

**34<sup>th</sup> Annual Report**

**&**

**Accounts**

**2015 - 2016**

Shree Nidhi Trading Co. Ltd.

# Shree Nidhi Trading Co. Ltd.

Corporate Identity No.: L67120WB1982PLC035305

## 34<sup>th</sup> Annual Report & Accounts 2015 – 2016

### **Board of Directors :**

Mr. Tanumay Laha	Managing Director
Mr. Shibashis Mukherjee	Non Executive - Independent Director
Mr. Rajesh Kurmi	Non Executive - Independent Director
Mr. Arun Kumar Khemka	Non Executive - Independent Director - Chairperson
Mr. Rakesh Kumar Agarwal	Non Executive - Independent Director
Mrs. Jyoti Lohia	Non Executive - Independent Director

### **Audit Committee :**

Mr. Arun Kumar Khemka	Non Executive - Independent Director - Chairperson
Mr. Rakesh Kumar Agarwal	Non Executive - Independent Director
Mr. Rajesh Kurmi	Non Executive - Independent Director
Mrs. Jyoti Lohia	Non Executive - Independent Director

### **Nomination And Remuneration Committee :**

Mr. Rajesh Kurmi	Non Executive - Independent Director - Chairperson
Mr. Shibashis Mukherjee	Non Executive - Independent Director
Mrs. Jyoti Lohia	Non Executive - Independent Director

### **Stakeholder's Relationship Committee :**

Mr. Arun Kumar Khemka	Non Executive - Independent Director - Chairperson
Mr. Shibashis Mukherjee	Non Executive - Independent Director
Mr. Rajesh Kurmi	Non Executive - Independent Director

### **Risk Management Committee :**

Mr. Rajesh Kurmi	Non Executive - Independent Director - Chairperson
Mr. Arun Kumar Khemka	Non Executive - Independent Director
Mr. Tanumay Laha	Managing Director

### **Chief Financial Officer :**

Mr. Avik Gupta

### **Company Secretary :**

Mr. Raj Kishor Chourasia

### **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  
State Bank of Hyderabad

### **Auditors:**

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

# SHREE NIDHI TRADING CO. LTD.

## DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 34<sup>th</sup> Annual Report of the Company together with Audited Accounts for the year ended March 31, 2016.

### 1. Financial Summary or Highlights

The highlights of the financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2016 as compared to the previous financial year are as under:- (in `)

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Total Revenue	<b>44,18,964</b>	5,67,24,730	<b>44,18,964</b>	5,67,24,730
(Less): Total Expenditure	<b>(39,19,078)</b>	(5,57,44,325)	<b>(43,43,173)</b>	(5,57,87,897)
Profit before Exceptional & Extraordinary Items	<b>4,99,886</b>	9,80,405	<b>75,791</b>	9,36,833
Add/(Less): Exceptional Items	-	-	-	-
Add/(Less): Extraordinary Items (Profit on sale of Fixed Assets)	-	497	-	497
Profit/(Loss) Before Tax	<b>4,99,886</b>	9,80,902	<b>75,791</b>	9,37,330
(Less): Provision for Current Tax	<b>(1,56,000)</b>	(3,05,000)	<b>(1,56,000)</b>	(3,05,000)
Add/(Less): Provision for Deferred Tax	-	635	-	635
Add/(Less): Contingent Provision for Standard Asset	<b>11,691</b>	(13,302)	<b>11,961</b>	(13,302)
Add/(Less): Current Tax Expense relating to prior year	<b>9,570</b>	(15,811)	<b>9,570</b>	(15,811)
Net Profit/(Loss) after Tax	<b>3,65,147</b>	6,47,424	<b>(58,948)</b>	6,03,852
(Less): Transfer to Statutory Reserve	<b>(73,029)</b>	(1,38,180)	<b>(73,029)</b>	(1,35,180)
Add/(Less): Brought forward from previous year	<b>12,10,406</b>	6,98,162	<b>10,77,194</b>	6,08,522
Balance carried to Balance Sheet	<b>15,02,524</b>	12,10,406	<b>9,45,217</b>	10,77,194

### 2. Dividend

In order to conserve the resources of the Company and considering the business plan of the Company, the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2016.

### 3. 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.

### 4. 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.

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## 5. Performance

### (a) Annual Consolidated Results

The Directors have pleasure in attaching the Consolidated Financial Statements pursuant to section 129(3) of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with the Rule 6 of the Companies (Accounts) Rules, 2014 and SEBI Listing Regulations and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard. It mandates every Company having subsidiary (including associate Company and joint venture) to prepare Consolidated Financial Statements. Accordingly, the audited consolidated financial statement is provided in the Annual Report and is also displayed on the Company’s Website [www.shreenidhitrading.com](http://www.shreenidhitrading.com).

The total income of the Company during the Financial Year 2015-16 on a consolidated basis was reduce to Rs. 44,18,964/- as compared to Rs. 5,67,24,730/- for the previous financial year. The total expenses for the year reduced to Rs. 43,43,173/- as compared to Rs. 5,57,87,897/- in previous year. In view of the same, Rs. 75,791 profit before tax was recorded by the Company in the reporting year.

### (b) Performance and financial position of the subsidiaries and associates Companies.

Pursuant to Rule 5(1) of the Companies (Accounts) Rules 2014, the performance and financial position of the subsidiaries companies for the financial year ended March 31, 2016, has been described by portraying the salient features of the financial statements of the subsidiaries in Form AOC-1, which is appended to the Directors’ Report in **Annexure-1**.

Further, in terms of Section 136 of the Act read with the Rules framed thereunder, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of the subsidiaries, are displayed on the website of the Company [www.shreenidhitrading.com](http://www.shreenidhitrading.com) and shall be available for inspection during business hours on working days at the Company’s Registered Office at Kolkata. Any Member interested in obtaining such information may write to the Mr. Tanumay Laha, Managing Director of the Company, at the Registered Office and the same will be furnished on request. Alternatively, the request may also be e-mailed at the Id: [shreenidhico@yahoo.com](mailto:shreenidhico@yahoo.com).

At the beginning of the Financial Year under review, the Company had 14 subsidiaries and no associate Companies. As on March 31, 2016, the Company has 14 subsidiaries and no associate Companies.

#### (i) The names of subsidiaries as on March 31, 2016, is as follows:

- a) SNCL Iron And Steel Limited
- b) SNCL Marketing Limited
- c) SNCL Paper Trading Limited
- d) SNCL Real Estate Limited
- e) SNCL Properties Limited
- f) SNCL Projects Limited
- g) Sunwhite Builders Limited
- h) Sunwhite Constructions Limited
- i) Sunwhite Consultants Limited
- j) Sunwhite Homes Limited
- k) Sunwhite Housing Limited
- l) Sunwhite Projects Limited
- m) Sunwhite Real Estates Limited
- n) Sunwhite Properties Limited

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(ii) In terms of Rule 8(5)(iv) of the Companies (Accounts) Rules 2014, the disclosure on subsidiaries companies is made hereunder :

➤ The names of companies which have become its subsidiaries.

There was no such instance during the Financial Year under review.

➤ The names of companies which have ceased to be its subsidiaries.

There was no such instance during the Financial Year under review.

## (c) Standalone Results

The total income of the Company during the Financial Year 2015-16 on a standalone basis was Rs. 44,18,964/- as compared to Rs. 5,67,24,730/- for the previous financial year. The total expenses for the year reduced to Rs. 39,19,078/- as compared to Rs. 5,57,44,325/- in previous year. In view of the same, Rs. 4,99,886 profit before tax was recorded by the Company in the reporting year.

## 6. Accounting Standards Followed By The Company

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act and the Guidelines prescribed by the RBI, as applicable.

## 7. Listing

The equity shares continue to be listed on the Calcutta Stock Exchange Limited. The company has applied to BSE Ltd. for Direct Listing of its Equity Shares.

## 8. Corporate Governance Report

Your Company is in compliance with the Corporate Governance guidelines, as laid out in the Listing Agreement/Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). All the Directors and the Senior Management personnel have affirmed in writing their compliance with and adherence to the Code of Conduct adopted by the Company.

The Statutory Auditors of the Company have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance, as required under SEBI Listing Regulations. The Certificate in this regard is attached to this Report.

## 9. Extract of the Annual Return

The Extract of the Annual Return as on the financial year ended on March 31, 2016, in Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 (hereinafter referred to as the "Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached to the Directors' Report in **Annexure-2**.

## 10. 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: 30/04/2015, 14/05/2015, 28/05/2015, 19/06/2015, 13/08/2015, 14/11/2015, 08/02/2016 and 30/03/2016.

Further, one exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and sub-regulation 3 of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(hereinafter referred to as "the Listing Regulations") was held on 30/03/2016.

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The Meetings were held in accordance with the provisions of the Act and the Listing Regulations, 2015.

The details of the Meetings of the Board of Directors during the Financial Year 2015-16 is encompassed in the Corporate Governance Report which is annexed to the said Report.

## **11. Disclosure pursuant to Section 177(8) of the Companies Act, 2013-Composition of the Audit Committee.**

The Audit Committee of the Company comprises of three non-executive independent director and one non-executive independent director as on March 31, 2016. The Committee is chaired by a non-executive Independent Director, Mr. Arun Kumar Khemka (DIN- 00428276).

The details of the same are morefully provided in the Corporate Governance Report.

During the Financial Year under review, the Committee met five (5) times and all such meetings were held in accordance with the provisions of the Act, Clause 49 of the erstwhile Listing Agreement and the Listing Regulations.

Further, the Board of Directors has accepted all the recommendations of the Audit Committee in the Financial Year 2015-16.

## **12. Composition of the Nomination and Remuneration Committee**

In terms of Section 178(1) of the Companies Act, 2013 and Regulation 19 of Listing Regulations the Nomination and Remuneration Committee should comprise of at least three Directors; all of whom should be Non-Executive Directors. The Committee of the Company comprises of two non-executive independent directors and one non-executive independent woman director as on March 31, 2016.

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

## **13. Composition of the Stakeholders Relationship Committee**

The Stakeholders Relationship Committee consists of three non-executive Independent Director.

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

## **14. Directors' Responsibility Statement**

Pursuant to the provisions of Section 134 (3) (c) read with section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- I. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- II. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- III. they 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;
- IV. they have prepared the annual accounts on a going concern basis;
- V. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- VI. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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## 15. Declaration by the Independent Directors

Section 149(7) of the Act requires every independent director to give a declaration that he/she meets the criteria of Independence, at the first Board Meeting of every financial year.

Accordingly, the Company has taken on record, the Statement of Declaration of Independence, as submitted by all the Independent Directors.

## 16. 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 erstwhile 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.

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 2015-16. 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.

The Nomination and Remuneration Policy is reproduced in **Annexure-3**.

## 17. Auditors & Auditors' report

### A. Statutory Auditors

The appointment of M/s. Pachisia & Associates, Chartered Accountants (Firm Registration No. 327542E) of 454, Dum Dum Park, Kolkata – 700 055, is subject to ratification by the members at the ensuing Annual General Meeting.

In this connection, M/s. Pachisia & Associates have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

Based on the recommendation of the Audit Committee, the Board of Directors recommends their ratification to the shareholders.

### B. Independent Auditors' Report

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

### C. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mr. Rohit Singhi (C.P. No. 16021, Membership No.A43484) Company Secretary in whole-time Practice, to undertake the Secretarial Audit of

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the Company for Financial Year 2015-16.

## **D. Secretarial Audit Report**

The Secretarial Audit Report is attached to the Directors' Report in Annexure-4. The Report of the Secretarial Audit Report does not contain any adverse remark save and except the followings:-

*There was a delay in filing of DIR-12 regarding resignation of Directors & appointment of Chief Financial officer.*

## **18. Particulars of Loans, guarantees or investments under section 186.**

The provisions of Section 186 of the Act pertaining to granting of loans to any person or body corporate and giving of guarantees or providing security in connection with a loan to any other body corporate or persons are not applicable to the Company, since it is a Non Banking Financial Company, registered with Reserve Bank of India. Therefore, the Company is not required to provide any disclosure pursuant to Section 134(3)(g) of the Act.

## **19. 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.

During the year under review, the Company has not entered into material related party transaction as defined in Clause 49 of the erstwhile Listing Agreement, and/or section 188 of the Companies Act, 2013 and/or Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Statement containing the details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions as required under Section 188(1) of the Act, in the prescribed Form No. AOC-2, is attached with Director's Report as **Annexure-5**.

