

**S G GLOBAL  
EXPORTS LIMITED**

**19<sup>TH</sup>**

**ANNUAL REPORT**

**FINANCIAL YEAR**

**2013-14**

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## NOTICE

Notice is hereby given that 19<sup>th</sup> Annual General Meeting of the Members of S.G. GLOBAL EXPORTS LIMITED will be held on Tuesday 30<sup>th</sup> of Sept. 2014 at 12:15 P.M. at the Registered office at 304, LSE Building, Feroze Gandhi Market, Ludhiana to transact the following business: -

### ORDINARY BUSINESS

1. To Receive, consider and adopt the Audited Balance sheet as on 31<sup>st</sup> March 2014 and Profit & Loss account for the year ended on that date and report of directors and auditors thereon.
2. To appoint director in place of Sh. Jasvir Lal who retires by rotation and being eligible offer himself for reappointment.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s PAWAN PURI & ASSOCIATES, Chartered Accountants (ICAI Firm Registration No. 005950N), the retiring Auditors of the Company, be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 20<sup>th</sup> AGM of the Company to be held in the year 2015 (subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

**S. G. GLOBAL EXPORTS LTD.**

**PLACE : LUDHIANA**

**DATE : 12.08.2014**

S/d  
(SANJEEV GUPTA) (ASHOK KUMAR)  
MG. DIRECTOR DIRECTOR

### NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company during office hours on all working days except Sunday and Holiday between 02.00 P.M. to 04.30 P.M. upto the date this Annual General Meeting.
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members & Share Transfer Books will remain closed from 25<sup>th</sup> September 2014 to 30<sup>th</sup> September 2014 both days inclusive.
5. Shareholders are requested to intimate for change of address, if any immediately for updation records.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant (whether members holding shares in electronic form or in physical form) in securities market.

**EXPLANATORY STATEMENT PURSUANT TO SEC.102 OF THE COMPANIES ACT. 2013.**

**ITEM:3**

As required by Section 102 of The Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice dated 12<sup>th</sup> August 2014:

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act. M/s PAWAN PURI & ASSOCIATES, (ICAI Firm Registration No. 005950N), Chartered Accountants (CAs), Ludhiana were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on 30<sup>th</sup> September 2013. Accordingly, the audit of the Company for financial year 2013-14 was conducted by M/s PAWAN PURI & ASSOCIATES.

M/s PAWAN PURI & ASSOCIATES, have been the Auditors of the Company since 1999-2000 As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s PAWAN PURI & ASSOCIATES, being eligible for re-appointment and based on the recommendation of the Audit Committee of Directors, the Board of Directors has, at its meeting held on 12<sup>th</sup> August 2014, proposed the appointment of M/s PAWAN PURI & ASSOCIATES, as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the 20<sup>th</sup> AGM of the Company to be held in the year 2015 (subject to ratification of their appointment at every AGM).

The Board commends the Resolution at Item No. 3 of the accompanying notice for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution at Item No 3 of the accompanying Notice.

## **DIRECTOR'S REPORT**

The Members,  
S.G. GLOBAL EXPORTS LTD.

The Directors of your Company have pleasure in presenting the 19<sup>th</sup> Annual Report on the affairs of the company for the year ended 31<sup>st</sup> March 2014.

### **FINANCIAL RESULTS**

(Rs . in '000)

<b>PARTICULARS</b>	<b>AS ON 31.03.2014</b>	<b>AS ON 31.03.2013</b>
Total Sale/Income	240.40	201.50
Other Income	0.00	0.50
Profit /Loss before Depreciation, Interest & Tax	3.29	3.50
Less:- (i) Prov. for Depreciation	0.66	0.50
(ii) Prov. For Current Tax	0.79	1.00
(iv) Deferred Tax Liab.	0.20	0.00
Profit/ (Loss) after Tax & Dep.	1.81	2.00
Add: Balance B/F from Previous year	(1829.00)	(1831.00)
Balance carried to Balance sheet	(1827.00)	(1829.00)

### **PERFORMANCE REVIEW**

The company has earned a profit of Rs . 2633.00 (before tax) during the year ending 31<sup>st</sup> March 2014 as compared to a net profit of Rs 2873.00 during the year ending 31<sup>st</sup> March 2013. The company is still doing efforts to improve the working and is hopeful of better results in the coming year.

