trade Payable, Trade Receivable and Loans & Advances are subject to confirmation.
- (p) **Cash Flow Statement:** - Cash flows are reported using the indirect method and cash flows from operating, investing and financing activities of the Company are segregated.
- (q) **MSMED Act, 2006:** - The Government of India has promulgated an act namely The Micro, Small and Medium Enterprises Development Act, 2006, which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company does not have any dues to any entity covered under the said act.
- (r) **Prudential Norms:** - The Company has followed the prudential norms issued by Reserve Bank of India, as applicable, and revenue / assets have been represented (considering adjustments / write-off / net-off, as applicable) keeping in line therewith and management prudence.
- (s) **Contingent Provision against Standard Assets:** Contingent Provision @0.25% against Standard Loans is made as per R.B.I. requirement for NBFC appropriating surplus of the Statement of Profit & Loss. (l) Previous year's figures have been regrouped/rearranged whenever considered necessary to confirm to current year's grouping and classification.

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## NOTES TO BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

<b>NOTE NO. 2 Share Capital</b>	<b>As At 31st March, 2015</b>	<b>As At 31st March, 2014</b>
<u>Authorised-</u> 80,00,000 Equity Shares of Rs 10/- each	<b>8,00,00,000</b>	8,00,00,000
<u>Issued, Subscribed &amp; Paid-Up</u> 77,93,700 Equity Shares of Rs. 10/- each Fully paid up in cash.	<b>7,79,37,000</b>	7,79,37,000
	<b>7,79,37,000</b>	7,79,37,000

Disclosure:

1. There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year  
 2. The company has only one class of issued shares i.e Ordinary Shares having par value of ` 10/- per share. Each holder of Ordinary Shares is entitled to One vote per share and equal right for dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their Shareholding.

3. The Company does not have any Holding Company/ ultimate Holding Company .

4. Details of Shareholders holding more than 5% Shares:

Ordinary Shares of ` 10/- each fully paid	As On 31.03.2015		As On 31.03.2014	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
	Nil	Nil	Nil	Nil

5. No Ordinary Shares have been reserved for issue under option and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

6. No Shares has been bought back by the company during the period of 5 years preceeding the date at which the balance sheet is prepared

7. No Securities convertible into Equity/ Preference Shares issued by the company during the year.

8. No calls are unpaid by any director or officer of the company during the year.

9. As per records of the Company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

<b>NOTE NO. 3 Reserves and Surplus</b>	<b>As At 31st March, 2015</b>	<b>As At 31st March, 2014</b>
<u>Capital Reserve</u>		
Opening balance	<b>10,000</b>	10,000
Closing balance	<b>10,000</b>	10,000
<u>General reserve</u>		
Opening balance	<b>2,60,54,467</b>	2,60,54,467
Closing balance	<b>2,60,54,467</b>	2,60,54,467
<u>Statutory reserve</u>		
Opening balance	<b>1,18,100</b>	1,02,800
Add: Transferred from surplus in Statement of Profit and Loss	<b>1,35,180</b>	15,300
Closing balance	<b>2,53,280</b>	1,18,100

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

Surplus / (Deficit) in Statement of Profit and Loss

Balance brought forward from previous year	6,98,162	6,36,973
Add: Transfer from Statement of Profit and Loss for the year	6,47,424	76,489
Less: Transferred to Statutory reserve	(1,35,180)	(15,300)
	12,10,406	6,98,162
Closing balance	12,10,406	6,98,162
Total	2,75,28,153	2,68,80,729

As At 31st March, 2015	As At 31st March, 2014
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#### NOTE NO.4 Deferred tax liabilities (net)

Depreciation on fixed assets	0	635
	0	635

#### NOTE NO. 5 Long-term provisions

For Contingent Provision Against Standard Asset	1,27,156	1,13,854
	1,27,156	1,13,854

#### NOTE NO. 6 Trade payables

Other than Acceptances	4,66,00,352	1,03,14,548
	4,66,00,352	1,03,14,548

#### NOTE NO. 7 Other current liabilities

Other Payables

Others	5,91,155	48,799
	5,91,155	48,799

#### NOTE NO. 8 Short-term provisions

Provision for :

Income Tax & Wealth Tax ( Net)	0	49,776
	0	49,776

#### NOTE NO. 10 Non-current investments

##### QUOTED EQUITY SHARES (Fully Paid up)

	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares of Rs 10/- each</b>				
Mawana Sugar Mills Ltd.	100	17,720	100	17,720
Modipon Ltd.	50	3,250	50	3,250
State Bank of India	50	5,000	50	5,000