Further, details of Related Party Transactions as required to be disclosed by Accounting Standard – 18 on "Related Party Disclosures" specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements.

## **20. State of Company Affairs & Future Outlook**

The Company, a Non-Banking Financial (Non-Deposit Accepting or Holding) Company, does not have any public deposits as on March 31, 2016.

During the Financial year under review, the Company has recorded a total income of ` 44,18,964/- for the current financial year as compared to ` 56,724,730/-, for the previous financial year. The Profit After Tax on a standalone basis amounted to ` 3,65,147/- as against ` 6,47,424/- in the previous year.

The core financial activities of the Company comprises of providing of business loan to corporate and individuals and investment in securities of many body corporate.

## **21. Material Changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year of the company to which the financial statements relate 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.



## **22. Disclosure in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding 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. There is no Foreign Exchange Earning and Outgo during the financial year.

Therefore, the Company is not required to make any disclosure as specified in Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

## **23. Risk Management Policy**

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

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 robust and satisfactory. 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.

Further, in terms of Regulation 17(9)(b) of Listing Regulations, and Clause (49)(I)(D)(2)(a) of the erstwhile Listing Agreement, the Board of Directors is responsible for framing, implementing and monitoring the Risk Management Plan of the Company, and has have delegated the power of monitoring and reviewing of the risk management plan to the Risk Management Committee.

## **24. 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.

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

## **25. Manner of formal annual evaluation by the Board of its own performance and that of its committees and individual directors.**

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 Regulations, and the erstwhile Listing Agreement, the disclosure regarding the manner of formal annual evaluation by the Board of its own performance and that of its various committees and individual directors is provided hereto:

### **a. Evaluation Criteria**

In terms of the requirements of the Act and Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, Board Committees and the Directors.

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 Part D of Schedule II of the Listing Regulations.

Further, pursuant to Clause 49(IV)(B)(1) of the erstwhile Listing Agreement, the Nomination and Remuneration Committee has formulated criteria for determining qualifications, positive attributes 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 morefully described in the Corporate Governance Report.

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Further, the Nomination and Remuneration Committee has also devised a Policy on Board Diversity as provided in Clause 49(IV)(B)(3) of the erstwhile Listing Agreement.

## **b. Performance Evaluation of the individual directors**

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.

## **c. Board of Directors**

A separate meeting of the Independent Directors of the Company was held on 30/03/2016, pursuant to Clause VII of Schedule IV to the Act and Regulation 25 of the Listing Regulations, for transacting the following businesses as set forth in the Agenda:

1. Review the performance of the non-independent directors and the Board as a whole.
2. Review the performance of the Chairman of the Company, taking into account the views of the executive directors and non-executive directors.
3. Assessment of 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.

The same was perused in accordance with the Evaluation criteria determined by the Nomination and Remuneration Committee.

The Independent Directors of the Company in fulfilling their role and functions as specified in Clause II of Schedule IV to the Act, help in bringing an objective view in the evaluation of the performance of the Board and management.

The Independent Directors expressed satisfaction over the performance of all the non-independent Directors and the Chairman.

## **d. Performance Evaluation of the Independent Directors**

Pursuant to Clause VIII of Schedule IV to the Act and Regulation 19 of the Listing Regulations, read with Part D of Schedule II thereto the performance evaluation of the Independent Directors is perused 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 being considered.

## **e. Performance Evaluation of the Committee**

The Board of Directors evaluates the performance of all the Board Committees, based on the Company's Performance Evaluation Policy.

## **26. Nomination and Remuneration Policy**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have adopted a Nomination and Remuneration Policy in terms of Section 178 of the Act, read with Rules made thereunder and Clause 49(IV)(B) of the erstwhile Listing Agreement.

## **27. Change in the nature business:**

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

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## 28. Directors & Key Managerial Personnel

### a. Non-Executive & Executive Directors - Non-independent.

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.

In this connection, all the Independent Directors of the Company, viz: Mr. Arun Kumar Khemka, Mr. Shibashis Mukherjee, Mr. Rajesh Kurmi and Mr. Rakesh Kumar Agarwal 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 derive with their appointment.

### b. Independent Directors.

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.

In this connection, all the Independent Directors of the Company, viz: Mr. Arun Kumar Khemka, Mr. Shibashis Mukherjee, Mr. Rajesh Kurmi and Mr. Rakesh Kumar Agarwal were appointed for a term of five consecutive years commencing from the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company, and Mrs. Jyoti Lohia (DIN-07113757) was appointed as a non-retiring Independent Director of the Company to hold office for a period of five consecutive years from the conclusion of the 33<sup>rd</sup> AGM till the conclusion of 38<sup>th</sup> Annual General Meeting or till such earlier date to conform with the policy on retirement, 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 derive with their appointment.

### c. Chief Financial Officer.

Mr. Avik Gupta was appointed as the Chief Financial Officer of the Company with effect from May 28, 2015.

### d. Company Secretary.

Mr. Raj Kishor Chourasia was appointed as the Company Secretary of the Company with effect from July 1, 2015.

## 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 March 31, 2016.

## 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, 2016, 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 a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. Information provided to management is reliable and timely and statutory obligations are adhered to. Details of the same are provided in the Management Discussion and Analysis Report attached to this Report.

The Company has an established Internal Financial Control framework including internal controls over financial reporting. The framework is reviewed regularly by the management and tested by internal audit team and presented to the Audit Committee

In this connection, the Audit Committee in coordination with the Internal Audit Department periodically reviews the following:

- a. Transactions are executed in accordance with the management's general or specific authorization;
- b. All transactions are promptly recorded in the correct amount in the appropriate accounts and in the accounting period in which they are executed so as to permit preparation of financial information within a framework of recognized accounting policies and practices and relevant statutory requirements, if any,
- c. Accountability of assets is adequately maintained and assets are safeguarded from unauthorized access, use or disposition

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. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets statutory auditors of the company to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

A reference is made in this connection to the CEO & CFO Certificate dated 30<sup>th</sup> May, 2016.

## **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 Section 197 of the Act 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:

In computing the various parameters, Gross Salary has been considered. Gross Salary of the employees primarily encompasses Salary, allowances and perquisites.

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

Directors	Ratio of Remuneration to Median Remuneration
Mr. Tanumay Laha -Executive Non-Independent Managing Director	0.69
Mr. Rajesh Kurmi-Non -Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Arun Kumar Khemka -Non Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mr. Shibashis Mukherjee - Non Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Rakesh Kumar Agarwal -Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mrs. Jyoti Lohia - Non-Executive Independent Director	- No remuneration or sitting fees was paid

## 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.

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial Year
Mr. Tanumay Laha -Executive Non-Independent Managing Director	- No Increase in remuneration
Mr. Rajesh Kurmi -Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Arun Kumar Khemka -Non Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mr. Shibashis Mukherjee - Non Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Rakesh Kumar Agarwal -Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mrs. Jyoti Lohia - Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Avik Gupta -Chief Financial Officer w.e.f. 28/05/2015	Since this information is for part of the year, the same is not comparable.
Raj Kishor Chourasia -Company Secretary w.e.f. 01/07/2015	Since this information is for part of the year, the same is not comparable.

# SHREE NIDHI TRADING CO. LTD.

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

Since there was no median remuneration in F.Y. 2014-15 the Company is not required to provide the aforesaid disclosure.

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

As on March 31, 2016, there are 11 Employees on the rolls of the Company.

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

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

### 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 2015-16.	2,83,500
Total Revenue	44,18,964
Remuneration of KMP's as a percentage of Total Revenue	6.42%
Profit before tax	4,99,886
Remuneration of KMP's as a percentage of Profit before Tax	56.71%
Profit after tax	3,65,147
Remuneration of KMP's as a percentage of Profit after Tax	77.64%

### 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, 2016	31 <sup>st</sup> March, 2015	% 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, 2016	(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 offer price.	0.00

# SHREE NIDHI TRADING CO. LTD.

**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.**

There were no exceptional circumstances or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for the managerial personnel and all the other employees.

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

(in `)

Comparative Parameter	Tanumay Laha Managing Director	Raj Kishor Chourasia Company Secretary	Avik Gupta Chief Financial Officer
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2015-16.	96,000	1,12,500	75,000
Total Revenue	44,18,964	44,18,964	44,18,964
Remuneration of KMP's as a percentage of Total Revenue	2.17%	2.55%	1.70%
Profit before tax	4,99,886	4,99,886	4,99,886
Remuneration of KMP's as a percentage of Profit before Tax	19.20%	22.51%	15.00%
Profit after tax	3,65,147	3,65,147	3,65,147
Remuneration of KMP's as a percentage of Profit after Tax	26.29%	30.81%	20.54%

**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.

The same shall also depend upon various factors including: their grade, industry bench mark, overall business performance.

**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.**

The following employee remuneration is more than that of the highest paid director for the Financial Year under review

Name of the Employees	Ratio of the remuneration of the highest paid director to that of the employees
Raj Kishor Chourasia	1.17

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

The Board of Directors hereby affirms 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**

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

The Company hereby affirms that no Director/ employee have been denied access to the Chairman and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website

## **35. Insider Trading**

The Company has put in place a Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code was applicable upon 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 following Codes pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and effective from 15<sup>th</sup> May, 2015:

- a. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- b. Code of Conduct to Regulate, Monitor and Report Trading.

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

## **36. Transfer of amount to Investor Education and Protection Fund (IEPF)**

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 erstwhile Companies Act, 1956.

## **37. Prudential Norms for NBFC'S**

The Company has complied with the Non-Systemically Important Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 (as may be amended from time to time) issued to Non Banking Financial Companies ("NBFCs") relating to accounting standards, prudential norms for income recognition, provisioning and capital adequacy, as also the applicable circulars/guidelines/notifications issued by the RBI to NBFCs.

## **38. 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 addresses with M/s. Niche Technologies Private Ltd., 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). For members who have not registered their email address, physical copies of the Annual Report and Notice of the Annual



# SHREE NIDHI TRADING CO. LTD.

General Meeting are sent in the permitted mode. Members requiring physical copies can send their request to Mr. Tanumay Laha, Executive Non-independent Managing Director (DIN: 01731277).

Pursuant to Section 108 of the Act read with the Rules 20 of the Company's (Management and Administration) Rules 2014 and the applicable provision(s) of the Listing Regulations, 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.

## **39. 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. The rights to work with dignity are universally recognised human rights by international conventions and instruments such as Convention on the Elimination of all Forms of Discrimination against Women.

As per the requirement of 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 constituted an Internal Complaints Committee to look into the matters relating to sexual harassment at workplace.

Mrs. Jyoti Lohia (DIN- 07113757), non-executive independent woman Director, is the Presiding Officer of the Committee. In the event of any sexual harassment at workplace, any woman employee of the Company may lodge complaint to Mrs. Jyoti Lohia (DIN- 07113757) in writing or electronically through e-mail at: shreenidhico@yahoo.com

During the year under review, there were no cases received/filed pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **40. 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 this Report.

## **41. Acknowledgement**

The Directors would like to place on record their gratitude for the valuable guidance and support received from the RBI, Securities and Exchange Board of India, Registrar of Companies and from other government and regulatory agencies and to convey their appreciation to the company. They look forward to the continued support of all the stakeholders in the future and appreciate and value the contribution made by every member of the Company.

The Directors also wish to thank all the employees for their contribution, support and continued commitment throughout the year.

Place : Kolkata  
Dated : 30.05.2016

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

**Arun Kumar Khemka  
Chairman  
DIN - 00428276**

# SHREE NIDHI TRADING CO. LTD.

Form AOC-1  
Annexure to the Directors' Report -1  
(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.)