### **DIVIDEND**

In the insufficiency of profits, your directors feel sorry that no dividend has been recommended for the year under review.

### **PUBLIC DEPOSITS**

The company has not accepted and deposits pursuant to the provisions of Section 58-A, 58AA of The Companies Act, 1956 during the year under the review.

### **DIRECTORS:-**

Sh. Jasvir Lal, director of the company retire by rotation and being eligible offer himself for reappointment. The resolution No. 2 of the accompanied notice is proposed for their reappointment.

## **AUDITORS**

The auditors of the Company, M/S Pawan Puri & Asso. Chartered Accountants, retires at the conclusion of the ensuing Annual General Meeting and is recommended for reappointment. The company has received a certificate from them to the effect that their re-appointment if made would be within the prescribed limits specified under section 139 of The Companies Act, 2013. The observation made by the auditors of the company is self explanatory and require no clarification from your directors.

## **FOREIGN EXCHANGE INFLOW AND OUTFLOW**

The Company has not transacted any business involving foreign exchange during the year under review.

## **REPORT ON CORPORATE GOVERNANCE**

A separate report on corporate Governance alongwith Auditors Certificate on its compliance is attached as Annexure to this report.

## **LISTING AGREEMENT**

The equity shares of the company are listed on the Delhi Stock Exchange Association Ltd., The Mumbai Stock Exchange, The Ludhiana Stock Exchange Association Ltd. (Regional Stock Exchange)

The company has not paid listing fees to the Stock Exchanges during the year 2013-14 also.

## **AUDIT COMMITTEE**

The company has the Audit Committee pursuant to the provisions of section 292A of the Companies Act, 1956. The Committee comprises three directors Sh. Sanjeev Gupta , Sh. Jasvir lal. and Sh. Ashok Kumar The committee has held discussion with the auditors and reviewed the financial statement.

## **DIRECTORS RESPONSIBILITY STATEMENT**

- a) In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that :
  - i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to the material departures.
  - ii) The Directors 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) The directors have 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 other irregularities.
  - iv) The directors had prepared the Annual Accounts on a Going Concern basis.

### **INFORMATION UNDER SECTION 217(I) (E)**

As the company is not engaged in manufacturing activities the use of electricity is restricted to office use only. your company being a trading company, has not consumed energy significant level and accordingly no investment was made for reduction of energy consumption. No comment is made on technology absorption considering the nature of activities undertaken by your company during the year under review.

There has been no foreign exchange income or outgo during the under review.

### **PARTICULARS OF EMPLOYEES**

None of the employees of the company in receipt of remuneration of Rs 6000000/- or above during the year under consideration nor was any employee of the Company paid a salary of Rs 500000/- or more per month during any part of the year.

### **SECRETARIAL COMPLIANCE CERTIFICATE:-**

In accordance with the provisions of section 383A (1), of the Companies Act, 1956, a compliance certificate from M/S B. K. Gupta & Asso., Company Secretaries, is given in the annexure and forms part of this report.

### **ACKNOWLEDGMENT :**

The directors take this opportunity to express their sincere thanks and appreciation to the staff members for their co-operation, hardwork, dedication and devotion.

The board expresses its grateful appreciation for the continued valuable assistance, Co-operation and support received from Company's Bankers, Reserve Bank of India. Central and State Government Authorities and other Business constituents.

S.G. GLOBAL EXPORTS LTD.

PLACE : LUDHIANA

DATE : 12.08.2014.