##### Investment in UNQUOTED EQUITY SHARES (Fully Paid up)

Equity Shares of Rs 10/- each

Glorious Vincom Pvt. Ltd.	0	0	80,000	8,00,000
Maheshwari Brothers Coals Ltd.	0	0	49,500	42,07,500
Parker Builders Pvt. Ltd.	0	0	9,500	57,00,000
Parker Estate Developers Pvt. Ltd.	0	0	12,500	75,00,000
Sai Sulphonate Ltd.	0	0	200	20,00,000
Srinathji Furnishing Pvt. Ltd.	0	0	8,437	13,49,920

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

	As At 31st March, 2015		As At 31st March, 2014	
OPG Industries Ltd	12,500	10,00,000	0	0
B. L Impex	30,000	12,00,000	0	0
Textool Ltd.	50	2,250	50	2,250
<b>100% Subsidiary Companies</b>				
SNCL Iron and Steel Limited	50,000	5,00,000	50,000	5,00,000
SNCL Marketing Limited	50,000	5,00,000	50,000	5,00,000
SNCL Real Estate Limited	50,000	5,00,000	50,000	5,00,000
SNCL Paper Trading Limited	50,000	5,00,000	50,000	5,00,000
<b>UNQUOTED PREFERENCE SHARES (Fully Paid up)</b>				
Swiss Park Vanijya Pvt. Ltd.	4,00,000	4,00,00,000	4,00,000	4,00,00,000
<b>QUOTED DEBENTURES</b>				
12.50% PCD of Reliance Industries Ltd.	25	2,375	25	2,375
		<b>4,42,30,595</b>		<b>6,35,88,015</b>
<b>NOTE NO. 11 Trade receivables</b>				
Unsecured, considered good				
Outstanding for more than six months (including Rs.800000.00 due to a subsidiary)		3,42,15,047		0
Other debts		1,11,30,592		6,84,808
		4,53,45,639		6,84,808
<b>NOTE NO. 12 Cash and cash equivalents</b>				
Cash on Hand (As certified )		10,91,666		4,68,119
Balances with banks In current accounts		47,96,701		33,190
		58,88,367		5,01,309
<b>NOTE NO.13 Short-term Loans and Advances</b>				
Unsecured, considered good				
Loans- Others		4,93,62,343		3,71,84,443
Advances		16,15,335		1,05,61,282
Advances- Subsidiaries		3,49,700		1,28,240
Margin Money		53,00,000		20,00,000
Security deposits		2,000		0
<b>Balances with government authorities</b>				
Income Tax Refundable		6,89,837		6,94,362
		<b>5,73,19,215</b>		<b>5,05,68,327</b>
<b>NOTE NO. 14 Other current assets</b>				
Share Application Money Made		0		80
		0		80

# SHREE NIDHI TRADING CO. LTD.

NOTE NO.9: FIXED ASSETS NOTES TO BALANCE SHEET AS AT 31ST MARCH 2015

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost As on 31.03.2014	Additions during the year	Deductions during the year	Total Cost As on 31.03.2015	up to 31.03.2014	For the year	Deductions during the year	up to 31.03.2015	As on 31.03.2015	As on 31.03.2014
Mobile Phones	10,500	0	10,500	0	9,562	99	9,661	0	0	938
Computer	4,20,800	0	4,20,800	0	4,18,936	0	4,18,936	0	0	1,864
Total	4,31,300	0	4,31,300	0	4,28,498	99	4,28,597	0	0	2,802
Previous Year	4,31,300	0	0	4,31,300	4,27,104	1,394	0	4,28,498	2,802	