Sl. No.	Name of the Subsidiary	Share Capital (Rs.)	Reserves & Surplus (Rs.)	Total Assets (Rs.)	Total Liabilities (Rs.)	Investments (Rs.)	Turnover (Rs.)	Profit before taxation (Rs.)	Provision for taxation (Rs.)	Profit after taxation (Rs.)	Proposed Dividend (Rs.)	% of share holding
1	SNCL Iron And Steel Limited	5,00,000	(48,728)	53,62,615	53,62,615	49,00,000	Nil	(15,425)	Nil	(15,425)	Nil	100%
2	SNCL Marketing Limited	5,00,000	(48,728)	13,82,615	13,82,615	9,20,000	Nil	(15,425)	Nil	(15,425)	Nil	100%
3	SNCL Paper Trading Limited	5,00,000	(47,728)	12,63,615	12,63,615	8,00,000	Nil	(14,425)	Nil	(14,425)	Nil	100%
4	SNCL Real Estate Limited	5,00,000	(48,728)	46,02,615	46,02,615	41,40,000	Nil	(15,425)	Nil	(15,425)	Nil	100%
5	SNCL Properties Limited	5,00,000	(36,732)	4,68,993	4,68,993	4,42,350	Nil	(36,732)	Nil	(36,732)	Nil	100%
6	SNCL Projects Limited	5,00,000	(36,053)	10,79,672	10,79,672	10,04,623	Nil	(36,053)	Nil	(36,053)	Nil	100%
7	Sunwhite Constructions Limited	5,00,000	(36,395)	4,69,330	4,69,330	4,00,000	Nil	(36,395)	Nil	(36,395)	Nil	100%
8	Sunwhite Projects Limited	5,00,000	(35,995)	5,79,730	5,79,730	5,06,250	Nil	(35,995)	Nil	(35,995)	Nil	100%
9	Sunwhite Real Estates Limited	5,00,000	(36,395)	4,69,330	4,69,330	4,00,000	Nil	(36,395)	Nil	(36,395)	Nil	100%
10	Sunwhite Builders Limited	5,00,000	(36,295)	5,69,430	5,69,430	4,91,000	Nil	(36,295)	Nil	(36,295)	Nil	100%
11	Sunwhite Homes Limited	5,00,000	(36,395)	22,07,330	22,07,330	21,30,000	Nil	(36,395)	Nil	(36,395)	Nil	100%
12	Sunwhite Housing Limited	5,00,000	(36,345)	5,57,380	5,57,380	4,88,000	Nil	(36,345)	Nil	(36,345)	Nil	100%
13	Sunwhite Consultants Limited	5,00,000	(36,395)	4,69,330	4,69,330	4,00,000	Nil	(36,395)	Nil	(36,395)	Nil	100%
14	Sunwhite Properties Limited	5,00,000	(36,395)	4,69,330	4,69,330	4,00,000	Nil	(36,395)	Nil	(36,395)	Nil	100%

Notes:

1. Name of Subsidiaries which are yet to commence operations: Nil
2. Name of Subsidiaries which have been liquidated or sold during the year: Nil

# SHREE NIDHI TRADING CO. LTD.

## 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	

For and on behalf of the Board of Directors

**Tanumay Laha**  
Managing Director  
DIN: 01731277

**Rajesh Kurmi**  
Director  
DIN: 01714280

Date : 30.05.2016  
Place : Kolkata

**Raj Kishor Chourasia**  
Company Secretary

**Avik Gupta**  
CFO

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

Annexure - 2

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[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, 3rd Floor, Room No. 9 & 10 Kolkata - 700001, Phone : 033-3262 4534
vi.	Whether listed company	Yes/No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Pvt. Ltd. 71, B.R.B.Basu Road, D-511, Bagree Market 5 <sup>th</sup> Floor, Kolkata – 700 001 Phone Nos. (033) 2235-7270/7271/2234-3576.

### 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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Interest	64990	95.84

# ≡ 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)

# 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
<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
<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
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	0	0	0	0.00	0	0	0	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.

g) Fills	-	-	-	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00	0.00
<b>2. Non Institutions</b>													
a) Bodies Corp.	4806225	29550	4835775	62.05	4806225	29550	4835775	62.05	4835775	62.05	4835775	62.05	0.00
(i) Indian													
(ii) Overseas													
b) Individuals													
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1196017	47550	1243567	15.96	1547267	47550	1594817	20.46	1594817	20.46	1594817	20.46	4.51
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1688508	25000	1713508	21.99	1337258	25000	1362258	17.48	1362258	17.48	1362258	17.48	(4.51)
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-	-	-	-	-
d) Others(Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-
d.1) Trust	600	-	600	0.01	600	-	600	0.01	600	0.01	600	0.01	0.00
d.2) Clearing Member	250	-	250	0.00	250	-	250	0.00	250	0.00	250	0.00	0.00
Sub-total(B)(2)	7691600	102100	7793700	100.00	7691600	102100	7793700	100.00	7793700	100.00	7793700	100.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7691600	102100	7793700	100.00	7691600	102100	7793700	100.00	7793700	100.00	7793700	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7691600	102100	7793700	100.00	7691600	102100	7793700	100.00	7793700	100.00	7793700	100.00	0.00

**ii. Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-	-

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

Sr. no	Shareholding at the beginning of the year	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	-	-	-	-
	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):	-	-	-	-
	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.	Anjani Vanijiya 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):	184000	2.36	-	184000	2.36
2.	Apamaa Commodities 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):	182674	2.34	-	-	-
3.	Better Mercantile Private Limited	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	-	182674	2.34

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		At the End of the year (or on the date of separation, if separated during the year)				369499	4.74
4.	Class Commercial Private Limited	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
5.	Edmond Commercial Pvt. Ltd.	At the beginning of the year	206863	2.65			
		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)			206863		2.65
6.	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

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		if separated during the year)						
7.	Innova Auto Distributors Pvt. Ltd.	At the beginning of the year	155615	2.00				
		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)	155615			155615		2.00
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			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			150000		1.93

10.	Wonder Vinimay Pvt. Ltd.	At the beginning of the year	269275	3.46	
		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)	269275		3.46

**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	-	-	-	-
		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	-	-	-	-
2.	Shibashis Mukherjee (Director)	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):	-	-	-	-
		At the End of the year	-	-	-	-
3.	Rakesh Kumar Agarwal (Director)	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):	-	-	-	-
		At the End of the year	-	-	-	-

# SHREE NIDHI TRADING CO. LTD.

	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	-	-	-	-	-
4. Rajesh Kurmi (Director)	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):	-	-	-	-	-
	At the End of the year	-	-	-	-	-
5. Jyoti Lohia (Director)	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):	-	-	-	-	-
	At the End of the year	-	-	-	-	-
6. Tanumay Laha (Managing Director)	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):	-	-	-	-	-
	At the End of the year	-	-	-	-	-
5. Raj Kishor Chourasia (Company Secretary)	At the beginning of the year	-	-	-	-	-
	At the End of the year	-	-	-	-	-

# SHREE NIDHI TRADING CO. LTD.

	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	-	-	-	-	-
6. Avik Gupta (Chief Financial Officer)	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):					
	At the End of the year	-	-	-	-	-

# SHREE NIDHI TRADING CO. LTD.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
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>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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## 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
		Tanumay Laha (Managing Director)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 96,000	Rs. 96,000
	(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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
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
		Rajesh Kurmi	Rakesh Kumar Agarwal	Shibashis Mukherjee	Arun Kumar Khemka	Jyoti Lohia	
	<u>Independent Directors</u>	-	-	-	-	-	-
	- Fee for attending board Committee meetings						
	- Commission						
	- Others, please specify						
	Total(1)	-	-	-	-	-	-
	<u>Other Non-Executive Directors</u>	-	-	-	-	-	-
	- Fee for attending board committee meetings						
	- Commission						
	- Others, please specify						
	Total(2)	-	-	-	-	-	-
	Total(B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Over all Ceiling as per the Act	-	-	-	-	-	-

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (Raj Kishor Chourasia)*	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. 1,12,500	Rs. 75,000	Rs. 1,87,500
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	Rs. 1,12,500	Rs. 75,000	Rs. 1,87,500

\* appointed w.e.f. 01.07.2015

\*\*appointed w.e.f. 28.05.2015

# SHREE NIDHI TRADING CO. LTD.

## 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>					
Penalty					
Punishment					
Compounding					
<b>B. Director</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officer in default</b>					
Penalty					
Punishment					
Compounding					

NONE

For and on behalf of the Board of Directors

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

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

Date : 30.05.2016  
 Place : Kolkata

**Raj Kishor Chourasia**  
**Company Secretary**

**Avik Gupta**  
**CFO**

## NOMINATION AND REMUNERATION POLICY

### 1. Preamble

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time.

This policy shall be applicable on Directors, Key Managerial Personnel and Senior Management and other employees of the Company.

This policy has been approved by the Board of Directors and shall be effective from 1<sup>st</sup> October, 2014.

### 2. Objective

This policy is framed with the following objectives:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director;
- 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.
- Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel, senior management and other employees.

### 3. Definitions

- “**Act**” means Companies Act, 2013 and rules framed thereunder as amended from time to time. “**Listing Agreement**” means Equity Listing Agreement entered into by the Company with the Stock Exchanges.
- “**Board of Directors**” or Board, in relation to the company, means the collective body of the Directors of the Company.
- “**Audit Committee**” means the Audit Committee of the Company constituted or reconstituted by the board in accordance with Section 177 of the Act and the Listing Agreement.
- “**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board in accordance with Section 177 of the Act and Listing Agreement.
- “**Company**” means “Shree Nidhi Trading Limited”.
- “**Policy**” or “**This policy**” means Nomination and Remuneration Policy.
- “**Director**” means a Director appointed to the Board of the Company.
- “**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013 and as provided under clause 49 of the Listing Agreement, as amended time to time.
- “**Key Managerial Personnel (KMP)**” means KMP as defined in the Act.
- “**Senior Management**” mean personnel of the company who are members of its core management team excluding Board of Directors.
- “**Employees**” means any other employee of the Company excluding Directors, KMP and Senior Management Personnel.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but

# SHREE NIDHI TRADING CO. LTD.

defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

## 4. Policy for appointment and removal of Director, KMP and Senior Management

### General appointment criteria, qualifications and positive attributes of a Director

Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:

- assessing the the person so being appointed against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- the extent to which the person so being appointed is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- the nature of existing positions held by the person so being appointed including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

### Additional Criteria for Appointment of Independent Directors

In addition to the aforesaid criteria, the Committee shall also consider qualifications and appointment of Independent Directors as mentioned in clause 49 of the Listing Agreement (as amended from time to time) and provisions of Companies Act.

As provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the company:

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the company or its holding, subsidiary or associate company;
- who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- apart from receiving director's remuneration, has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- who, neither himself nor any of his relatives —
  - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately

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preceding the financial year in which he is proposed to be appointed, of —

- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - iii. holds together with his relatives two per cent or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
  - v. is a material supplier, service provider or customer or a lessor or lessee of the company;
- who is not less than 21 years of age.

## **Additional Criteria for Appointment as a member of Audit Committee**

A director proposed to be appointed as a member of Audit committee should possess the additional qualifications, in lieu of requirements of section 177 of the Act read with rules made thereunder and Clause 49 (III) of the Listing Agreement.

## **Additional Criteria for Appointment of Managing Director, Manager or Whole-Time Director**

In addition to the general criteria, the Company shall consider the requirements of section 196 of the Act read with rules made thereunder and Schedule V of the Act and relevant provisions of the Listing Agreement.

## **General appointment criteria, qualifications and positive attributes of a Senior Management**

The Company shall consider balance of qualification, skills, regional and industry experience, background and other qualities required to operate successfully in the position of Senior Management Level.

## **Procedure for Appointment**

The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under this policy alongwith Articles of Association, provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

## **Tenure**

### **Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### **Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years,

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be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

## **Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

## **5. Policy for remuneration of Directors, KMP, Senior Management and Other Employees**

### **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.

#### **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.

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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.

Further, 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.

## **6. Review and Amendments**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

## **7. Disclosure**

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.



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ANNEXURE - 4

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

[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 31st MARCH, 2016.

To,  
The Members,  
**Shree Nidhi Trading Co. Limited**  
7 Lyons Range,  
3rd 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 31st March, 2016 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 31st March, 2016 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;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);

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- (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations, 1993 regarding the Companies Act and dealing with the client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to the extent applicable during the Audit Period;

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) Regulation, 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) Regulation, 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 with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India made effective from 1<sup>st</sup> July, 2015 .
- (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 of DIR-12 regarding resignation of Directors & appointment of Chief Financial officer.***

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 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.