**S/d**  
(SANJEEV GUPTA)  
MG. DIRECTOR

**S/d**  
(ASHOK KUMAR)  
DIRECTOR

## **CORPORATE GOVERNANCE REPORT**

### **1. A brief statement on company's Philosophy on code of Corporate Governance.**

The principles of Corporate Governance and Code of Business Principles are the cornerstones of your Company. Your Company believes these principles distinguish a well managed company from a not so well managed company. These principles ensure transparency, integrity and accountability which are vital for the long and sustained growth of your Company.

Your Company has been practicing these principles long before these were made mandatory for listed Companies.

Your Company's endeavor has always been to engage persons of eminence as independent directors who can contribute to the corporate strategy, provide an external perspective and be a source of challenge and evaluation wherever appropriate. Your Company has the good fortune of having independent directors

### **2. BOARD OF DIRECTORS**

#### **a) Size and composition of the Board**

The Company has a strong and broad-based Board consisting of three Directors with adequate blend of professionals, executive, non-executive and independent Directors. The Composition of the Board of Directors comprises of eminent and distinguished personalities, one of which is executive Director and two non-executive Directors. Majority of Directors on the Board are independent. The details of the composition of the Board, number of Directorships & Committee positions held by each of the Directors are given hereunder:

<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>Number of Directorships held in other Public Listed Companies</b>	<b>Attendance at Last AGM</b>
Sh Sanjeev Gupta	Managing Director	Promoter & Executive Director	1	Yes
Sh. Jasvir Lal	Director	Independent & Non Executive	--	Yes
Sh. Ashok Kumar	Director	Independent & Non Executive	1	Yes

Independent Director means a Director who apart from receiving Director's remuneration does not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in judgment of the Board may affect the independence of judgment of the Director.

None of the Directors is a member of more than 10 Board level Committees or a Chairman of more than 5 such Committees as required under Clause 49 of the Listing Agreement.



**b) Number of Board Meetings**

During the year under review, Fourteen Board Meetings were held on the following dates:

<b>Date of Board Meeting</b>	<b>Board Strength</b>	<b>Number of Directors present</b>
April 12, 2013	3	3
April 15, 2013	3	3
April 30, 2013	3	3
May 30, 2013	3	3
July 1, 2013	3	2
July 31, 2013	3	2
August 14, 2013	3	3
October 8, 2013	3	3
October 31, 2013	3	2
November 14, 2013	3	3
January 24, 2014	3	3
January 31, 2014	3	3
February 12, 2014	3	3
March 31, 2014	3	3

**c) Directors' Attendance Record**

The following table gives details of the Directors' Attendance Record at the Board Meetings:

<b>Name of the Director</b>	<b>Number of Board Meetings</b>	
	<b>Held</b>	<b>Attended</b>
Sh Sanjeev Gupta	14	14
Sh. Jasvir Lal	14	12
Sh. Ashok Kumar	14	13

### 3. BOARD COMMITTEES

The Board has constituted the Audit Committee, the Shareholders'/Investors' Grievance Committee and Remuneration Committee. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committees. Recommendations/decisions of the committee are submitted to the Board for approval. The quorum for meetings is either two members or one third of the members of the committees, whichever is higher.

#### (a) AUDIT COMMITTEE

##### Terms of reference

The Audit Committee meets periodically to review accounting and financial reporting process of the Company, audited and un-audited financial results, Internal audit reports, risk management policies & report on internal control systems of the Company. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations.

##### Constitution

As at 31st March 2014, the Audit Committee of the Board comprised of three (3) directors and was chaired by Sh. Ashok Kumar, an independent director.

During the year under review, four (4) meetings of the Audit Committee were held 30.04.2013, 31.07.2013, 31.10.2013 and 31.01.2014

The details of composition of the Audit Committee along with attendance of the Committee Members at the meetings held during the year under review, is as detailed herein:

Director	Category	No of Meetings Attended
Sh. Ashok Kumar	Non-Executive - Independent	4
Sh. Sanjeev Gupta	Promoter- Executive	4
Sh. Jasvir Lal	Non-Executive - Independent	4

No sitting fee was paid during the year for attending meetings of Audit Committee.

