

MACK TRADING COMPANY LIMITED

35TH ANNUAL REPORT 2014-15

Mack Trading Company Limited

5-C Sindhu House, 3rd Floor, Nanabhai Lane, Flora Fountain,
Fort, Mumbai-400 001

Tel.:2204 7644/ 2204 7125 | Fax: 22883856.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholders:

Your Directors have pleasure in presenting the 35th ANNUAL REPORT on the business and operations of the Company and Audited Statement of Accounts of the Company for the year ended 31st March, 2015.

1) FINANCIAL HIGHLIGHTS (STANDALONE AND CONSOLIDATED)

During the year under review, performance of your company as under:

<u>PARTICULARS</u>	<u>CURRENT YEAR</u> <u>RS.</u>	<u>PREVIOUS</u> <u>YEAR</u> <u>RS.</u>
Profit for the year after meeting all charges and expenses but before provision for taxation	10,33,232	11,55,123
Less: Provision for tax	---	--
Add: B/f forward from previous year	14,69,109	5,19,241
Add: Excess provision written back	--	39,745
Less: Additional Depreciation pursuant to enactment of schedule-II of Companies Act, 2013.	(26,71,060)	--
Available for appropriation	(1,68,719)	17,14,109
Proposed Dividend	(1,22,500)	(2,45,000)
Corporate Dividend Tax	--	--
Transfer to General Reserve	--	--
Amount to be carried forward to next year	(2,91,219)	14,69,109
	(1,68,719)	17,14,109

The consolidated performance of the group as per consolidated financial statements is as under:-

<u>PARTICULARS</u>	<u>CURRENT YEAR</u> <u>RS.</u>	<u>PREVIOUS</u> <u>YEAR</u> <u>RS.</u>
Profit for the year after meeting all charges and expenses but before provision for taxation	35,11,244	50,92,746
Add: Provision for tax	-----	39,745

Add: B/f forward from previous year	39,54,018	21,06,254
Add: Excess provision written back	-----	-----
Less: Additional Depreciation pursuant to enactment of schedule-II of Companies Act, 2013.	26,71,791	-----
Available for appropriation	47,93,471	72,38,745
Proposed Dividend	2,72,715	4,59,540
Corporate Dividend Tax	1,70,488	1,92,973
Transfer to General Reserve	18,10,000	27,00,000
Amount to be carried forward to next year	25,99,617	43,36,420
Less: Minority Interest	(59,349)	(4,50,188)
	47,93,471	72,38,745

2) DIVIDEND

The Board of Directors has recommended a dividend of Rs.0.50 per equity share of Rs 10/- each fully paid-up for the financial year ended on 31st March,2015, amounting to Rs 1,22,500.

3) CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business carried on during the financial year under review.

4) DIRECTORS

The Board of Directors, in compliance with the section 149(1) of the Companies Act,2013 Mr. Vijay Pandya appointed as an Additional Director with effect from 13th November 2014.He shall hold office upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Independent Director. The Company has received a notice in writing along with deposit pursuant to Section 160 of Companies Act, 2013, proposing the appointment of Mr Vijay Pandya as Independent Director of the company. Your Board has recommended the appointment of Mr. Vijay Pandya as Independent Director not liable to retire by rotation for a period of five consecutive years with effect from the conclusion of this Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the calendar year 2020 not liable to retire by rotation.

Mr. Vikas Pavankumar, Director of the Company resigned from the Board with effect from 11th August, 2014. Mr. Sudhir Shankar Bandiwadekar has been appointed as an Addional Director of your company on 11th August, 2014 and regularized as a independent Director on 27th September, 2015.(AGM).

In accordance with the Provisions of Section-152 of the Companies Act, 2013 and the Company's Articles of Association Mrs. Rita Pavankumar, Director retire by rotation of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

5) DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the company have made a declaration confirming the compliance of the conditions of independence stipulated in the aforesaid section.

6) DIRECTOR RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7) CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the requirements of the Accounting Standard AS – 21 prescribed by the Institute of Chartered Accountants of India, the consolidated Financial Statements of the company and its subsidiary, Keen Investment & Leasing Limited are annexed to this report.