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- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) 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 : 30.05.2016

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CS ROHIT SINGHI  
Practising Company Secretary  
M. No. A43484  
C P No. 16021

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## 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' 2016]

To,  
The Members,  
**Shree Nidhi Trading Co. Limited**  
7 Lyons Range,  
3rd 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 processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the process and practices, I followed provide a 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 an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata

Date : 30.05.2016

-----  
CS ROHIT SINGHI  
Practising Company Secretary  
M. No. A43484  
C P No. 16021

# SHREE NIDHI TRADING CO. LTD.

Annexure -5

Form No. AOC-2

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

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

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

- a) Name(s) of the related party and nature of relationship: NIL
- b) Nature of contracts/arrangements/transactions: NIL
- c) Duration of the contracts/arrangements/transactions: NIL
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
- e) Justification for entering into such contracts or arrangements or transactions: NIL
- f) Date(s) of approval by the Board: NIL
- g) Amount paid as advances, if any: NIL
- h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: NIL

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2016 are as follows:

Name of the related party and nature of relationship	Nature of transaction	Duration of transaction	Salient terms of the transaction including the value, if any	Amount paid as advances, if any
SNCL Properties Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
SNCL Projects Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Constructions Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Projects Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Real Estates Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Builders Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Homes Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

Name of the related party and nature of relationship	Nature of transaction	Duration of transaction	Salient terms of the transaction including the value, if any	Amount paid as advances, if any
Sunwhite Housing Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Consultants Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
Sunwhite Properties Limited, Subsidiaries	Investment in 100% Wholly Owned Subsidiary	One time	Nil	Nil
SNCL Iron & Steel Limited, Subsidiary	Sale of Investment	N.A.	49,00,000	Nil
SNCL Marketing Limited, Subsidiary	Sale of Investment	N.A.	9,20,000	Nil
SNCL Real Estates Limited, Subsidiary	Sale of Investment	N.A.	41,40,000	Nil
SNCL Projects Limited, Subsidiarie	Advance to Subsidiary	N.A.	Advance-Opening Balance Rs. 15,10,000.Received during the year Rs. 9,00,000	Rs. 15,10,000
Sunwhite Builders Limited, Subsidiaries	Advance to Subsidiary	N.A.	Advance-Opening Balance Rs. 10,00,000.Received during the year Rs. 9,00,000	Rs. 10,00,000
Sunwhite Projects Limited, Subsidiaries	Advance to Subsidiary	N.A.	Advance-Opening Balance Rs. 10,10,000.Received during the year Rs. 9,00,000	Rs. 10,10,000

Note:- Appropriate approvals have been taken for Related Party Transactions. All the transactions referred above are in the ordinary course of business and on an arm's length basis.

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

Place : Kolkata  
dated : 30.05.2016

**Arun Kumar Khemka  
Chairman  
DIN - 00428276**

# SHREE NIDHI TRADING CO. LTD.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

NBFCs are emerging as an alternative to mainstream banking. Besides, they are also emerging as an integral part of Indian Financial System and have commendable contributions towards Government's agenda of financial inclusion. They have been to some extent successful in filling the gap in offering credit to retail customers in underserved and unbanked areas.

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.

NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realise their full potential and thereby perform their duties with greater efficiency. Regulation of NBFC sector over a last decade and a half has been incremental.

### **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, 2016 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. Non-Banking Finance Companies (NBFCs) continue to play a critical role in making financial Services accessible to a wider set of India's population and are emerging as strong intermediaries in the retail finance space.

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. Ever-increasing competition from commercial counterparts whose capacity to absorb losses is higher, counter-party failures, recommendations being made to increase the purview of monitoring by regulatory authorities increase the threat of losing the essence of Non-banking Finance Companies which are specifically designed to reach out and finance certain target groups.

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 sound financial System is essential for country's overall economic growth. 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. NBFCs have proven their mettle in many other specialized financial services such as factoring, lease finance, venture capital finance, financing road transport and also in the business of securities-based lending such as Loan against Shares, Margin Funding, IPO Financing, Promoter Funding etc.

The Company will strengthen its position in current business and will try to grab new opportunities beneficial for

# SHREE NIDHI TRADING CO. LTD.

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

Company's Internal Control System has been designed to provide for:

1. Accurate recording of transactions with internal checks and prompt reporting;
2. Adherence to applicable Accounting Standards and Policies;
3. Compliance with applicable statutes, policies and procedures, guidelines and authorisations;
4. Effective use of resources and safeguarding of assets.

The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee every quarter for its review and concerns, if any, are reported to the Board. This has improved the management of the affairs of the Company and strengthened transparency and accountability.

## 6. Review of Operational and Financial Performance

The Company concluded yet another year of substantial growth in its core business. The Company is showing substantial growth in disbursement of loan 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. 44,18,964/- as against Rs. 5,67,24,730/- . The Profit After Tax on a standalone basis as per the audited financial result amounted to Rs.3,65,147 /- as against Rs. 6,47,424 /- 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

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers rewards and recognition based on merit.

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. 11 no. of employees were there on roll at the end of the financial year under review.

## 9. Cautionary Statement

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leaders.

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. 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.

The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.





**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

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 **March 31, 2016** as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange for the period from April 1, 2015 to November 30, 2015 and as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period from December 01, 2015 to March 31, 2016.

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 above. 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 the above mentioned Listing Agreement/Listing Regulations.

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 30th day of May, 2016

# SHREE NIDHI TRADING CO. LTD.

## CORPORATE GOVERNANCE REPORT

### A. 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 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") corporate governance report is not applicable to the company. However, on a voluntary basis the Company has complied with the provisions of Clause 49 of the Listing Agreements and Listing Regulation to the extent feasible for the Company.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the stock exchanges and regulations contained in SEBI Listing Regulations, as applicable, with regard to corporate governance.

Your Company protects and facilitates the exercise of shareholders rights, provides adequate and timely information, opportunity to participate effectively and vote in general shareholder meetings and ensure equitable treatment to all the shareholders.

Your Company recognises the rights of all the stakeholders and encourages co-operation between the Company and the stakeholders to enable your participation in the Corporate Governance process.

### B. BOARD OF DIRECTORS

1. The Company's Board of Directors as on 31<sup>st</sup> March, 2016 comprises of One Executive Director and Five Non Executives Directors including the Chairman.
2. Eight Meetings of the Board of Directors were held during the financial year 2015-2016 i.e. on 30/04/2015, 14/05/2015, 28/05/2015, 19/06/2015, 13/08/2015, 14/11/2015, 08/02/2016 and 30/03/2016.
3. As is evident, the maximum time gap between any two Board Meetings was not more than 120 days.
4. The Companies Act, 2013 (hereinafter 'Act') read with relevant Rules made there under, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio mode. However none of the Directors have availed such a facility.
5. 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 of Directors	No. of Board Meetings attended	No. of other Directorship		No. of other Committee(s) Membership/Chairpersonship		No. of Equity Shares held as on March 31, 2016
			Public	Private	Membership	Chairpersonship	
Mr. Tanumay Laha	Executive-Non Independent- Managing Director	8	5	12	0	0	-
Mr. Arun Kumar Khemka	Chairperson-Non-Executive - Independent	8	9	10	2	0	-
Mr. Rajesh Kurmi	Non-Executive-Independent	8	5	11	0	0	-

# SHREE NIDHI TRADING CO. LTD.

Name of Director	Category of Directors	No. of Board Meetings attended	No. of other Directorship		No. of other Committee(s) Membership/Chairpersonship		No. of Equity Shares held as on March 31, 2016
			Public	Private	Membership	Chairpersonship	
Mr. Amalesh Sadhu*	Non-Executive-Independent	3	0	0	0	0	-
Mr. Shibashis Mukherjee	Non-Executive-Independent	8	0	1	0	0	-
Mr. Rakesh Kr. Agarwal	Non-Executive - Independent-	8	0	1	2	0	-
Mrs. Jyoti Lohia	Non-Executive - Independent-Woman Director	8	1	-	2	1	-

\*Mr. Amalesh Sadhu (DIN-07113757) was resigned from the directorship w.e.f. 11th June, 2015.

6. 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.
7. Mr. Arun Kumar Khemka (DIN-00428276), Non-Executive Independent Director is the Chairman of the Board.
8. Mr. Raj Kishor Chourasia is the Company Secretary of the Company as well as of the Committees w.e.f. July 1, 2015.
9. All the directors of the Company attended the last Annual General Meeting held on September 29, 2015.
10. The web link where details of familiarisation programmes imparted to Independent directors as disclosed in the website of the Company is: [www.shreenidhitrading.com/familiarisation-program-for-independent-directors.html](http://www.shreenidhitrading.com/familiarisation-program-for-independent-directors.html).

## 11. Independent Directors' Meeting

The Independent Directors have confirmed that they meet the criteria of 'Independence' as prescribed under the Act and the Listing Agreement/Listing Regulations.

One exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and sub-regulation 3 of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(hereinafter referred to as "the Listing Regulations") was held on 30/03/2016, 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.

## 12. Annual Performance Evaluation of Committees and Individual Directors

# SHREE NIDHI TRADING CO. LTD.

Pursuant to the provisions Section 134 of the Companies Act, 2013 and as prescribed under Listing Agreement/Listing Regulations, 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.

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

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

## 13. 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 1st 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 [www.shreenidhitrading.com/familiarisation-program-for-independent-directors.html](http://www.shreenidhitrading.com/familiarisation-program-for-independent-directors.html)

## 14. 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).

## C. AUDIT COMMITTEE

### 1. Composition

The Audit Committee of the Company comprises of four non-executive independent directors as on March 31, 2016. The Committee is chaired by a non-executive Independent Director, Mr. Arun Kumar Khemka.

The Committee met 5 (Five) times during the year i.e. on 30/04/2015, 28/05/2015, 13/08/2015, 14/11/2015, and 08/02/2016. The composition of the Committee and the attendances of the members at the Committee meetings held during the financial year 2015-16 are as follows:

# SHREE NIDHI TRADING CO. LTD.

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

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

Mr. Raj Kishor Chourasia, Company Secretary is the secretary of the committee.

## 2. Terms of Reference

The terms of reference of the Committee is in accordance with provision of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 18 of the Listing Regulations as mandated by the Stock Exchanges and the Reserve Bank of India Non-Banking Financial Companies Guidelines.

## D. NOMINATION AND REMUNERATION COMMITTEE

### 1. Composition of the Committee

The Nomination and Remuneration Committee of the Company comprises of three non-executive independent directors as on March 31, 2016. The Committee is Chaired by a non-executive Independent Director, Mr. Rajesh Kurmi.

The Committee met 3 (Three) times during the year i.e. on, 28/05/2015, 19/06/2015 and 04/07/2015. The composition of the Committee and the attendances of the members at the Committee meetings held during the financial year 2015-16 are as follows:

The Nomination and Remuneration Committee comprises of:

Sl. No.	Name	Status	No. of Meetings
1	Mr. Rajesh Kurmi	Non-Executive Independent Director - Chairperson of the committee	3
2	Mr. Shibashis Mukherjee	Non-Executive Independent Director	3
3	Mrs. Jyoti Lohia	Non-Executive Independent Woman Director	3

### 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.

The brief description of the terms of reference of the Committee is given below:

- Formulate Remuneration Policy and a policy on Board Diversity.
- Formulate criteria for evaluation of Directors and the Board.
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary,

# SHREE NIDHI TRADING CO. LTD.

benefits, bonuses, stock options, pension etc:

### 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. 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.

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. Further, The Nomination and Remuneration Policy is reproduced in Directors' Report as **Annexure-3**.

### 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. 2015-16 is given below:

# SHREE NIDHI TRADING CO. LTD.

Name	Designation	Salary	Perquisite & Allowances	Sitting Fees	Total
Mr. Tanumay Laha	Managing Director	96,000/-	0.00	0.00	96,000/-
Mr. Raj Kishor Chourasia*	Company Secretary	1,12,500/-	0.00	0.00	1,12,500/-
Mr. Avik Gupta**	CFO	75,000/-	0.00	0.00	75,000/-

\*Mr. Raj Kishor Chourasia appointed as Company Secretary w.e.f. July 1, 2015.

\*\*Mr. Avik Gupta appointed as CFO w.e.f. May 28, 2015

## E. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders' Relationship Committee pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act

The Committee comprises of three Non-Executive 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 composition of the committee members is as under:-

Sl. No.	Name	Status
1	Mr. Arun Kumar Khemka	Non Executive - Independent Director Chairperson of the committee
2	Mr. Shibashis Mukherjee	Non Executive - Independent Director
3	Mr. Rajesh Kurmi	Non Executive - Independent Director

Mr. Raj Kishor Chourasia, Company Secretary is the Secretary to the Committee and the Compliance Officer during the year under review.