## **(b) SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE**

### **Terms of Reference:**

This Committee meets to approve transfer of shares consolidation, division, and transmission of shares and to issue the shares in lieu of lost shares.

The Committee looks into redressing of shareholders complaints with respect to all matters connected with the Securities, transfers, issue of certificates after split/consolidation/renewal as also requests for transmission of Shares, the non receipt of balance sheet etc. The Company is in conformity with the requirements of SEBI circular` No. D&CC/FITTC/CIR-15/2002 DATED 27.12.2002 regarding appointment of common Agency for share registry work, has appointed M/s Beetal Financial & Computer services (P) limited, as the Shares Transfer Agent date 7<sup>th</sup> July 2003.

### **Constitution**

As at 31st March 2014, the Committee comprised of three (3) directors and was chaired by Sh. Ashok Kumar, a non-executive director. During the year under review, Share Transfer and Investors Grievance Committee met four (4) times on 30.05.2013 ,14.8.2013, 31.10.2013 and 31.1.2014. These meetings were attended by all Committee Members.

Sh. Sanjeev Gupta is the Compliance Officer of the Company.

No sitting fees was paid during the year for attending meetings of Share Transfer & Shareholders' Grievance Committee.

No investor grievance was pending on March 31, 2014.

## **(c) REMUNERATION COMMITTEE**

### **Terms of reference**

The Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing Director based on performance and defined criteria.

### **Constitution**

As at 31 March, 2014, the Remuneration Committee comprised of three (3) Directors, with Sh. Ashok Kumar an Independent Director as Chairman of Remuneration Committee.

The Board of Director of the company has constituted a Remuneration Committee, comprising of three members.

1. Sh. Sanjeev Gupta
2. Sh. Ashok Kumar
3. Sh. Jasvir lal

Further the company does not pay any sitting fee in cash or in kind to any of its non executive and executive director as respective directors have waived their sitting fees. Further no remuneration has been paid to non executive directors.

### **Details of remuneration to Directors for the Year.**

The company has paid salary of Rs 60,000.00 for the year ended 31st March 2014 to Sh. Sanjeev Gupta, Managing Director.

#### **4. a) GENERAL BODY MEETINGS**

The last three Annual General Meetings were held at the Registered Office of the Company at Ludhiana as per the details given below:

<b>Year</b>	<b>Date</b>	<b>Venue</b>	<b>Time</b>
2010-11	September 30, 2011	304, LSE Building, F.G. Market, Ludhiana	02:15 PM
2011-12	September 29, 2012	304, LSE Building, F.G. Market, Ludhiana	02:00 PM
2012-13	September 30, 2013	304, LSE Building, F.G. Market, Ludhiana	12.15 PM

Any special resolution during past 3 years - NO

#### **b) Postal Ballot**

During the year under review, the Company has not passed any resolution through postal ballot.

#### **5. DISCLOSURES**

##### **(a) Materially significant related party transactions**

Related Parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished under paragraph no. 9 of the Notes to the Accounts attached with the financial statements for the year ended March 31, 2014.

The transactions with the related parties are neither materially significant nor they have any potential conflict with the interests of the Company at large. Also there has not been any non-compliance by the Company in respect of which penalties or strictures were imposed by Stock Exchange, SEBI or by any other statutory authority during the period under review.

##### **(b) Communication to Shareholders**

The Company communicates with the shareholders at large through its annual report, Publications of Financial results and press releases in leading Vernacular Language newspapers.

The Board of director of the company approves and takes on record the quarterly unaudited financial results in the Performa prescribed by the Stock Exchanges within one month of the close of the quarter.

Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchange in terms of requirement of Clause 41 of the Listing Agreement.

Quarterly results are normally published in Desh Sewak.

Half yearly results are not sent to each household of Shareholders.

The Management Discussion and Analysis Report is attached with the Director Report in this Annual Report.

**(c) Compliance Officer**

Sh. Sanjeev Gupta is the Compliance Officer of the Company. He can be contacted for any investor's related matter relating to the Company.

