



KUSHAL
TRADELINK LTD

ANNUAL REPORT
2016-17



LATE SHRI TULSIRAMJI AGRAWAL

1941-2016

Founder and Visionary of our company

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Forward looking statement

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions.

We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

KUSHAL AT GLANCE

Kushal Tradelink Limited is Ahmedabad-based global Commodity Trading Company.

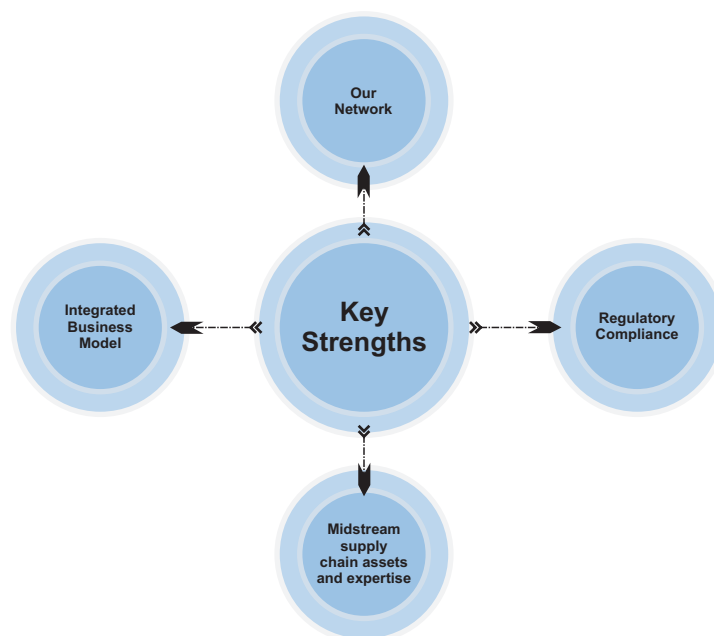
What started as an India-focused trading entity in Paper and Paper products, has transformed into a well-diversified entity over years, with business interests in multiple product lines in multiple locations across the globe. Today, we are a global trading company dealing in a range of commodities and products

On the back of our deep understanding of commodities, we have emerged as a major player in the international commodities trading space.

Over years, through our subsidiaries we have developed deep links and established connections across global locations such as USA, Europe, Africa, Sri Lanka, UAE, Singapore, Hong Kong, Australia etc. In fact, we believe in developing two-way supply chain with all our global counterparts thereby connecting both the ends of the trade. Our business is built on the long-term relationships we have developed with our trading counterparts and our customers, on our expertise, market understanding and our habit of consistently delivering products, on time and as per customer requirements.


Trading Global & Domestic

- Paper & Paper Products
- Bitumen,
- Lignite, Petcoke
- Agriculture Products
- Metalized Yarn
- Generic Drugs
- Readymade Garments
- Base Oil
- Electronic Items and Accessories
- Home Appliances
- Steel and Steel-Related Items



Through our extensive networks in various parts of the globe, through our carefully-selected channel partners and by virtue of our offices in key trading centres, we are in better position to quickly update our buyers and sellers about right opportunities on when to buy or sell commodities at best prices.

We seek growth for the benefit of our employees, our shareholders, our society, our country and our environment. Our strategy is to grow exponentially and beyond our flagship paper business.