During the year, one meeting of the Stakeholders' Relationship Committee was held on 04/07/2015.

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

## F. 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. The Committee will appraise the Board of the most significant risks along with the status of action taken by the Management for mitigating such risks.

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

The details are as follows:

# SHREE NIDHI TRADING CO. LTD.

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

## G. SUBSIDIARY COMPANIES MONITORING FRAMEWORK

The Company have fourteen subsidiaries and none of the subsidiaries is a "material non-listed Indian Subsidiary". All subsidiaries companies are managed by their respective Board of Directors in the best interest of their stake holders.

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 subsidiaries 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 the Listing Agreement / Listing Regulations, 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.

## H. 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 aforesaid Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 and the Code was effective till 14th May, 2015 & thereafter repealed with the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information", made effective from 15th May, 2015. The Code has been hosted on the Company's website under the web link [www.shreenidhitrading.com/code-of-conduct.html](http://www.shreenidhitrading.com/code-of-conduct.html).

## I. 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	9 years of experience in the field of Finance, marketing & Management	21.03.2014	Nil	Higher Secondary



# SHREE NIDHI TRADING CO. LTD.

## J. RELATED PARTY TRANSACTION

There were no materially significant transactions with the related parties, during the year, which were in conflict with the interests of the Company and that require an approval of the Company in terms of the Listing Agreements/SEBI Listing Regulations. During the reported financial year, the Company entered into transactions with Related Parties defined under the Companies Act, 2013 and Listing Agreements/SEBI Listing Regulations and 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. The policy in relation to Related Party Transaction is disclosed in Company's website under the web link [www.shreenidhitrading.com/subsidiary&related-party-transaction-policy.html](http://www.shreenidhitrading.com/subsidiary&related-party-transaction-policy.html).

## K. GENERAL BODY MEETINGS:

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

Financial Year	Date of AGM	Venue	Time
2014-2015	29-09-2015	7, Lyons range, 3 <sup>rd</sup> Floor, R.No. 9 & 10, Kolkata- 700 001	02.00 P.M.
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.

### 2. 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.

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

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

### 4. 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.

## L. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS

### 1. The Board & Separate posts of Chairman and CEO:

The Board of Directors is Chaired by Mr. Arun Kumar Khemka (DIN- 00428276), a Non-executive Independent Director and Mr. Tanumay Laha (DIN- 01731277) is Managing Director of the Company. Further, the Company does not have a Chief Executive Officer.

### 2. Audit Qualifications :

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

### 3. Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

### 4. Shareholders' rights:

The quarterly results and half yearly results are uploaded on the website of the Company i.e. [www.shreenidhitrading.com](http://www.shreenidhitrading.com) and also publishes the results in widely circulated newspapers. The Company also publishes the voting results of shareholder meetings and makes it available on its website [www.shreenidhitrading.com](http://www.shreenidhitrading.com), and reports the same to Stock Exchange in terms of regulation 44 of the Listing Regulations.

### 5. Other Disclosures:

a. There are no materially significant transactions with its promoters, the directors or the management, their

# SHREE NIDHI TRADING CO. LTD.

subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large were held during the year.

- b. 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.
- c. 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 employee was denied access to the Audit Committee. No personnel have been denied access to the Audit Committee.

- d. 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. F** of this Report. Company has also formulated Risk Management Policy and the same is disclosed on the website of the Company.
- e. The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, the Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

## M. 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.

## N. MEANS OF COMMUNICATIONS

Quarterly unaudited financial results and annual financial result of the Company were published in accordance the Listing Agreement/Listing Regulations with stock exchange in the Business Standard (English Daily) and Sukhabar (Bengali Daily) and the aforesaid results are also available 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.

## O. GENERAL SHAREHOLDERS INFORMATION

- **Annual General Meeting:**
- **Date : 30<sup>th</sup> September, 2016**
- **Time : 4.00 P.M.**
- **Venue : 7, Lyons Range, 3rd Floor, Room No. 9 & 10, Kolkata- 700 001.**

# SHREE NIDHI TRADING CO. LTD.

• **Financial Calendar : (Tentative)**

Financial Year – 1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017	Relevant Dates
Board Meeting for consideration of accounts	30 <sup>th</sup> May, 2016
Book closure dates	24 <sup>th</sup> September, 2016 to 30 <sup>th</sup> September 2016
Unaudited results for the quarter ended on June 30 2016	On or before 14 <sup>th</sup> August, 2016
Unaudited results for the quarter ended on September 30, 2016	On or before 14 <sup>th</sup> November, 2016
Unaudited results for the quarter ended on December 31, 2016	On or before 14 <sup>th</sup> February, 2017
Unaudited results for the quarter ended on March 31, 2017	On or before 30 <sup>th</sup> May, 2017

• Listing on Stock Exchange at :

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

- The Company has not paid the listing fee to The Calcutta Stock Exchange Ltd. for the year 2016-2017.

Stock Market Price for the Financial Year 2015 - 2016 :

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2015	Not Traded	Not Traded	Not Traded
May, 2015	Not Traded	Not Traded	Not Traded
June, 2015	Not Traded	Not Traded	Not Traded
July, 2015	Not Traded	Not Traded	Not Traded
August, 2015	Not Traded	Not Traded	Not Traded
September, 2015	Not Traded	Not Traded	Not Traded
October, 2015	Not Traded	Not Traded	Not Traded
November, 2015	Not Traded	Not Traded	Not Traded
December, 2015	Not Traded	Not Traded	Not Traded
January, 2016	Not Traded	Not Traded	Not Traded
February, 2016	Not Traded	Not Traded	Not Traded
March, 2016	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. No physical shares were transferred during the year ended 31<sup>st</sup> March, 2016.

# 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, 5th 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 31.03.2016.

- **Distribution of shareholding & shareholding pattern:**

**Distribution of shareholding as on 31/03/2016**

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	74	11.75	18,706	0.24
501-1000	61	9.68	49,400	0.64
1001-5000	279	44.29	7,33,673	9.41
5001-10000	94	14.92	7,01,973	9.01
10001 -50000	86	13.65	18,52,796	23.77
50001-100000	17	2.70	12,82,411	16.45
100001 and above	19	3.01	31,54,741	40.48
<b>Total</b>	<b>630</b>	<b>100.00</b>	<b>77,93,700</b>	<b>100.00</b>

- **Shareholding Pattern as on 31/03/2016**

Sl. No.	Category	No. of shares 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	Others – Trust & Clearing Member	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
- **Address for any kind of assistance/clarification :**  
Mr. Raj Kishor Chourasia, Company Secretary cum 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)

## **P. DECLARATION**

This is to confirm that for the financial year ended March 31, 2016 all members of the Board and the Senior Management Personnel have affirmed in writing their adherence to the Code of Conduct adopted by the Company.

Place : Kolkata

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

Dated : 30<sup>th</sup> May, 2016

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

# SHREE NIDHI TRADING CO. LTD.

## CEO & CFO COMPLIANCE CERTIFICATE

**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 Compliance Certificate on Financial Statements for the year ended on 31<sup>st</sup> March, 2016**

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 financial year ended on 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ending on 31<sup>st</sup> March, 2016 which are fraudulent, illegal or violative of the listed entity'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 listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware 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 a significant role in the listed entity's internal control system over financial reporting.

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

**Avik Gupta**  
**CFO**

Place : Kolkata  
Date : 30.05.2016

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

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

This is to confirm that the Company has adopted Code of Conduct for its Members of the Board of 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, 2016, received from its Members of the Board of Directors and Senior Management Employees 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, 2016.

Place : Kolkata  
Date : 30.05.2016

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



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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of**

**SHREE NIDHI TRADING CO. LIMITED**

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **SHREE NIDHI TRADING CO. LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss, 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**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 the disclosures in the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 2016, and its Profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. 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 the 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 (as amended).
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and our report expresses an unmodified opinion on the internal financial controls over financial reporting of the Company.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has no pending litigations which would impact on its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company at the end of the year.
2. As required by the companies (Auditor's Report) Order 2016 ("The Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3 and 4 of the Order , to the extent applicable.

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

Place : 454, Dum Dum Park, Kolkata-55  
Date : The 30<sup>th</sup> day of May, 2016

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



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Annexure - A to the Auditors' Report

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report on even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SHREE NIDHI TRADING CO. LIMITED** ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation



of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR PACHISIA & ASSOCIATES**

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

(Chartered Accountants)

Place : 454, Dum Dum Park, Kolkata-55

Date : The 30th day of May, 2016

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)



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**Annexure - B to the Auditors' Report**

**The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2016, we report that:**

- (i) The Company has no fixed assets so question of proper records showing full particulars including the quantitative details and physical verification of fixed Assets does not arise.
- (ii) The Company did not carry any inventory during the year and as such question of physical verification comments on reasonableness of procedure adopted for the same or maintenance of any records for such inventory or discrepancy on such physical verification therein do not arise at all
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly paragraph 3 (iii) (a) and (b) of the order is not applicable.
- (iv) With respect to loans, investments, guarantees and securities, provisions of Sec. 185 & 186 of Companies Act, 2013 is not applicable to Company, except the Company has provided collateral security in the form of preference shares having value of Rs. 4,00,00,000/- on behalf of other body corporate for availing of loan facility of Rs. 53,00,00,000/- from the financial institutions.
- (v) The Company has not accepted deposits from the public within the meaning of Section 73 or any other relevant provisions of the Companies Act, 2013. Accordingly, paragraph 3 (v) of the order is not applicable.
- (vi) It has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Act.
- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales-tax/ Value Added Tax, Service tax, Customs duty, Excise Duty, Cess and other applicable statutory dues with the appropriate authorities. No undisputed amounts payable in respect of aforesaid dues are there at the year end for a period of more than six months from the date they became payable.  
(b) According to the records of the Company and the information and explanation given to us, there are no dues in respect of Income tax, Wealth Tax, Sales Tax, Excise duty, custom duty & cess that were not been deposited with the appropriate authorities on account of any dispute
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act



## PACHISIA & ASSOCIATES

(Chartered Accountants)

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where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is a Non-Banking Financial Institution without accepting Public Deposits registered under section 45 IA of the Reserve Bank of India Act, 1934 having valid Certificate of Registration.

### **FOR PACHISIA & ASSOCIATES**

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

(Chartered Accountants)

Place : 454, Dum Dum Park, Kolkata-55

Date : The 30<sup>th</sup> day of May, 2016

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

	Particulars	Note No.	As At 31 <sup>st</sup> March 2016	As At 31 <sup>st</sup> March 2015
A	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<b>Shareholder's Funds</b>			
	Share Capital	2	77,937,000	77,937,000
	Reserves and Surplus	3	27,893,300	27,528,153
2	<b>Current Liabilities</b>			
	Long-term provisions	4	115,465	127,156
	Trade payables	5	45,138,352	46,600,352
	Other current liabilities	6	281,501	591,155
	<b>TOTAL</b>		<b>151,365,618</b>	<b>152,783,816</b>
B	<b><u>ASSETS</u></b>			
1	<b>Non-current assets</b>			
	Non-current investments	7	60,485,000	44,230,595
2	<b>Current assets</b>			
	Trade receivables	8	36,355,269	45,345,639
	Cash and cash equivalents	9	567,857	5,888,367
	Short-term loans and advances	10	53,955,492	57,317,215
	Other current assets	11	2,000	2,000
	<b>TOTAL</b>		<b>151,365,618</b>	<b>152,783,816</b>
	<b>Refer accompanying notes forming part of the financial statements</b>	1-19		

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 30<sup>th</sup> day of May, 2016