Ph. No. 9872804933

Email id.: sgc\_ltd@rediffmail.com.

**6. GENERAL SHAREHOLDERS INFORMATION**

The following information would be useful to our shareholders:

**a) Annual General Meeting**

Date & Time	30 <sup>th</sup> day of September 2014 at 12:15 PM
Venue	304, LSE Building, F.G. Market, Ludhiana
Financial Year	1 <sup>st</sup> April 2013 to 31 <sup>st</sup> March 2014

**b) Date of Book Closure:**

25<sup>th</sup> day of September, 2014 to 30<sup>th</sup> day of September, 2014 (both days inclusive)

**c) The shares of the Company are listed on the following stock exchanges:**

<b>Name and Address of Stock Exchanges</b>
The Delhi Stock Exchange Association Limited DSE House, 3/1 Asaf Ali Road, New Delhi-110002
The Ludhiana Stock Exchange Association Limited Feroze Gandhi Market, Ludhiana-141001
The Mumbai Stock Exchange Association Feroze Jeejee Bhoy Towers, Dalal Street, Mumbai

**d) Registrar & Transfer Agent**

Beetal Financial & Computer Services Private Limited  
321-S Chirag Delhi  
Near Shahib Bhagat Singh College  
New delhi-110017  
Phone: 011-29251990  
Fax: 011-29252146

**e) Market price data**

The shares of the company have not traded at any stock exchange during the year under review.

**f) Share transfers**

The Company's shares are in physical mode. The Company is in process to get the shares of the company to register with NSDL and CDSL for dematerialization.

**a) Distribution of Shareholding as on 31.03.2014**

Share holding of Nominal value of Rs. 10/- each	Number of shareholders	% to Total No of shareholders	No. of shares Held	Amount in Rs.	% of total Paid-up capital
Upto 5000	1097	11.407	571300	5713000.00	11.407
5001 to 10000	21	2.821	141300	1413000.00	2.821
10001 to 20000	17	5.251	263000	2630000.00	5.251
20001 to 30000	7	3.332	166900	1699000.00	3.332
30001 to 40000	13	8.943	447900	4479000.00	8.943
40001 to 50000	2	1.827	91500	915000.00	1.827
50001 to 100000	7	9.166	459100	4591000.00	9.166
100001 and above	8	57.253	2867500	28675000.00	57.253
<b>Total</b>	<b>1172</b>	<b>100.000</b>	<b>5008500</b>	<b>50085000.00</b>	<b>100.000</b>

**Shareholding Pattern as on 31.03.2014**

Category	Number of Shares held	% to Total Capital
Promoter and Promoter Group	2158500	43.10
Financial Institutions, Bank, State and Central Govt. FII's	---	---
Bodies Corporate	270700	5.40
Individuals	2579300	51.50
NRIs/OCBs	---	---
Clearing Members	---	---
Trust	---	---
<b>Total</b>	<b>5008500</b>	<b>100.00</b>

**g) Dematerialisation of Shares**

No shares have been dematerialized as on March 31, 2014

**h) Outstanding Convertible Instruments**

The Company has no outstanding convertible instruments.

**i) Address for Correspondence**

S. G. Global Exports Limited  
304, LSE Building, F.G. Market, Ludhiana  
Contact No. 9872804933

**7. MANAGEMENT DISCUSSION AND ANALYSIS**

**a) Industry Structure and Developments**

S.G Global Exports Limited is growing at a average pace due to bad market condition. Your company is trying its best to increase the market share of its services/products and to economize its production.

**b) Risk And Management Perception**

The operations of your company are subject to general business risks and competition in the industry, which can effect the growth of the company. Your company continuously updates its systems and procedures to reduce uncertainties and risks and explore new market to cope with the competition.

**c) Internal Control And Their Adequacy**

The Company has adequate system of internal control and internal audit system and management has access of all its assets and proper procedure is adopted for disposal of any assets of the company. The company has constituted an audit committee, which consists of independent directors, which periodically review the internal control system.