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

	As At 31st March, 2015	As At 31st March, 2014
<b>NOTE NO. 15 Revenue from operations</b>		
Sale of products-Textiles	5,26,85,529	1,03,60,281
<u>Interest income</u>		
Interest	39,75,390	40,66,534
(T.D.S. Rs. 359167/- P.Y.Rs.324493/-)	<u>5,66,60,919</u>	<u>1,44,26,815</u>
<b>NOTE NO. 16 Other Income</b>		
Liabilities no longer required Written back	61,231	0
Profit on sale of Investments	2,580	0
	<u>63,811</u>	<u>0</u>
<b>NOTE NO. 17 Purchases of trading goods</b>		
Traded good	5,19,68,308	1,04,69,742
	<u>5,19,68,308</u>	<u>1,04,69,742</u>
<b>NOTE NO. 18 Employee benefits expenses</b>		
Salary Bonus & Other Allowance	11,99,530	20,12,313
Staff Welfare Expenses	60,768	28,337
	<u>12,60,298</u>	<u>20,40,650</u>
(Salary includes Directors' Remuneration Rs. 96000/- P.Y. Rs. NIL/-)		
<b>NOTE NO. 19 Depreciation and amortisation expenses</b>		
Depreciation on Tangible Assets	99	1,394
	<u>99</u>	<u>1,394</u>
<b>NOTE NO.20 Other expenses</b>		
Rates & Taxes	35,758	2,49,586
Rent	1,08,000	1,08,000
Conveyance	90,965	87,817
Printing & Stationery	31,607	44,054
Carriage Inward	1,70,785	0
Accounting Charges	1,08,000	0
General Expenses	62,586	66,136
Postage & Telegram	58,299	31,505
Telephone Charges	60,874	0
Legal & Consultancy Charges	0	1,124
Filing Fees	11,000	2,000
Packing Charges	2,42,750	0
Repair & Maintenance-Other Assets	51,782	59,774
Advertisement & Business promotion expenses	11,468	6,071
Listing Fees	5,82,784	17,500
Depository Charges	33,756	33,508
Bank Charges & Commissions	3,122	1,163
Derivative Loss on Share Transactions (Net)	8,01,440	10,40,614
Software Maintenance Charges	8,990	32,000
Sundry Balance Adjusted (Net)	80	0
Registrar & Transfer Agent Expenses	13,484	13,484
Auditors' Remuneration		
For Statutory Audit	22,472	3371
For Tax Audit Fees	5,618	2247
For Other Services	0	10,000
	<u>25,15,620</u>	<u>18,04,336</u>



# SHREE NIDHI TRADING CO. LTD.

## NOTE NO. 21 RELATED PARTY DISCLOSURES

Names of related parties and related parties relationship  
Related parties where control exists

Tanumay Laha	Key Management Personnel
SNCL Paper Trading Limited	100% Subsidiary Companies
SNCL Iron and Steel Limited	100% Subsidiary Companies
SNCL Marketing Limited	100% Subsidiary Companies
SNCL Real Estate Limited	100% Subsidiary Companies

### Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year :

	Year Ended 31st March, 2015	Year Ended 31st March, 2015	Year Ended 31st March, 2014	Year Ended 31st March, 2014
(a) Remuneration to :-				
Key Management Personnel				
Tanumay Laha		96,000		0
Sale of Investment				
SNCL Paper Trading Limited		8,00,000		0
Investment in 100%subsidiary companies				
SNCL Iron and Steel Limited	0	0	50,000	5,00,000
SNCL Marketing Limited	0	0	50,000	5,00,000
SNCL Real Estate Limited	0	0	50,000	5,00,000
SNCL Paper Trading Limited	0	0	50,000	5,00,000

## NOTE NO. 22 Contingent Liabilities

Guarantees to Financial Institutions against credit Facility extended to third party	53,00,00,000	NIL
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**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF SHREE NIDHI TRADING CO. LTD**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements **SHREE NIDHI TRADING CO. LTD** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2015, the statement of profit and loss and the 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**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 consolidated financial statements. The procedures selected depend 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 true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

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 31st March 2015, their consolidated Profit and their consolidated cash flows for the year ended on that date.

**Other Matters**

We did not audit the financial statements / financial information of four subsidiaries, whose financial statements / financial information reflect total assets of Rs. **12,649,260** as at 31st March, 2015 total revenues Nil and net cash flows amounting to Rs. **1,889,260** for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 43572/- for the year ended 31st March, 2015, as considered in the consolidated financial statements whose financial statements / financial information have not been



audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

**Report on other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act based on the comments in the auditors' reports of the Holding company, subsidiary companies, incorporated in India, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 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 purposes of our audit of the aforesaid consolidated financial statements
  - b) In our opinion, proper books of account 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 those books and the reports of the other auditors.
  - 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 relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) 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:
    - i.) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its subsidiary
    - ii.) The Group, its subsidiary did not have any material foreseeable losses on long-term contracts including derivative contracts
    - iii.) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, incorporated in India.

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)  
(Chartered Accountants)

**(Satya Prakash Pachisia)**  
(Proprietor)  
(M. No.055040)

Place : 454, Dum Dum Park  
Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015



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**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the consolidated financial statements for the year ended 31 March 2015,**

we report that :

**1. In respect of its Fixed Assets :**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- b. As explained to us, the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification

**2. In respect of its Inventories :**

- a. The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records, however there is no closing stock at the end of year.
3. In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:
- (a) According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control
5. The Company has not accepted any deposits from the public.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
7. In respect of statutory dues:
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2015 for a period of more than six months from the date they became payable.