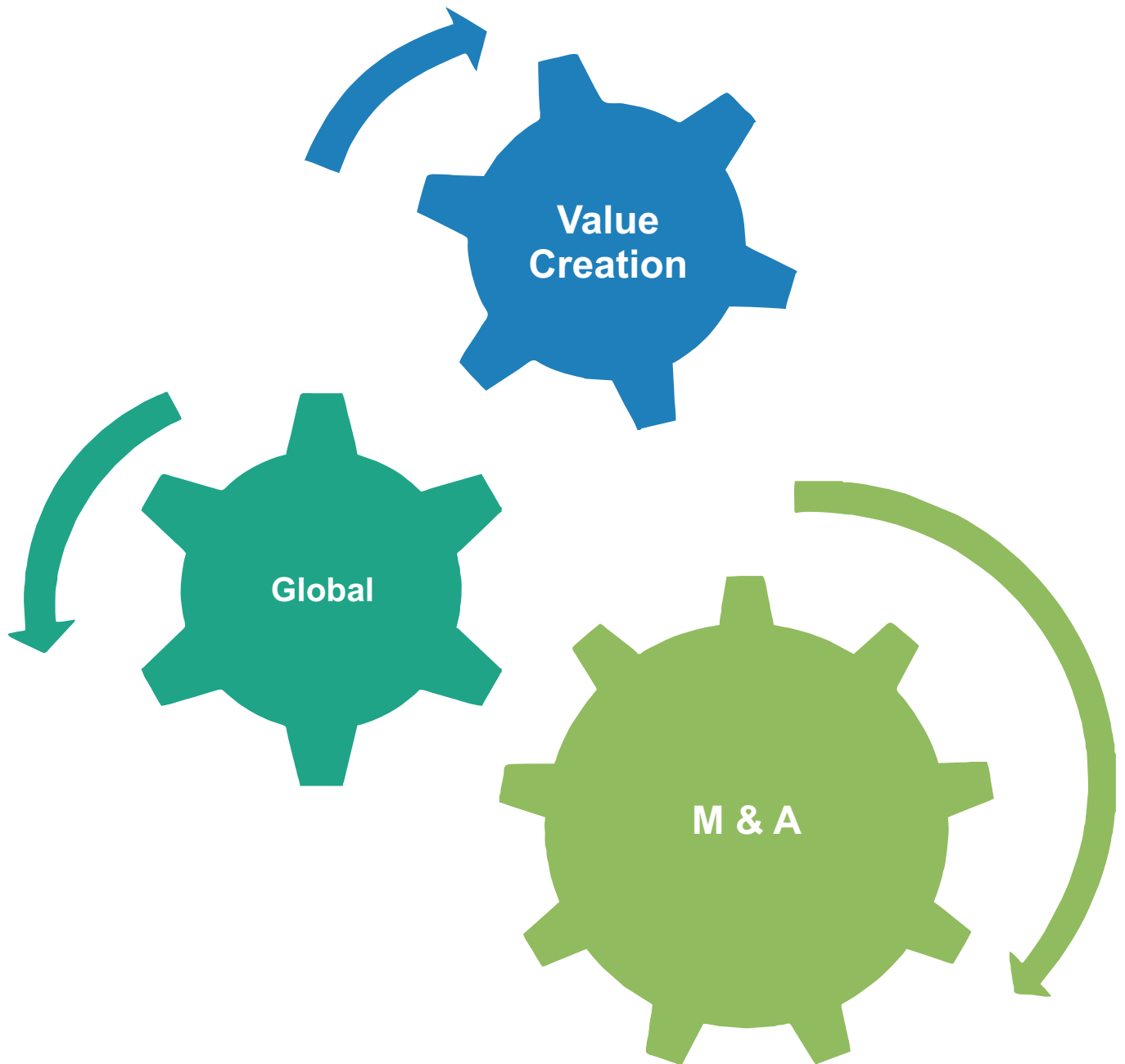


Kushal Tradelink is, today, one of the leading importers of waste paper, which is recycled and made into corrugated paper for the packaging industry, without any additional deforestation.

As a business philosophy, we believe in “brown-field” growth over “green-field” growth. In other words, we do not build factories from scratch, but we find it economical to buy out existing capacities in the marketplace at reasonable price and make them more efficient by improving processes and leveraging technology

Kushal Tradelink is in the business of bridging the universal demand-supply gap by bringing products from where they are produced to where they are needed most.

Business Model



VALUE CREATION

STRATEGY

Aim For Profit Margin

Facilitate funding of the deal, if required

Agnostic to sectors, industries, product categories

Identify opportunities in Commodities and Geographics & map them with Demand/Supply Gaps

GLOBAL

Overseas Subsidiaries

Apart from the domestic operations, Kushal Tradelink Limited has three overseas subsidiaries:




Kushal Impex and Kashish Worldwide are in the business of general wholesale trade (including general importers and exporters) related to paper and papers industry along with bitumen, lignite, petcoke, agriculture products, metalized yard, generic drug readymade garments, base oil, electronic items, home appliances, steel and steel related items

The recently incorporated Wholly owned Subsidiary, *Stallion Worldwide (Labuan) Private Limited* with the main object of General Wholesale Trade, including general imports and exports is yet to commence its business operations.