For and on behalf of the Board of Directors

**Tanumay Laha**  
Managing Director  
DIN: 01731277

**Rajesh Kurmi**  
Director  
DIN: 01714280

**Raj Kishor Chourasia**  
Company Secretary

**Avik Gupta**  
CFO

# SHREE NIDHI TRADING CO. LTD.

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

	Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
1	Revenue from operations Other Income	12 13	4,235,214 183,750	56,660,919 63,811
2	<b>Total Revenue</b>		<b>4,418,964</b>	<b>56,724,730</b>
3	<b>Expenses:</b>			
	Purchases of trading goods	14	0	51,968,308
	Employee benefits expenses	15	840,638	1,260,298
	Depreciation and amortisation expenses	16	0	99
	Other expenses	17	3,078,440	2,515,620
	<b>Total Expenses</b>		<b>3,919,078</b>	<b>55,744,325</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax (2 -3)</b>		<b>499,886</b>	<b>980,405</b>
5	Exceptional Items		0	0
6	<b>Profit / (Loss) before extraordinary items and tax (4 ± 5)</b>		<b>499,886</b>	<b>980,405</b>
7	<b>Extraordinary Items</b>			
	Profit on Sale of Fixed Assets		0	497
8	<b>Profit / (Loss) before tax (6 ± 7)</b>		<b>499,886</b>	<b>980,902</b>
9	<b>Tax expense:</b>			
	(1) Current tax		156,000	305,000
	(2) Deferred Tax		0	(635)
	(3) Contingent Provision for Standard Assets Written Back		(11,691)	13,302
	(4) Current tax expense relating to prior years		(9,570)	15,811
10	<b>Profit / (Loss) for the year (8 ± 9)</b>		<b>365,147</b>	<b>647,424</b>
11	<b>Earning per equity share:</b>			
	(1) Basic		0.05	0.08
	(2) Diluted		0.05	0.08
	<b>Refer accompanying notes forming part of the financial statements</b>	1-19		

In terms of our report attached

For and on behalf of the Board of Directors

### 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 30<sup>th</sup> day of May, 2016

**Tanumay Laha**  
Managing Director  
DIN: 01731277

**Rajesh Kurmi**  
Director  
DIN: 01714280

**Raj Kishor Chourasia**  
Company Secretary

**Avik Gupta**  
CFO

# SHREE NIDHI TRADING CO. LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
I.	<u>Cash flow from Operating Activities</u>		
	Net Profit / (Loss) before extraordinary items and tax	499,886	980,405
	Less: Profit on sale of Investments credited to other Income	(110,280)	(2,850)
	<u>Add: Adjustments for:</u>		
	Depreciation	0	99
	Cash flow before working capital changes	389,606	977,924
	<u>Adjustment for Working capital Changes:</u>		
	Trade receivables	8,990,370	(44,660,831)
	Short-term loans and advances	2,981,042	(6,755,413)
	Other current assets	0	80
	Trade payables	(1,462,000)	36,285,804
	Other current liabilities	(309,654)	542,355
	Cash flow from operating activities before taxes paid	10,589,364	(13,610,080)
	Less: Taxes Paid	(410,989)	(366,062)
	Add: Income Tax refund	645,240	0
	Cash flow from Operating Activities	10,823,615	(13,976,142)
II.	<u>Cash flow from Investing Activities</u>		
	Purchase of Investment	(31,445,000)	(4,200,000)
	Proceeds from sale of Fixed Assets	0	3,200
	Proceeds from sale of Investment	15,300,875	23,560,000
	Cash flow from Investing Activities	(16,144,125)	19,363,200
	Net Increase / (Decrease) in Cash flow (I + II + III)	(5,320,510)	5,387,058
	Opening Cash / Cash Equivalents	5,888,367	501,309
	Closing Cash / Cash Equivalents	567,857	5,888,367
	Refer accompanying notes forming part of the financial statements	1-19	1-19

In terms of our report attached

For and on behalf of the Board of Directors

**FOR PACHISIA & ASSOCIATES**

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

**(Satya Prakash Pachisia)**

(Proprietor)  
(M. No.055040)

Place : 454, Dum Dum Park  
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Company Secretary

**Avik Gupta**  
CFO



# SHREE NIDHI TRADING CO. LTD.

## NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2016

### NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES

- (a) **Basis of Preparation:** - The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the standards notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014 and along with guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on an accrual basis under historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
- (b) **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.
- (c) **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.
- (d) **Investments:** - Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses.
- (e) **Inventories:** - Trading Goods are valued at cost.
- (f) **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.
- (g) **Foreign currency translation:** - No Foreign Currency Transactions has been made by the Company in the Financial Year 2015-16
- (h) **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. ≡

- (i) **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.
- (j) **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.
- (k) **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.
- (l) **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 an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

- (m) **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.
- (n) Balance in respect of Trade Payable, Trade Receivable and Loans & Advances are subject to confirmation.
- (o) **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.
- (p) **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.
- (q) **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.
- (r) **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.
- (s) Previous year's figures have been regrouped/rearranged whenever considered necessary to conform to current year's grouping and classification.

# SHREE NIDHI TRADING CO. LTD.

## NOTES TO BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

	As At 31st March, 2016	As At 31st March, 2015
<b>NOTE NO. 2 Share Capital</b>		
<u>Authorised-</u> 80,00,000 Equity Shares of Rs 10/- each	<u>80,000,000</u>	<u>80,000,000</u>
<u>Issued, Subscribed &amp; Paid-Up</u> 77,93,700 Equity Shares of Rs. 10/- each Fully paid up in cash.	<u>77,937,000</u>	<u>77,937,000</u>
	<u><b>77,937,000</b></u>	<u><b>77,937,000</b></u>

### 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 31.03.2016		As On 31.03.2015	
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/ Prefrence 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.

### NOTE NO. 3 Reserves and Surplus

	As At 31st March, 2016	As At 31st March, 2015
<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>26,054,467</u>	<u>26,054,467</u>
Closing balance	<u>26,054,467</u>	<u>26,054,467</u>
<u>Statutory reserve</u>		

# SHREE NIDHI TRADING CO. LTD.

	As At 31st March, 2016	As At 31st March, 2015
Opening balance	253,280	118,100
Add: Transferred from surplus in Statement of Profit and Loss	73,029	135,180
Closing balance	<u>326,039</u>	<u>253,280</u>
Surplus / (Deficit) in Statement of Profit and Loss		
Balance brought forward from previous year	1,210,406	698,162
Add: Transfer from Statement of Profit and Loss for the year	365,147	647,427
Less: Transferred to Statutory reserve	(73,029)	(135,180)
Closing balance	<u>1,502,524</u>	<u>1,210,406</u>
Total	<u>27,839,300</u>	<u>27,528,153</u>

#### NOTE NO. 4 Long-term provisions

For Contingent Provision Against Standard Asset

115,465	127,156
<u>115,465</u>	<u>127,156</u>

#### NOTE NO. 5 Trade payables

Other than Acceptances

45,138,352	46,600,352
<u>45,138,352</u>	<u>46,600,352</u>

#### NOTE NO. 6 Other current liabilities

Other Payables

Statutory remittances - Tax Deducted at source

Others

200,000	0
81,501	591,155
<u>281,501</u>	<u>591,155</u>

#### NOTE NO. 7 Non-current investments

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

##### Equity Shares of Rs 10/- each

	No. of Shares		No. of Shares	
Mawana Sugar Mills Ltd.	0	0	100	17,720
Modipon Ltd.	0	0	50	3,250
State Bank of India	0	0	50	5,000

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

##### Equity Shares of Rs 10/- each

Anurodh Infrastructure Pvt. Ltd.	13,48,500	1,34,85,000	0	0
OPG Industries Ltd	0	0	12,500	10,00,000
B. L Impex	0	0	30,000	12,00,000
Textool Ltd.	0	0	50	2,250

##### 100% Subsidiary Companies

SNCL Iron & Steel Ltd.	50,000	5,00,000	50,000	5,00,000
SNCL Marketing Ltd.	50,000	5,00,000	50,000	5,00,000

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

	No. of Shares		No. of Shares	
SNCL Paper Trading Ltd.	50,000	5,00,000	50,000	5,00,000
SNCL Projects Ltd.	50,000	5,00,000	0	0
SNCL Properties Ltd.	50,000	5,00,000	0	0
SNCL Real Estate Ltd.	50,000	5,00,000	50,000	5,00,000
Sunwhite Builders Ltd.	50,000	5,00,000	0	0
Sunwhite Constructions Ltd.	50,000	5,00,000	0	0
Sunwhite Consultants Ltd.	50,000	5,00,000	0	0
Sunwhite Home Ltd.	50,000	5,00,000	0	0
Sunwhite Housing Ltd.	50,000	5,00,000	0	0
Sunwhite Projects Ltd.	50,000	5,00,000	0	0
Sunwhite Properties Ltd.	50,000	5,00,000	0	0
Sunwhite Real Estate Ltd.	50,000	5,00,000	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.	0	0	25	2,375
		<u>6,04,85,000</u>		<u>4,42,30,595</u>
		As At		As At
		31 <sup>st</sup> March, 2016		31 <sup>st</sup> March, 2015
<b>NOTE NO. 8 Trade receivables</b>				
<u>Unsecured, considered good</u>				
Outstanding for more than six months (including Rs.800000.00 due to a subsidiary)		26,395,269		34,215,047
Other debts		9,960,000		11,130,592
		<u>36,355,269</u>		<u>45,345,639</u>
<b>NOTE NO. 9 Cash and cash equivalents</b>				
Cash on Hand (As certified )		406,632		1,091,666
Balances with banks In current accounts		161,224		4,796,701
		<u>567,857</u>		<u>5,888,367</u>
<b>NOTE NO.10 Short-term Loans and Advances</b>				
<u>Unsecured, considered good</u>				
Loans- Others		46,186,001		49,362,343
Advances		1,500,000		1,615,335
Advances- Subsidiaries		820,000		349,700
Margin Money		5,140,335		5,300,000
<u>Balances with government authorities</u>				
Income Tax Refundable		309,156		689,837
		<u>53,955,492</u>		<u>57,317,215</u>
<b>NOTE NO. 11 Other current assets</b>				
Security deposits		2,000		2,000
		<u>2,000</u>		<u>2,000</u>

# SHREE NIDHI TRADING CO. LTD.

## NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AS AT 31<sup>ST</sup> MARCH, 2016

	As At 31st March, 2016	As At 31st March, 2015
<b>NOTE NO. 12 Revenue from operations</b>		
Sale of products-Textiles	0	52,685,529
<u>Interest income</u>		
Interest	4,235,214	3,975,390
(T.D.S. Rs. 410989/- P.Y.Rs.359167/-)	<u>4,235,214</u>	<u>56,660,919</u>
<b>NOTE NO. 13 Other Income</b>		
Liabilities no longer required Written back	0	61,231
Profit on sale of Investments	110,280	2,580
Interest on Income Tax refund	73,470	0
	<u>183,750</u>	<u>63,811</u>
<b>NOTE NO. 14 Purchases of trading goods</b>		
Traded good	0	51,968,308
	<u>0</u>	<u>51,968,308</u>
<b>NOTE NO. 15 Employee benefits expenses</b>		
Salary Bonus & Other Allowance	783,500	1,199,530
Staff Welfare Expenses	57,138	60,768
	<u>840,638</u>	<u>1,260,298</u>
(Salary includes Directors' Remuneration Rs. 96000/- P.Y. Rs. 96000/-)		
<b>NOTE NO. 16 Depreciation and amortisation expenses</b>		
Depreciation on Tangible Assets	0	99
	<u>0</u>	<u>99</u>
<b>NOTE NO. 17 Other expenses</b>		
Rates & Taxes	0	35,758
Rent	1,08,000	1,08,000
Conveyance	1,50,578	90,965
Printing & Stationery	49,481	31,607
Carriage Inward	0	1,70,785
Accounting Charges	0	1,08,000
General Expenses	1,00,779	62,586
Postage & Telegram	58,317	58,299
Telephone Charges	54,387	60,874
Legal & Consultancy Charges	15,000	0
Filing Fees	37,200	11,000
Packing Charges	0	2,42,750
Repair & Maintenance-Other Assets	0	51,782
Advertisement & Business promotion expenses	9,526	11,468
Listing Fees	23,75,340	5,82,784
Depository Charges	51,526	33,756
Bank Charges & Commissions	1,196	3,122
Derivative Loss on Share Transactions (Net)	0	8,01,440
Software Maintenance Charges	19,894	8,990
Sundry Balance Adjusted (Net)	0	80
Registrar & Transfer Agent Expenses	13,646	13,484
Auditors' Remuneration		
For Statutory Audit	22,900	22,472
For Tax Audit Fees	5,725	5,618
For Other Services	4,945	-
	<u>33,570</u>	<u>8,090</u>
	<u>30,78,440</u>	<u>25,15,620</u>