(c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time by the company.

8. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year
9. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
10. In our opinion and according to the information and the explanations given to us, the Company has given guarantee for loans taken by others from financial institutions for Rupees Fifty Three Crores Only.
11. The Company did not have any term loans outstanding during the year.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**FOR PACHISIA & ASSOCIATES**  
(F.R.N. No.327542E)  
(Chartered Accountants)

**(Satya Prakash Pachisia)**  
(Proprietor)  
(M. No.055040)

Place : 454, Dum Dum Park  
Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

	Particulars	Note No.	As At 31st March 2015	As At 31st March 2014
A	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<b>Shareholder's Funds</b>			
	Share Capital	2	7,79,37,000	7,79,37,000
	Reserves and Surplus	3	2,73,94,941	2,67,91,089
2	<b>Current Liabilities</b>			
	Deferred tax liabilities (net)	4	0	635
	Long-term provisions	5	1,27,156	1,13,854
	Trade payables	6	5,65,60,352	1,03,14,548
	Other current liabilities	7	6,13,627	48,799
	Short-term provisions	8	0	49,776
	<b>TOTAL</b>		<b>16,26,33,076</b>	<b>11,52,55,701</b>
B	<b><u>ASSETS</u></b>			
1	<b>Non-current assets</b>			
	Fixed assets			
	(i) Tangible assets	9	0	2,802
	Non-current investments	10	5,29,90,595	6,15,88,015
2	<b>Current assets</b>			
	Trade receivables	11	4,45,45,639	6,84,808
	Cash and cash equivalents	12	77,77,627	25,39,909
	Short-term loans and advances	13	5,73,19,215	5,04,40,087
	Other current assets	14	0	80
	<b>TOTAL</b>		<b>16,26,33,076</b>	<b>11,52,55,701</b>
	<b>Refer accompanying notes forming part of the financial statements</b>	1-22		

In terms of our report attached  
**FOR PACHISIA & ASSOCIATES**  
(F.R.N. No.327542E)  
(Chartered Accountants)

**(Satya Prakash Pachisia)**  
(Proprietor)  
(M. No.055040)

Place : 454, Dum Dum Park  
Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors  
For Shree Nidhi Trading Co. Ltd.

Tanumay Laha  
**Managing Director**  
DIN: 01731277

For Shree Nidhi Trading Co. Ltd.

**Rajesh Kurmi**  
**Director**  
DIN: 01714280

For Shree Nidhi Trading Co. Ltd.

**Avik Gupta**  
**Chief Financial Officer**

# SHREE NIDHI TRADING CO. LTD.

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

	Particulars	Note No.	Year ended 31 March, 2015	Year ended 31 March, 2014
1	Revenue from operations	15	5,66,60,919	1,44,26,815
	Other Income	16	63,811	0
2	<b>Total Revenue</b>		<b>5,67,24,730</b>	<b>1,44,26,815</b>
3	<b>Expenses:</b>			
	Purchases of trading goods	17	5,19,68,308	1,04,69,742
	Employee benefits expenses	18	12,60,298	20,40,650
	Depreciation and amortisation expenses	19	99	89,634
	Other expenses	20	25,59,192	18,05,736
	<b>Total Expenses</b>		<b>5,57,87,897</b>	<b>1,44,05,762</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax (2 -3)</b>		<b>9,36,833</b>	<b>21,053</b>
5	Exceptional Items		0	0
6	<b>Profit / (Loss) before extraordinary items and tax (4 ± 5)</b>		<b>9,36,833</b>	<b>21,053</b>
7	<b>Extraordinary Items</b>			
	Profit on Sale of Fixed Assets		497	0
8	<b>Profit / (Loss) before tax (6 ± 7)</b>		<b>9,37,330</b>	<b>21,053</b>
9	<b>Tax expense:</b>			
	(1) Current tax		3,05,000	34,583
	(2) Deferred Tax		(635)	(379)
	(3) Contingent Provision for Standard Assets		13,302	0
	(4) Current tax expense relating to prior years		15,811	0
10	<b>Profit / (Loss) for the year (8 ± 9)</b>		<b>6,03,852</b>	<b>(13,151)</b>
11	<b>Earning per equity share:</b>			
	(1) Basic		0.08	(0.00)
	(2) Diluted		0.08	(0.00)
	<b>Refer accompanying notes forming part of the financial statements</b>	1-22		

In terms of our report attached

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

Place : 454, Dum Dum Park

Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**For Shree Nidhi Trading Co. Ltd.**