Subsidiaries are core to Kushal Tradelink Limited's activity profile and contributors in terms of liaison, generation of trade opportunities, sourcing and marketing

Kushal Tradelink Limited has developed deep linkages and established connections across global commodity trading locations such as USA, Europe, Africa, Sri Lanka, Hong Kong, Australia etc.

We believe in developing two-way supply chain with all its global counterparts connecting both the ends of the trade



Our business is built on the long-term relationships it has developed with its trading counterparts and its customers, on its expertise, market understanding and its habit of consistently delivering products, on time and as per customer requirements



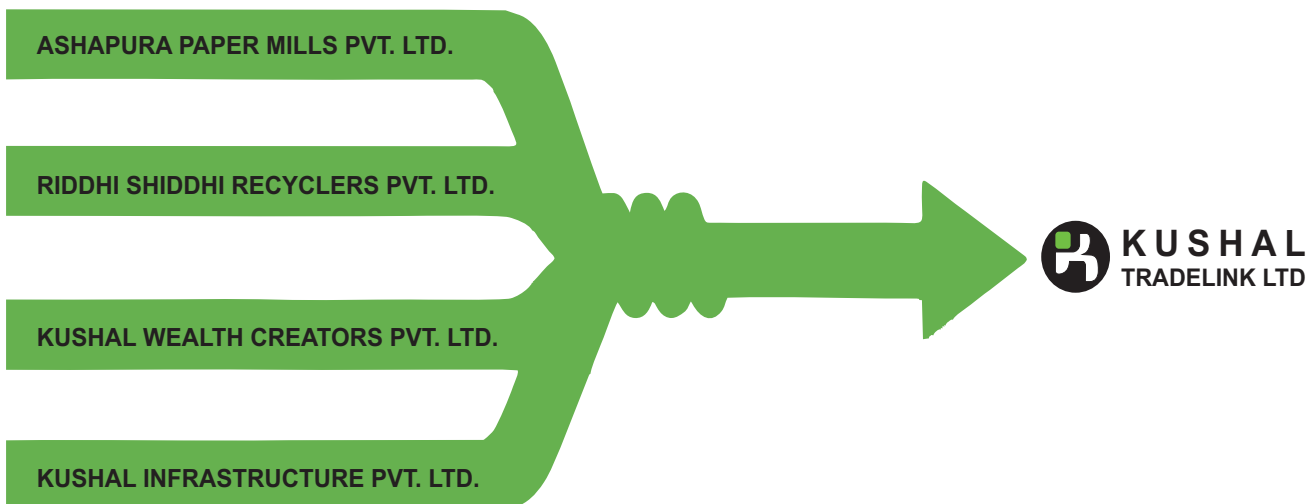
MERGER PROSPECTS



We are in process of Amalgamation of four of our associate entities viz Ashapura Paper Mills Private Limited., Riddhi Siddhi Recyclers Private Limited, Kushal Wealth Creators Private Limited and Kushal Infrastructure Private Limited into M/s. Kushal Tradelink Limited, which will lead to backward integration and synergies of operations and a stronger and wider capital and financial base for future growth/expansion of Kushal Tradelink Limited.

The proposed amalgamation will help to increase the area of sales and network of Kushal Tradelink Limited and the use of combined resources will help to reduce the overheads and thereby improving the financial performance.

The combined managerial and technical expertise would enable Kushal Tradelink Limited to develop a business model that would be competitive and cogent.



Synopsis of the Companies proposed to be merged :

Ashapura Paper Mills Private Limited

Bhuj Based Ashapura Paper Mills Private Limited is engaged in the business of manufacturing of Paper and Paper Products. The Total Land area of its Plant is approximately around 800000 Square feet (Eight Lakhs Square Feet); while its production area is 400000 Square feet (Four Lakhs Square feet)

Its strategic location near the Mundra port facilitates easier access to the imported raw material and export of finished papers. The company uses raw material like New Doubled Lined Kraft Cutting (NDLKC) or used corrugated boxes from USA, Double Sorted Old Corrugated Container (DSOCC) Premium from USA, Europe. Australia and the Middle East.

The Paper mill manufactures high-quality Kraft Paper with a production capacity of 5,10,00,000 kg. (Five crore Ten Lakhs kg.) per annum.