8) AUDITORS

The Auditors/s A.K.Nevatia & Associates, Chartered Accountants, were appointed as the statutory Auditors of the Company for tenure of three years i.e. from the conclusion of 34th Annual General Meeting till the conclusion of the 37th Annual General Meeting of the company. However, this appointment is subject to ratification by members at every Annual General Meeting held after appointment during their tenure of office. The Auditors have confirmed their eligibility and qualification under Section-141 of Companies Act, 2013 and therefore, their ratification for appointment as Statutory Auditors for the year 2015-16 is being sought from the Members of the Company at the ensuing AGM.

The Company did not appoint any Internal Auditor for the period under review. The Company proposes to get the Internal Audit done in the Current year.

The Company is in process of appointing Key Managerial Personnel.

09) VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism/Whistleblower Policy for the employees to report their genuine concerns or grievances and the same has been uploaded on the website of the Company at www.macktradingcompany.com

The Audit Committee of the Company oversees the Vigil Mechanism.

10) NOMINATION AND REMUNERATION COMMITTEE

The Company has formed Nomination and Remuneration committee on 13th November, 2014.

The Committee has formulated a Nomination and Remuneration Policy and the same has been uploaded on the website of the Company at www.macktradingcompany.com

11) AUDIT COMMITTEE

The Board of Directors has constituted an Audit Committee on 13th November, 2014 and empowered the committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors.

The details of composition, meetings and attendance of the Meetings of the Audit Committee are as under:-

S N o	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Mr Vijay Pandya	Independent	Chairman	1	1
2	Mr Sudhir Bandiwadkar	Independent	Member	1	1
3	Mr Pavankumar Sanwamal	Non-Executive	Member	1	1

There have been no instances of non acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

12) RISK MANAGEMENT

Business Risk Evaluation and Mangement is an ongoing process within the Organization. The Company has a robust risk management framework to indentify, monitor and minimize risks as also indentify as also indentify business opportunities.

13) ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

14) SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Priyanka Agrawal, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed as Annexure "A" to this Report.

The Secretarial Audit Report as annexed is self-explanatory and do not call for any further comments.

15) HOLDING/SUBSIDIARY/ASSOCIATES COMPANIES:

S.No.	Name And Address Of The Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Keen Investments and	U65910MH1986PTC041624	Subsidiary	0.90	N.A.

MACK TRADING COMPANY LTD

ANNUAL REPORT-2014-15.

CORPORATE INFORMATION

BOARD OF DIRECTORS	MR.PAVANKUMAR SANWARMAL MRS.RITA PAVANKUMAR MR.SUDHIR SHANKAR BANDIWADEKAR MR.VIJAY PANDYA
AUDITOR	A.K. NEVATIA & ASSOCIATES CHARTERED ACCOUNTANTS
BANKERS	KOTAK MAHINDRA BANK LIMITED CITI BANK N.A.
REGISTERED OFFICE	5C, SINDHU HOUSE, NANABHAI LANE, FLORA FOUNTAIN, FORT, MUMBAI-400001. PHONE NO-22047644/22047125.
REGISTRARS & SHARE TRANSFER AGENTS	UNIVERSAL CAPITAL SECURITIES PVT LTD 21/25, SHAKIL NIWAS, OPP.SATYA SAIBABA TEMPLE, MAHAKALI CAVES ROAD, ANDHERI (EAST), MUMBAI-400093. TEL:+91(22)28207203-05/28257641 . FAX: +91222820/7207. Email:info@unisec.in
CORPORATE INDENTITY NUMBER (CIN)	L51900MH1980PLC022532.

NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the members of Mack Trading Company Ltd will be held on Monday, 21st September, 2015 at 11.30 A.M at the Registered Office of the Company at 5C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai-400001, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:

- (a) The audited financial statement of the Company for the financial year ended 31st March, 2015, the Reports of the Board of Directors and Auditors thereon; and
- (b) The audited consolidated financial statement of the Company for the financial year ended 31st March, 2015.

2. To declare a dividend on equity shares. The Board of Directors has recommended a Dividend of Rs 0.50 per Equity share.