**Tanumay Laha**

**Managing Director**

**DIN: 01731277**

**For Shree Nidhi Trading Co. Ltd.**

**Rajesh Kurmi**

**Director**

**DIN: 01714280**

**For Shree Nidhi Trading Co. Ltd.**

**Avik Gupta**

**Chief Financial Officer**

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
I. <u>Cash flow from Operating Activities</u>		
Net Profit / (Loss) before extraordinary items and tax	9,36,833	21,053
Less: Profit on sale of Investments credited to other Income	(2,580)	0
<u>Add: Adjustments for:</u>		
Depreciation	99	1,394
Cash flow before working capital changes	9,34,352	22,447
<u>Adjustment for Working capital Changes:</u>		
Trade receivables	(4,38,60,831)	(6,84,808)
Short-term loans and advances	(68,83,653)	1,97,63,758
Other current assets	80	0
Trade payables	4,62,45,804	(2,17,35,337)
Other current liabilities	5,64,828	6,623
Cash flow from operating activities before taxes paid	(29,99,420)	(26,27,317)
Less: Taxes Paid	(3,66,062)	(33,296)
 Cash flow from Operating Activities	 (33,65,482)	 (26,60,613)
II. <u>Cash flow from Investing Activities</u>		
Purchase of Investment	(1,41,60,000)	(41,49,920)
Proceeds from sale of Fixed Assets	3,200	0
Proceeds from sale of Investment	2,27,60,000	93,00,000
Cash flow from Investing Activities	86,03,200	51,50,080
 Net Increase / (Decrease) in Cash flow (I + II + III)	 52,37,718	 24,89,467
Opening Cash / Cash Equivalents	25,39,909	50,442
Closing Cash / Cash Equivalents	77,77,627	25,39,909
Refer accompanying notes forming part of the financial statements		

In terms of our report attached

**FOR PACHISIA & ASSOCIATES**

(F.R.N. No.327542E)

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

Place : 454, Dum Dum Park

Kolkata – 700 055, Date : The 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**For Shree Nidhi Trading Co. Ltd.**

**Tanumay Laha**

**Managing Director**

**DIN: 01731277**

**For Shree Nidhi Trading Co. Ltd.**

**Rajesh Kurmi**

**Director**

**DIN: 01714280**

**For Shree Nidhi Trading Co. Ltd.**

**Avik Gupta**

**Chief Financial Officer**



# SHREE NIDHI TRADING CO. LTD.

## NOTES TO BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

### NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES

**Basis of Preparation:** - These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. 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, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use .

- (a) **Use of estimates:** - The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.
- (b) **Tangible fixed assets:** - Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (c) **Depreciation on tangible fixed assets:** - Depreciation on tangible assets is provided on the Straight-Line Method over the useful lives of assets as prescribed by schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.
- (d) **Borrowing costs:** - Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- (e) **Investments:** - Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses.
- (f) **Inventories:** - Trading Goods are valued at cost.
- (g) **Revenue recognition:** - Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

#### Interest

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from operations" in the statement of profit and loss.

#### Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

#### Other Income

The amounts receivable from various agencies are accounted on accrual basis to the extent it is possible to ascertain the income with reasonable accuracy.

- (h) **Foreign currency transaction:** - No Foreign Currency Transactions has been made by the Company in the Financial Year 2014-15.

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2015

- (i) **Retirement and other employee benefits:** - No liability in respect of retirement benefits has been provided for since, none of its employee are eligible for entitlement of retirement benefit for non attainment of duration of services.
- (j) **Income taxes:** - Tax expense comprises of current tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- (k) **Segment reporting:** - The Company is a Non-banking Financial Company and as such additional disclosure required under Accounting Standard - 17 "Segment Reporting" is not applicable.
- (l) **Earnings Per Share:** - Basic Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- (m) **Provisions, Contingent Liabilities and Contingent Assets:** - A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require and 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.

Contingent assets are neither recognized nor disclosed in the financial statements.

- (n) **Cash and cash equivalents:** - Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- (o) Balance in respect of Trade Payable, Trade Receivable and Loans & Advances are subject to confirmation.
- (p) **Cash Flow Statement:** - Cash flows are reported using the indirect method and cash flows from operating, investing and financing activities of the Company are segregated.
- (q) **MSMED Act, 2006:** - The Government of India has promulgated an act namely The Micro, Small and Medium Enterprises Development Act, 2006, which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company does not have any dues to any entity covered under the said act.
- (r) **Prudential Norms:** - The Company has followed the prudential norms issued by Reserve Bank of India, as applicable, and revenue / assets have been represented (considering adjustments / write-off / net-off, as applicable) keeping in line therewith and management prudence.
- (s) **Contingent Provision against Standard Assets:** Contingent Provision @0.25% against Standard Loans is made as per R.B.I. requirement for NBFC appropriating surplus of the Statement of Profit & Loss.
- (t) Previous year's figures have been regrouped/rearranged whenever considered necessary to confirm to current year's grouping and classification.