# SHREE NIDHI TRADING CO. LTD.

## NOTE NO. 18 RELATED PARTY DISCLOSURES

Names of related parties and related parties relationship

Related parties where control exists

Tanumay Laha Raj Kishor Chourasia Avik Gupta	Key Management Personnel Company Secretary CFO
SNCL Paper Trading Limited SNCL Iron and Steel Limited SNCL Marketing Limited SNCL Real Estate Limited SNCL Projects Ltd. SNCL Properties Ltd. Sunwhite Builders Ltd. Sunwhite Constructions Ltd. Sunwhite Consultants Ltd. Sunwhite Home Ltd. Sunwhite Housing Ltd. Sunwhite Projects Ltd. Sunwhite Properties Ltd. Sunwhite Real Estate Ltd.	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, 2016	Year Ended 31st March, 2016	Year Ended 31st March, 2016	Year Ended 31st March, 2015	Year Ended 31st March, 2015
(a) Remuneration to :-					
Key Management Personnel					
Tanumay Laha			96,000		96,000
Raj Kishor Chourasia			1,12,500		0
Avik Gupta			75,000		0
Sale of Investment					
SNCL Paper Trading Limited			0		8,00,000
SNCL Iron & Steel Ltd.			49,00,000		0
SNCL Marketing Ltd.			9,20,000		0
SNCL Real Estate Ltd.			41,40,000		0
Short-term - Advance					
		Advance to Subsidiaries			
	given	received back	balance		
SNCL Projects Ltd.	15,10,000	9,00,000	6,10,000		0
Sunwhite Builders Ltd	10,00,000	9,00,000	1,00,000		0
Sunwhite Projects Ltd.	10,10,000	9,00,000	1,10,000		0
Investment in 100%subsidiary companies					
SNCL Iron and Steel Limited	0	0		0	0

# SHREE NIDHI TRADING CO. LTD.

	Year Ended 31st March, 2016	Year Ended 31st March, 2016	Year Ended 31st March, 2016	Year Ended 31st March, 2015	Year Ended 31st March, 2015
SNCL Marketing Limited	0	0		0	0
SNCL Real Estate Limited	0	0		0	0
SNCL Paper Trading Limited	0	0		0	0
SNCL Projects Ltd.	50,000	5,00,000		0	0
SNCL Properties Ltd.	50,000	5,00,000		0	0
SNCL Real Estate Ltd.	0	0		0	0
Sunwhite Builders Ltd.	50,000	5,00,000		0	0
Sunwhite Constructions Ltd.	50,000	5,00,000		0	0
Sunwhite Consultants Ltd.	50,000	5,00,000		0	0
Sunwhite Home Ltd.	50,000	5,00,000		0	0
Sunwhite Housing Ltd.	50,000	5,00,000		0	0
Sunwhite Projects Ltd.	50,000	5,00,000		0	0
Sunwhite Properties Ltd.	50,000	5,00,000		0	0
Sunwhite Real Estate Ltd.	50,000	5,00,000		0	0
			<b>As At</b>		<b>As At</b>
			<b>31st March, 2016</b>		<b>31st March, 2015</b>

## NOTE NO. 19 Contingent Liabilities

Guarantees to Financial Institutions against credit Facility extended to third party

**53,00,00,000**

53,00,00,000

It was informed by the management that they have received letter from bank regarding discharge of Guarantees to Financial Institution. However requisite form has not been filed with the ROC.



# ≡ SHREE NIDHI TRADING CO. LTD. ≡

[As required in terms of Para 13 of Non Systematically Important Non - Banking Financial (Non Deposit Accepting or Holding) Companies, Prudential Norms (Reserve Bank), Directions, 2015]

(Amount in Rs.)

	Particulars	Amount Outsatnding	Amount Overdue
<b>Liabilities Side :</b>			
(1)	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid		
	(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 Outsatnding</b>	
<b>Assets Side :</b>			
(2)	Break up of Loans and Advances including bills receivables [other than those included in (4) below]		
	(a) Secured	-	
	(b) Unsecured	53,955,492	
(3)	Break up of Leased Assets and Stock on Hire and other assets counting towards AFC activities		
	(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 Outsatnding		
(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)	-	-	-
		2,04,85,000	40,000,000	-
(5)	<b>Borrower group wise classification of assets financed as in (2) and (3) above :</b>			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties**			
	(a) Subsidiaries	-	5,140,335	5,140,335
	(b) Companies in the same group	-	-	-
	(c) Other related Parties	-	-	-
2	Other than related parties	-	4,88,15,157	4,88,15,157
	Total	-	5,39,55,492	5,39,55,492

# ≡ 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	70,00,000	70,00,000
	(b) Companies in the same group	-	-
	(c) Other related Parties	-	-
2	Other than related parties	-	-
	Total	70,00,000	70,00,000
(7) Other Information			
	Particulars	Ammount	
(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		-



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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of SHREE NIDHI TRADING CO. LTD**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **SHREE NIDHI TRADING CO. LIMITED** (herein 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 31<sup>st</sup> March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statement").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act 2013 (herein referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates 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 (as amended). The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstance. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of 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 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, its associates as at 31<sup>st</sup> March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

The consolidated financial statements include the Group's share of net profit of Rs. 75791/- for the year ended March 31, 2016 as considered in consolidated financial statements, in respect of fourteen subsidiaries, whose financial statements have not been audited by us. These financial statements 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 relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-sections (3) of Section 143 of the Act, in so far 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 Section 143(3) of the Act we report that :

- (a) We/ the other auditors whose reports we have relied upon 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 reports of 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 (as amended).
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries Companies respectively, none of the directors is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and our report expresses an unmodified opinion on the internal financial controls over financial reporting of the Company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and



## PACHISIA & ASSOCIATES

(Chartered Accountants)

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according to the explanations given to us :

- i) The Group has no pending litigations which would impact on its financial position.
- ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

Place : 454, Dum Dum Park, Kolkata-700 055  
Date : The 30th day of May, 2016

**FOR PACHISIA & ASSOCIATES**

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

(Chartered Accountants)

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)



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Annexure - A to the Auditors' Report

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

in conjunction with our audit of the the consolidated financial statements of the the Company as of and for the year ended 31 March 2016. , we have audited the internal financial controls over financial reporting of **SHREE NIDHI TRADING CO. LTD** ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date

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

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation



## PACHISIA & ASSOCIATES

(Chartered Accountants)

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of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

### **Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **FOR PACHISIA & ASSOCIATES**

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

(Chartered Accountants)

Place : 454, Dum Dum Park, Kolkata-55

Date : The 30<sup>th</sup> day of May, 2016

**(Satya Prakash Pachisia)**

(Proprietor)

(M. No.055040)



# ≡ SHREE NIDHI TRADING CO. LTD. ≡

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

	Particulars	Note No.	As At 31 <sup>st</sup> March 2016	As At 31 <sup>st</sup> March 2015
A	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<b>Shareholder's Funds</b>			
	Share Capital	2	77,937,000	77,937,000
	Reserves and Surplus	3	27,335,993	27,394,941
2	<b>Current Liabilities</b>			
	Long-term provisions	4	115,465	127,156
	Trade payables	5	46,964,352	56,560,352
	Other current liabilities	6	384,123	613,627
	<b>TOTAL</b>		<b>152,736,933</b>	<b>162,633,076</b>
B	<b><u>ASSETS</u></b>			
1	<b>Non-current assets</b>			
	Non-current investments	7	70,915,223	52,990,595
2	<b>Current assets</b>			
	Trade receivables	8	25,595,269	44,545,639
	Cash and cash equivalents	9	3,088,949	7,777,627
	Short-term loans and advances	10	53,135,492	57,317,215
	Other current assets	11	2,000	2,000
	<b>TOTAL</b>		<b>152,736,933</b>	<b>162,633,076</b>
	<b>Refer accompanying notes forming part of the financial statements</b>	1-19		

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 30<sup>th</sup> day of May, 2016

For and on behalf of the Board of Directors

**Tanumay Laha**  
Managing Director  
DIN: 01731277

**Rajesh Kurmi**  
Director  
DIN: 01714280

**Raj Kishor Chourasia**  
Company Secretary

**Avik Gupta**  
CFO

# SHREE NIDHI TRADING CO. LTD.

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
1	Revenue from operations	12	4,235,214	56,660,919
	Other Income	13	183,750	63,811
2	<b>Total Revenue</b>		<b>4,418,964</b>	<b>56,724,730</b>
3	<b>Expenses:</b>			
	Purchases of trading goods	14	0	51,968,308
	Employee benefits expenses	15	840,638	1,260,298
	Depreciation and amortisation expenses	16	0	99
	Other expenses	17	3,502,535	2,559,192
	<b>Total Expenses</b>		<b>4,343,173</b>	<b>55,787,897</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax (2 -3)</b>		<b>75,791</b>	<b>936,833</b>
5	Exceptional Items		0	0
6	<b>Profit / (Loss) before extraordinary items and tax (4 ± 5)</b>		<b>75,791</b>	<b>936,833</b>
7	<b>Extraordinary Items</b>			
	Profit on Sale of Fixed Assets		0	497
8	<b>Profit / (Loss) before tax (6 ± 7)</b>		<b>75,791</b>	<b>937,330</b>
9	<b>Tax expense:</b>			
	(1) Current tax		156,000	305,000
	(2) Deferred Tax		0	(635)
	(3) Contingent Provision for Standard Assets		(11,691)	13,302
	(4) Current tax expense relating to prior years		(9,570)	15,811
10	<b>Profit / (Loss) for the year (8 ± 9)</b>		<b>(58,948)</b>	<b>603,852</b>
11	<b>Earning per equity share:</b>			
	(1) Basic		0.00	0.08
	(2) Diluted		0.00	0.08
	<b>Refer accompanying notes forming part of the financial statements</b>	1-19		

In terms of our report attached

For and on behalf of the Board of Directors

### 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 30<sup>th</sup> day of May, 2016

**Tanumay Laha**  
Managing Director  
DIN: 01731277

**Rajesh Kurmi**  
Director  
DIN: 01714280

**Raj Kishor Chourasia**  
Company Secretary

**Avik Gupta**  
CFO

# ≡ SHREE NIDHI TRADING CO. LTD. ≡

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Year ended 31 March, 2016	Year ended 31 March, 2015
I. <u>Cash flow from Operating Activities</u>		
Net Profit / (Loss) before extraordinary items and tax	75,791	936,833
Less: Profit on sale of Investments credited to other Income	(110,280)	(2,580)
<u>Add: Adjustments for:</u>		
Depreciation	0	99
Cash flow before working capital changes	(34,489)	934,352
<u>Adjustment for Working capital Changes:</u>		
Trade receivables	18,950,370	(43,860,831)
Short-term loans and advances	3,801,042	(6,883,653)
Other current assets	0	80
Trade payables	(9,596,000)	46,245,804
Other current liabilities	(229,504)	564,828
Cash flow from operating activities before taxes paid	12,891,419	(2,999,420)
Less: Taxes Paid	(410,989)	(366,062)
Add: Income Tax refund	645,240	0
Cash flow from Operating Activities	13,125,670	(3,365,482)
II. <u>Cash flow from Investing Activities</u>		
Purchase of Investment	(33,115,223)	(14,160,000)
Proceeds from sale of Fixed Assets	0	3,200
Proceeds from sale of Investment	15,300,875	22,760,000
Cash flow from Investing Activities	(17,814,348)	8,603,200
Net Increase / (Decrease) in Cash flow (I + II + III)	(4,688,678)	5,237,718
Opening Cash / Cash Equivalents	7,777,627	2,539,909
Closing Cash / Cash Equivalents	3,088,949	7,777,627
Refer accompanying notes forming part of the financial statements	1-19	1-19

In terms of our report attached

For and on behalf of the Board of Directors

**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 30<sup>th</sup> day of May, 2016

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

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

**Raj Kishor Chourasia**  
**Company Secretary**

**Avik Gupta**  
**CFO**

# SHREE NIDHI TRADING CO. LTD.

NOTES TO CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

## NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES

- (a) **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.
- (b) **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.
- (c) **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.
- (d) **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.
- (e) **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.
- (f) **Investments:** - Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses.
- (g) **Inventories:** - Trading Goods are valued at cost.
- (h) **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.

# SHREE NIDHI TRADING CO. LTD.

## 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.

- (i) **Foreign currency translation:** - No Foreign Currency Transactions has been made by the Company in the Financial Year 2015-16.
- (j) **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.
- (k) **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.
- (l) **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.
- (m) **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.
- (n) **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 an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

- (o) **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.
- (p) Balance in respect of Trade Payable, Trade Receivable and Loans & Advances are subject to confirmation.
- (q) **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.
- (r) **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.
- (s) **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.
- (t) **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.