3. To appoint a Director in place of Mrs. Rita Pavankumar (DIN: 00322476), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

4. Ratification of Appointment of Auditors

To ratify the appointment of Auditors for a period of one year and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Ordinary Resolution passed by the members at the last Annual General Meeting (AGM) held on 27th September, 2015, appointing M/s A.K.Nevatia & Associates, (M.No.040403), Chartered Accountants, Mumbai, as the Auditors of the Company to hold office from the conclusion of that AGM to the conclusion of the 37th AGM (subject to ratification of the appointment by the members at every AGM held after that AGM), Section 139 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, the appointment of M/s A.K.Nevatia & Associates, Chartered Accountants, Mumbai, be and is hereby ratified for a period of one year from the conclusion of this AGM to the conclusion of the next AGM and that the Board of Directors be and are hereby authorized to fix their remuneration as may be determined by the Audit Committee in consultation with the Auditors.”

SPECIAL BUSINESS

5, To appoint Mr. Vijay Kumudchandra Pandya (DIN: 06972614) as an independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT Mr. Vijay Kumudchandra Pandya (DIN: 06972614), who was appointed as an Additional Director of the Company with effect from November 13, 2014 , by the Board of directors and who holds office up to the date of the forthcoming Annual General Meeting of the Company under Section 161 of the companies Act,2013 but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 along with prescribe deposit from a member proposing his candidature, for the office of Director of the Company.

“RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors)Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vijay Kumudchandra Pandya (DIN: 06972614), who has submitted a declaration that he meets the criteria for independence as provided under section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years with effect from the conclusion of this Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the calendar year 2020 not liable to retire by rotation.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

By order of the Board of Directors of
MACK TRADING COMPANY LTD
DIRECTOR
(RITA PAVANKUMAR)

Place: Mumbai

Date: 07/08/2015.

Registered office:

5C, Sindhu House, Nanabhai Lane,

Flora Fountain, Fort, Mumbai-400001.

CIN NO-L51900MH1980PLC022532.

NOTES:

1, In terms of the provisions of section 105 of the companies Act, 2013, Read with Rule 19 of the companies (Management and administration) Rules, 2014, A member entitled to attend and vote at the Annual General Meeting (The “Meeting”) is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The Instrument appointing a proxy should, However, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A person can be a proxy for members not exceeding 50(fifty) and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. Provided that a member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person for any other person or shareholder. A proxy form for the meeting is enclosed.

2, Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.

3, The Register of Members and Share Transfer Books shall remain closed from Tuesday, the 15th September, 2015 to Monday, the 21st September, 2015 (both days inclusive).

4, The Dividend when declared, will be payable to those members entitled to Dividend and whose names appear on the register of Members on the 14th September, 2015.

5, In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names, shall be entitled to vote.

6, In accordance with the provisions of Section-72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, Universal Capital Securities Pvt Ltd and have it duly filled and sent back to them.

7, Members holding shares in physical form are requested to kindly notify any change in their address (es) to the Company, so as to enable the Company to address future communications to their correct address (es). Members holding shares in electronic form are requested to notify any change in their address (es) to their respective Depository Participant.

8, The Securities and exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/Depository Participants as the case may be members holding shares in physical form should submit their PAN details to the Company/Registrar and share transfer Agents of the Company.

9, Members are requested to bring their Client ID and DP ID or folio Numbers, as may be applicable, at the meeting for easy identification at attendance.

10, Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m to 3.00 p.m. upto the date of the Meeting.

11, Members desiring any information as regards to the Accounts are requested to write to the Company at an early date so as to enable the Management to reply at the meeting.

12, Members are requested to kindly bring their copy of the Annual Report to the Meeting.

13, An explanatory statement pursuant to section-102 of the companies act, 2013 relating to the special business is annexed hereto.

14, Members may address their queries/communications at info@macktradingcompany.com and investors@macktradingcompany.com.

15, The Annual report of the Company circulated to the Members of the Company, will be made Available on the Company's website at www.macktradingcompany.com.

16, Voting through electronic means:

{I} In Compliance with provisions of Section-108 of the Companies Act, 2013 and Rule-20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the agency to provide remote e-voting facility:

(A) In case of members receiving e-mail:

- (i) The voting period begins at 09.00 a.m on Friday, 18th September 2015 and ends on at 05.00 p.m on Sunday, 20th September 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).