# SHREE NIDHI TRADING CO. LTD.

## Group Information

Shree Nidhi Trading Co. Limited ('the Holding Company') is a Public Company, incorporated in India and regulated by Reserve Bank of India ('RBI') as an Investment and Loan Company - Non-Banking Finance Company. During the year, the Holding Company and its Four subsidiary companies constituted the Group.

## Basis of Consolidation

The Consolidated Financial Statements comprise the individual financial statements of the Holding Company and its subsidiaries as on March 31, 2015 and for the year ended on that date. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the Holding Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of line items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii. The financial statements of the subsidiaries used in the consolidation are drawn up to the same Balance Sheet date as that of the Holding Company, i.e. March 31, 2015.
- iii. The financial statements of the following subsidiaries have been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act read with Rule 7 of the Companies (Accounts) Rules, 2014:

Name of Subsidiary	Proportion of effective ownership interest (%) As on March, 2015	Proportion of effective ownership interest (%) As on March, 2014
SNCL Iron and Steel Limited	100%	100%
SNCL Marketing Limited	100%	100%
SNCL Paper Trading Limited	100%	100%
SNCL Real Estate Limited	100%	100%

# SHREE NIDHI TRADING CO. LTD.

## NOTES TO CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

<b>NOTE NO. 2 Share Capital</b>	<b>As At 31st March, 2015</b>	<b>As At 31st March, 2014</b>
<u>Authorised-</u> 80,00,000 Equity Shares of Rs 10/- each	<u>8,00,00,000</u>	<u>8,00,00,000</u>
<u>Issued, Subscribed &amp; Paid-Up</u> 77,93,700 Equity Shares of Rs. 10/- each Fully paid up in cash.	<u>7,79,37,000</u>	<u>7,79,37,000</u>
Disclosure:	<u>7,79,37,000</u>	<u>7,79,37,000</u>

1. There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year  
 2. The company has only one class of issued shares i.e Ordinary Shares having par value of ` 10/- per share. Each holder of Ordinary Shares is entitled to One vote per share and equal right for dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their Shareholding.

3. The Company does not have any Holding Company/ ultimate Holding Company but have four subsidiary companies.

4. Details of Shareholders holding more than 5% Shares:

Ordinary Shares of ` 10/- each fully paid	As On 31.03.2015		As On 31.03.2014	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

5. No Ordinary Shares have been reserved for issue under option and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

6. No Shares has been bought back by the company during the period of 5 years preceeding the date at which the balance sheet is prepared

7. No Securities convertible into Equity/ Preference Shares issued by the company during the year.

8. No calls are unpaid by any director or officer of the company during the year.

9. As per records of the Company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

<b>NOTE NO. 3 Reserves and Surplus</b>	<b>As At 31st March, 2015</b>	<b>As At 31st March, 2014</b>
<u>Capital Reserve</u>		
Opening balance	<u>10,000</u>	<u>10,000</u>
Closing balance	<u>10,000</u>	<u>10,000</u>
<u>General reserve</u>		
Opening balance	<u>2,60,54,467</u>	<u>2,60,54,467</u>
Closing balance	<u>2,60,54,467</u>	<u>2,60,54,467</u>
<u>Statutory reserve</u>		
Opening balance	<u>1,18,100</u>	<u>1,02,800</u>
Add: Transferred from surplus in Statement of Profit and Loss	<u>1,35,180</u>	<u>15,300</u>
Closing balance	<u>2,53,280</u>	<u>1,18,100</u>