# SHREE NIDHI TRADING CO. LTD.

- (u) Previous year's figures have been regrouped/rearranged whenever considered necessary to confirm to current year's grouping and classification.

## 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 Forteen 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<sup>st</sup>, 2016 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, 2016.
- 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 Paper Trading Limited	100%	100%
SNCL Iron and Steel Limited	100%	100%
SNCL Marketing Limited	100%	100%
SNCL Real Estate Limited	100%	100%
SNCL Projects Ltd.	100%	NIL
SNCL Properties Ltd.	100%	NIL
Sunwhite Builders Ltd.	100%	NIL
Sunwhite Constructions Ltd.	100%	NIL
Sunwhite Consultants Ltd.	100%	NIL
Sunwhite Home Ltd.	100%	NIL
Sunwhite Housing Ltd.	100%	NIL
Sunwhite Projects Ltd.	100%	NIL
Sunwhite Properties Ltd.	100%	NIL
Sunwhite Real Estate Ltd.	100%	NIL

# SHREE NIDHI TRADING CO. LTD.

## NOTES TO CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

<b>NOTE NO. 2 Share Capital</b>	<b>As At 31st March, 2016</b>	<b>As At 31st March, 2015</b>
<u>Authorised-</u> 80,00,000 Equity Shares of Rs 10/- each	<b><u>80,000,000</u></b>	<u>80,000,000</u>
<u>Issued, Subscribed &amp; Paid-Up</u> 77,93,700 Equity Shares of Rs. 10/- each Fully paid up in cash.	<b><u>77,937,000</u></b>	<u>77,937,000</u>
Disclosure:	<b><u>77,937,000</u></b>	<u>77,937,000</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 fourteen subsidiary companies.

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

Ordinary Shares of ` 10/- each fully paid	<b>As On 31.03.2016</b>		<b>As On 31.03.2015</b>	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
	<b>Nil</b>	<b>Nil</b>	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.

### NOTE NO. 3 Reserves and Surplus

<u>Capital Reserve</u>		
Opening balance	<b>10,000</b>	10,000
Closing balance	<b><u>10,000</u></b>	<u>10,000</u>
<u>General reserve</u>		
Opening balance	<b>26,054,467</b>	26,054,467
Closing balance	<b><u>26,054,467</u></b>	<u>26,054,467</u>
<u>Statutory reserve</u>		
Opening balance	<b>253,280</b>	118,100
Add: Transferred from surplus in Statement of Profit and Loss	<b>73,029</b>	135,180
Closing balance	<b><u>326,309</u></b>	<u>253,280</u>
Surplus / (Deficit) in Statement of Profit and Loss		

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	As At 31st March, 2016	As At 31st March, 2015
Balance brought forward from previous year	1,077,194	608,522
Add: Transfer from Statement of Profit and Loss for the year	(58,948)	603,852
Less: Transferred to Statutory reserve	(73,029)	(135,180)
Closing balance	<u>945,217</u>	<u>1,077,194</u>
<b>Total</b>	<b><u>27,335,993</u></b>	<b><u>27,394,941</u></b>

#### NOTE NO. 4 Long-term provisions

For Contingent Provision Against Standard Asset	<u>115,465</u>	<u>127,156</u>
	<b><u>115,465</u></b>	<b><u>127,156</u></b>

#### NOTE NO. 5 Trade payables

Other than Acceptances	<u>46,964,352</u>	<u>56,560,352</u>
	<b><u>46,964,352</u></b>	<b><u>56,560,352</u></b>

#### NOTE NO. 6 Other current liabilities

<u>Other Payables</u>		
Statutory remittances - Tax Deducted at Sources	200,000	0
Others	<u>184,123</u>	<u>613,627</u>
	<b><u>384,123</u></b>	<b><u>613,627</u></b>

#### NOTE NO. 7 Non-current investments

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

	No. of Shares		No. of Shares	
<u>Equity Shares of Rs 10/- each</u>				
Mawana Sugar Mills Ltd.	0	0	100	17,720
Modipon Ltd.	0	0	50	3,250
State Bank of India	0	0	50	5,000

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

<u>Equity Shares of Rs 10/- each</u>				
Anurodh InfrastructurePrivate Limited	15,08,500	1,50,85,000	0	0
Burnpur PowerPrivate Limited	4,90,000	49,00,000	4,90,000	49,00,000
Bhutoria EnterprisesPrivate Limited	27,662	13,661	0	0
B. L Impex	0	0	30,000	12,00,000
Comnet ResourcesPrivate Limited	2,02,750	5,06,250	0	0
Daisy AbhraPrivate Limited	10,69,000	21,38,000	0	0
Faithful Cloth MerchantsPrivate Limited	4,14,000	41,40,000	4,14,000	41,40,000
Glorious VincomPrivate Limited	80,000	8,00,000	80,000	8,00,000
Godavari Coal AgencyPrivate Limited	3,85,000	1,92,500	0	0
Highgrowth VincomPrivate Limited	92,000	9,20,000	92,000	9,20,000
Imagine LogisticsPrivate Limited	2,94,900	4,42,350	0	0
J.J.PolymersPrivate Limited	2,44,000	4,88,000	0	0
Knife VincomPrivate Limited	34,615	17,307	0	0
Laxy TradingPrivate Limited	2,50,000	1,25,000	0	0



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	No. of Shares		No. of Shares	
Likeme BarterPrivate Limited	2,00,000	1,00,000	0	0
Mahananda CommercialPrivate Limited	1,90,000	95,000	0	0
OPG Industries Ltd	0	0	12,500	10,00,000
Protect MarketingPrivate Limited	49,100	4,91,000	0	0
Rajni VincomPrivate Limited	2,50,000	1,25,000	0	0
Sursadhna CommercialPrivate Limited	1,24,811	62,405	0	0
Textool Ltd.	0	0	50	2,250
Westwin TextilesPrivate Limited	5,31,249	2,65,625	0	0
Westwin TracomPrivate Limited	16,250	8,125	0	0
<b>UNQUOTED PREFERENCE SHARES (Fully Paid up)</b>				
Swiss Park VanijyaPrivate Limited	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.	0	0	25	2,375
		<u>7,09,15,223</u>		<u>5,29,90,595</u>
		<b>As At</b>		<b>As At</b>
		<b>31st March, 2016</b>		<b>31st March, 2015</b>
<b>NOTE NO. 8 Trade receivables</b>				
<u>Unsecured, considered good</u>				
Outstanding for more than six months		25,595,269		33,415,047
Other debts		0		11,130,592
		<u>25,595,269</u>		<u>44,545,639</u>
<b>NOTE NO. 9 Cash and cash equivalents</b>				
Cash on Hand (As certified )		2,771,030		2,942,626
Balances with banks In current accounts		317,918		4,835,001
		<u>3,088,949</u>		<u>7,777,627</u>
<b>NOTE NO.10 Short-term Loans and Advances</b>				
<u>Unsecured, considered good</u>				
Loans- Others		46,186,001		49,362,343
Advances		1,500,000		1,615,335
Advances- Subsidiaries		0		349,700
Margin Money		5,140,335		5,300,000
<u>Balances with government authorities</u>				
Income Tax Refundable		309,156		689,837
		<u>53,135,492</u>		<u>57,317,215</u>
<b>NOTE NO. 11 Other current assets</b>				
Security deposits		2,000		2,000
		<u>2,000</u>		<u>2,000</u>

# SHREE NIDHI TRADING CO. LTD.

## NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AS AT 31<sup>ST</sup> MARCH, 2016

	As At 31st March, 2016	As At 31st March, 2015
<b>NOTE NO. 12 Revenue from operations</b>		
Sale of products-Textiles	0	52,685,529
<u>Interest income</u>		
Interest	4,235,214	3,975,390
(T.D.S. Rs. 410989/- P.Y.Rs.359167/-)	<u>4,235,214</u>	<u>56,660,919</u>
<b>NOTE NO. 13 Other Income</b>		
Liabilities no longer required Written back	0	61,231
Profit on sale of Investments	110,280	2,580
Interest on Income Tax refund	73,470	0
	<u>183,750</u>	<u>63,811</u>
<b>NOTE NO. 14 Purchases of trading goods</b>		
Traded good	0	51,968,308
	<u>0</u>	<u>51,968,308</u>
<b>NOTE NO. 15 Employee benefits expenses</b>		
Salary Bonus & Other Allowance	783,500	1,199,530
Staff Welfare Expenses	57,138	60,768
	<u>840,638</u>	<u>1,260,298</u>
(Salary includes Directors' Remuneration Rs. 96000/- P.Y. Rs. 96000/-)		
<b>NOTE NO. 16 Depreciation and amortisation expenses</b>		
Depreciation on Tangible Assets	0	99
	<u>0</u>	<u>99</u>
<b>NOTE NO. 17 Other expenses</b>		
Rates & Taxes	0	35,758
Rent	1,08,000	1,08,000
Conveyance	1,50,578	90,965
Printing & Stationery	49,481	31,607
Carriage Inward	0	1,70,785
Accounting Charges	0	1,08,000
General Expenses	1,63,730	62,586
Postage & Telegram	58,317	58,299
Telephone Charges	54,387	60,874
Legal & Consultancy Charges	45,000	0
Filing Fees	37,200	31,800
Packing Charges	0	2,42,750
Repair & Maintenance-Other Assets	0	51,782
Advertisement & Business promotion expenses	9,526	11,468
Listing Fees	23,75,340	5,82,784
Depository Charges	51,526	33,756
Bank Charges & Commissions	12,490	3,422
Derivative Loss on Share Transactions (Net)	0	8,01,440
Software Maintenance Charges	19,894	8,990
Preliminary Expenses	2,39,700	0
Sundry Balance Adjusted (Net)	0	80
Registrar & Transfer Agent Expenses	13,646	13,484
Auditors' Remuneration	0	
For Statutory Audit	1,03,050	44,944
For Tax Audit Fees	5,725	5,618
For Other Services	4,945	0
	<u>1,13,720</u>	<u>50,562</u>
	<u>35,02,535</u>	<u>25,59,192</u>

# SHREE NIDHI TRADING CO. LTD.

## NOTE NO. 18 RELATED PARTY DISCLOSURES

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

Tanumay Laha Raj Kishor Chourasia Avik Gupta	Key Management Personnel Company Secretary CFO
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### 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 :

	As At 31st March, 2016	As At 31st March, 2015
(a) Remuneration to :-		
Key Management Personnel		
Tanmay Laha	96,000	96,000
Raj Kishor Chourasia	1,12,500	NIL
Avik Gupta	75,000	NIL

### NOTE NO. 19 Contingent Liabilities

Guarantees to Financial Institutions against credit Facility extended to third party	53,00,00,000	53,00,00,000
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It was informed by the management that they have received letter from bank regarding discharge of Guarantees to Financial Institutions. However requisite form has not been filed with the ROC.

# 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.	94.26	10,58,30,300	(619.44)	3,65,147
<b>Indian Subsidiaries</b>				
SNCL Real Estates Ltd.	0.41	4,51,272	26.17	(15,425)
SNCL Paper Ltd.	0.41	4,52,272	24.47	(14,425)
SNCL Marketing Ltd.	0.41	4,51,272	26.17	(15,425)
SNCL Iron & Steel Ltd.	0.41	4,51,272	26.17	(15,425)
SNCLProjects Ltd.	0.41	4,63,947	61.16	(36,053)
SNCLProperties Ltd.	0.41	4,63,268	62.31	(36,732)
Sunwhite Builders Ltd.	0.41	4,63,705	61.57	(36,295)
Sunwhite Construction Ltd.	0.41	4,63,605	61.74	(36,395)
Sunwhite Consultants Ltd.	0.41	4,63,605	61.74	(36,395)
Sunwhite Homes Ltd.	0.41	4,63,605	61.74	(36,395)
Sunwhite Housing Ltd.	0.41	4,63,655	61.66	(36,345)
Sunwhite Projects Ltd.	0.41	4,64,005	61.06	(35,995)
Sunwhite Properties Ltd.	0.41	4,63,605	61.74	(36,395)
Sunwhite Real Estates Ltd.	0.41	4,63,605	61.74	(36,395)
<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>	Nil	Nil	Nil	Nil
<b>Total</b>	<b>100.00</b>	<b>11,22,72,993</b>	<b>100.00</b>	<b>(58,948)</b>