

Annual Accounts

2006 -2007

of

Mercury Trade Links Limited




Vinay Doshi & Co.

Chartered Accountants

112/13, Jawahar Nagar,

Road No. 8, Goregaon (W),

Mumbai : 400 062.

 *2872 2454*

MERCURY TRADE LINKS LIMITED

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

Phone : 26613026 / 66780131-33 Fax : 66780135 Email : sarda@bom3.vsnl.net.in


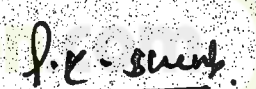
NOTICE TO THE MEMBERS

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of MERCURY TRADE LINKS LIMITED will be held on Thursday the 30th day of August, 2007 at 2.30 P. M. at the Registered Office of the Company at 18, Vikas Centre, S.V. Road, Santacruz (West), Mumbai - 400 054 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2007 and the Profit and Loss Account for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Pradeep Kumar Sarda, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

FOR AND ON BEHALF OF THE BOARD

PRADEEP KUMAR SARDA
CHAIRMAN

Place : Mumbai

Date : 30th June, 2007

MERCURY TRADE LINKS LIMITED

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

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NOTES :-

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his place and the proxy need not be a member of the company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the company will remain closed from Thursday the 23rd day of August, 2007 to Thursday the 30th day of August, 2007 (both days inclusive).
3. Shareholders seeking any information with regard to Accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.
4. Members are requested to:
 - (I) notify immediately any change in their address to the company.
 - (II) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD



PRADEEP KUMAR SARDA
CHAIRMAN

Place : Mumbai
Date : 30th June, 2007

MERCURY TRADE LINKS LIMITED

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DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the **Twenty Second Annual Report** together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2007.

| 1. <u>FINANCIAL RESULTS</u> | <u>YEAR ENDED</u> | <u>YEAR ENDED</u> |
|---|-------------------|-------------------|
| | <u>31/03/2007</u> | <u>31/03/2006</u> |
| | <u>Rupees</u> | <u>Rupees</u> |
| Gross Income | 23,77,930 | 2,02,197 |
| Less : Expenditure | 1,24,544 | 1,28,319 |
| | <hr/> | <hr/> |
| Profit before Tax | 22,53,386 | 73,878 |
| Less : Provision for Taxation | | |
| Current Tax | 2,24,450 | 6,000 |
| Deferred Taxation | (22) | (63) |
| (Excess)/Short Provision of Tax | 65 | 0 |
| Fringe Benefit Tax | 978 | 1,300 |
| | <hr/> | <hr/> |
| Profit after Tax | 20,27,915 | 66,641 |
| Balance profit brought forward from previous year | 8,21,455 | 7,54,815 |
| | <hr/> | <hr/> |
| Surplus carried to Balance Sheet | <u>28,49,370</u> | <u>8,21,455</u> |

2. PERFORMANCE

The performance of the Company improved significantly during the year, mainly on account of sale of old investments which has generated huge income for the Company and it has posted a income of Rs. 23.78 Lacs as against income of Rs. 2.02 Lacs in the previous year. The outlook for coming year looks normal and your directors are hopeful of achieving better results in future.

3. DIVIDEND

In order to conserve the financial resources, the Directors regret their inability to recommend any dividend for the year ended 31st March, 2007.

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4. BOARD OF DIRECTORS

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

5. DIRECTORS RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of Annual Accounts for the financial year ended 31st March, 2007, the applicable accounting standards had been followed along with proper explanation relating to material departures if any;
- (ii) That the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2007 and the Profit of the Company for the year under review.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities.
- (vi) That the Directors had prepared the accounts for the financial year ended 31st March, 2007 on a going concern basis.

6. AUDITORS

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

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

7. AUDITORS REPORT

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

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8. FIXED DEPOSITS

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

9. LISTING FEES

The Listing Fees for the year 2007-2008, has been paid to the Bombay Stock Exchange Limited, where the Company's Shares are listed.

10. PARTICULARS OF EMPLOYEES

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

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

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

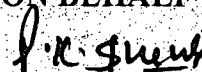
12. SECRETARIAL COMPLIANCE REPORT

Your Directors attach herewith a copy of the Compliance Certificate issued by a Practicing Company Secretary for the year ended 31st March, 2007 pursuant to Section 383A(1) of the Companies Act, 1956.

13. ACKNOWLEDGEMENTS

Your Directors wish to thank company's clients, bankers, auditors and investors for their continued support during the year. Your directors place on record their appreciation of the contribution made by employees at all levels and look forward to their continued support.

FOR AND ON BEHALF OF THE BOARD



PRADEEP KUMAR SARDA
CHAIRMAN

Place : Mumbai

Date : 30th June, 2007