# SHREE NIDHI TRADING CO. LTD.

	As At 31st March, 2015		As At 31st March, 2014	
Highgrowth vincom Pvt. Ltd.	92,000	9,20,000	0	0
OPG Industries Ltd	12,500	10,00,000	0	0
B. L Impex	30,000	12,00,000	0	0
Textool Ltd.	50	2,250	50	2,250
Faithful Cloth Merchants Pvt Ltd	4,14,000	4,14,00,000		
Burnpur Power Pvt Ltd	4,90,000	4,90,000	0	0
<b>UNQUOTED PREFERENCE SHARES (Fully Paid up)</b>				
Swiss Park Vanijya Pvt. Ltd.	4,00,000	4,00,00,000	4,00,000	4,00,00,000
<b>QUOTED DEBENTURES</b>				
12.50% PCD of Reliance Industries Ltd.	25	2,375	25	2,375
		<u>5,29,90,595</u>		<u>6,15,88,015</u>
<b>NOTE NO. 11 Trade receivables</b>				
Unsecured, considered good		3,34,15,047		0
Outstanding for more than six months				
Other debts		<u>1,11,30,592</u>		6,84,808
		<u>4,45,45,639</u>		<u>6,84,808</u>
<b>NOTE NO. 12 Cash and cash equivalents</b>				
Cash on Hand (As certified )		29,42,626		4,68,119
Balances with banks In current accounts		<u>48,35,001</u>		20,71,790
		<u>77,77,627</u>		<u>25,39,909</u>
<b>NOTE NO.13 Short-term Loans and Advances</b>				
Unsecured, considered good				
Loans- Others		4,93,62,343		3,71,84,443
Advances		16,15,335		1,05,61,282
Advances- Subsidiaries		3,49,700		0
Margin Money		53,00,000		20,00,000
Security deposits		2,000		0
Balances with government authorities				
Income Tax Refundable		6,89,837		6,94,362
		<u>5,73,19,215</u>		<u>5,04,40,087</u>
<b>NOTE NO. 14 Other current assets</b>				
Share Application Money Made		0		80
		<u>0</u>		<u>80</u>

# SHREE NIDHI TRADING CO. LTD.

## NOTE NO.9: FIXED ASSETS CONSOLIDATED NOTES TO BALANCE SHEET AS AT 31ST MARCH 2015

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost As on 31.03.2014	Additions during the year	Deductions during the year	Total Cost As on 31.03.2015	up to 31.03.2014	For the year	Deductions during the year	up to 31.03.2015	As on 31.03.2015	As on 31.03.2014
Mobile Phones	10,500	0	10,500	0	9,562	99	9,661	0	0	938
Computer	4,20,800	0	4,20,800	0	4,18,936	0	4,18,936	0	0	1,864
Total	4,31,300	0	4,31,300	0	4,28,498	99	4,28,597	0	0	2,802
Previous Year	4,31,300	0	0	4,31,300	4,27,104	1,394	0	4,28,498	2,802	

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

	As At 31st March, 2015	As At 31st March, 2014
<b>NOTE NO. 15 Revenue from operations</b>		
Sale of products-Textiles	5,26,85,529	1,03,60,281
<u>Interest income</u>		
Interest	<u>39,75,390</u>	<u>40,66,534</u>
(T.D.S. Rs. 359167/- P.Y.Rs.324493/-)	<u>5,66,60,919</u>	<u>1,44,26,815</u>
<b>NOTE NO. 16 Other Income</b>		
Liabilities no longer required Written back	61,231	0
Profit on sale of Investments	<u>2,580</u>	<u>0</u>
	<u>63,811</u>	<u>0</u>
<b>NOTE NO. 17 Purchases of trading goods</b>		
Traded good	5,19,68,308	1,04,69,742
	<u>5,19,68,308</u>	<u>1,04,69,742</u>
<b>NOTE NO. 18 Employee benefits expenses</b>		
Salary Bonus & Other Allowance	11,99,530	20,12,313
Staff Welfare Expenses	<u>60,768</u>	<u>28,337</u>
	<u>12,60,298</u>	<u>20,40,650</u>
(Salary includes Directors' Remuneration Rs. 96000/- P.Y. Rs. NIL/-)		
<b>NOTE NO. 19 Depreciation and amortisation expenses</b>		
Depreciation on Tangible Assets	99	1,394
Preliminary Expenses	<u>0</u>	<u>88,240</u>
	<u>99</u>	<u>89,634</u>
<b>NOTE NO.20 Other expenses</b>		
Rates & Taxes	35,758	2,49,586
Rent	1,08,000	1,08,000
Conveyance	90,965	87,817
Printing & Stationery	31,607	44,054
Carriage Inward	1,70,785	0
Accounting Charges	1,08,000	0
General Expenses	62,586	66,136
Postage & Telegram	58,299	31,505
Telephone Charges	60,874	0
Legal & Consultancy Charges	0	1,124
Filing Fees	31,800	2,000
Packing Charges	2,42,750	0
Repair & Maintenance-Other Assets	51,782	59,774
Advertisement & Business promotion expenses	11,468	6,071
Listing Fees	5,82,784	17,500
Depository Charges	33,756	33,508
Bank Charges & Commissions	3,422	2,563
Derivative Loss on Share Transactions (Net)	8,01,440	10,40,614
Software Maintenance Charges	8,990	32,000
Sundry Balance Adjusted (Net)	80	0
Registrar & Transfer Agent Expenses	13,484	13,484
<b>Auditors' Remuneration</b>		
For Statutory Audit	44,944	3371
For Tax Audit Fees	5,618	2247
For Other Services	<u>0</u>	<u>10,000</u>
	<u>50,562</u>	<u>4382</u>
	<u>25,59,192</u>	<u>18,05,736</u>



# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## NOTE NO. 21 RELATED PARTY DISCLOSURES

Names of related parties and related parties relationship  
Related parties where control exists

Tanumay Laha	Key Management Personnel
SNCL Paper Trading Limited	100% Subsidiary Companies

### Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related

	Year Ended 31st March, 2015	Year Ended 31st March, 2015	Year Ended 31st March, 2014	Year Ended 31st March, 2014
(a) Remuneration to :-				
Key Management Personnel				
Tanumay Laha		96,000		0
Sale of Investment				
SNCL Paper Trading Limited		8,00,000		0

## NOTE NO. 22 Contingent Liabilities

Guarantees to Financial Institutions against credit Facility extended to third party	53,00,00,000	NIL
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# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## Statement of Net Assets and Profit or Loss

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
1	2	3	4	5
<b>Parent Company</b>				
Shree Nidhi Trading Co. Ltd.	-78.66	39,15,343	107.22	6,47,424
<b>Indian Subsidiaries</b>				
SNCL Real Estates Ltd.	73.79	(36,73,303)	-1.77	(10,668)
SNCL Paper Ltd.	6.70	(3,33,303)	-1.84	(11,118)
SNCL Marketing Ltd.	9.11	(4,53,303)	-1.77	(10,668)
SNCL Iron & Steel Ltd.	89.06	(44,33,303)	-1.84	(11,118)
<b>Foreign Subsidiaries</b>	Nil	Nil	Nil	Nil
<b>Minority Interests in all subsidiaries</b>	Nil	Nil	Nil	Nil
<b>Associates</b>	Nil	Nil	Nil	Nil
<b>Joint Ventures</b>				
<b>Total</b>	<b>100.00</b>	<b>-4977869</b>	<b>100.00</b>	<b>603852</b>

# SHREE NIDHI TRADING CO. LTD.

Disclosure of details as required by Para - 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(Amount in `)

Particulars		Amount Outstanding	Amount Overdue
<b>Liabilities Side :</b>			
<b>(1)</b>	<b>Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid</b>		
	(a) Debentures: Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter- corporate loans and borrowing	-	-
	(e) Commercial Paper -	-	-
	(f) Other Loans (Specify Nature)	-	-
<b>Particulars</b>		<b>Amount Outstanding</b>	
<b>Assets Side :</b>			
<b>(2)</b>	<b>Break up of Loans and Advances including billis receivables [other than those included in (4) below]</b>		
	(a) Secured	-	
	(b) Unsecured	5,73,19,215	
<b>(3)</b>	<b>Break up of Leased Assets and Stock on Hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease	-	
	(b) Operating Lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

	Particulars	Amount Outstanding			
(4)	Break up of Investments Current Investments 1 Quoted: (i) Shares :(a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please Specify)  2 Unquoted: (i) Shares :(a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please Specify)	-	-	-	-
	Long term investments (I) Quoted: (i) Shares :(a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please Specify) (II) Unquoted: (i) Shares :(a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please Specify)	25,970	-	2,375	-
		42,02,250	4,00,00,000	-	-
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above :				
	Category	Amount net of provisions			
		Secured	Unsecured	Total	
	1 Related Parties**				
	(a) Subsidiaries	-	53,00,000	53,00,000	
	(b) Companies in the same group	-	-	-	
	(c) Other related Parties	-	-	-	
	2 Other than related parties	-	5,20,19,215	5,20,19,215	
	Total	-	5,73,19,215	5,73,19,215	

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

(6)	Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value/Break up of Fair value or NAV	Book value (Net of Provisions)
	1	Related Parties**	
		(a) Subsidiaries	20,00,000
		(b) Companies in the same group	-
	(c) Other related Parties	-	
2	Other than related parties	4,22,30,595	4,22,30,595
	Total	4,42,30,595	4,42,30,595
(7)	Other Information:		
	Particulars	Amount	
	(i) Gross Non- Performing Assets		
	(a) Related Parties	-	
	(b) Other than related parties	-	
	(ii) Net Non Performing Assets		
	(a) Related Parties	-	
	(b) Other than related parties	-	
	(iii) Assets acquired in satisfaction of debt	-	