**d) Overview**

The Company is engaged in consultancy, trading and investment in shares/securities and fund based activities. Substantial revenue comes from the consultancy. During the last year the market witnessed wide fluctuations in the prices of securities due to political uncertainty, worldwide terrorism new trading system in the capital Markets, recession in the industry, which are the major key factors for the same.

**e) Threat**

Changes in India's business environment have generated a level of uncertainty that entrepreneurs have not seen for decades and this is the main reason that the stock market is not attracting substantial investment form FII's as well as Indian Investors. Due to sluggish market condition the small investor is not interested in

the share market. However the company is trying to best utilization of funds of the company to earn the maximum rate of return on the money invested

**f) Opportunities**

Globally retail investors has shown interest in the equity and also preferring to put monies into the bonds despite historically. The investor has started to invest in equities after the market crash drastically but small investor has suffered much loss due to market crash. Now it is expected within next couple of months that the equities will perform strongly.

**g) Whistle Blower Policy**

The company has adopted the Whistle Blower Policy. Further confirm that none of the personnel has denied to access to the Audit Committee.

**h) Material development in Human Resources and Industrial Relation front, including no. of people employed**

Industrial relations remained cordial and harmonious during the year under review and there was no working day loss due to any adverse activities.

**i) Cautionary statement**

Statement in the management discussion and analysis describing the company's objectives, estimates, projections and expectation may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially due to economic conditions effecting demand, supply, prices, changes in government policies, tax laws and other incidental factors.



## Chief Executive Officer (CEO) Certification

I, Sanjeev Gupta, Managing Director of S. G Global Exports Limited, certify that:

1. I have reviewed the financial statements and the cash flow statement for the year ended 31st March 2014 and that to best of my knowledge and belief: :
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit Committee :
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over
5. I further declare that all board members and senior managerial personnel have affirmed compliance with the code for the financial year ended 31<sup>st</sup> March , 2014.

Place : Ludhiana  
Dated : 12.08.2014

S/d  
Sanjeev Gupta  
Managing Director

**AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT .**

**To the Members of  
S. G Global Exports Limited**

We have reviewed the compliance of conditions of the Corporate Governance by **S. G Global Exports Limited** for the year ended 31st March 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange, with the relevant records and documents maintained by the Company and furnished to us.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 based on the representation made by the Directors and Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement except of the following.

- a) Late submission & publication of unaudited qtrly. financial results.
- b) Non-payment of listing fee to the Stock Exchange.

We state that no investor grievance is pending for a period of exceeding one month against the Company as per the records maintained by the Shareholders' / Investor's Grievance Committee.

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

**For PAWAN PURI & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**PLAC : LUDHIANA  
DATE : 12.08.2014**

**S/d  
(PAWAN PURI)  
PARTNER  
M.NO. 084919**

## **AUDITOR'S REPORT**

To the Members of  
**S.G. GLOBAL EXPORTS LIMITED**

### **Report on Financial Statements**

We have audited the accompanying financial statements of **S.G. GLOBAL EXPORTS LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Managements' Responsibility for the Financial Statements**

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”) read with the General Circular 15/2013 dt. 13.09.2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 control relevant to the Company's preparation and fair presentation of

the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular

15/2013 dt. 13.09.2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013

e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For PAWAN PURI & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**S/d  
(PAWAN PURI)  
PARTNER  
M.NO. 084919**

**PLACE : LUDHIANA  
DATE : 25.06.2014**

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/S S.G. GLOBAL EXPORTS LTD. ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014.**

- (i) The company is maintaining the proper records showing the full particulars including quantitative details and situation of all the fixed assets.
  - (b) The fixed assets has been physical verified by the management at reasonable interval and no discrepancies has been found on such verification.
  - (c) As per the information and explanation given to us, no substantial part of the fixed assets has been disposed off during the year .
- (ii) (a) As per information and explanations given to us and on the basis of examination of records, we are of the opinion that physical verification of inventory has been conducted by the management at reasonable intervals during the year.
  - (b) In our opinion, the procedures of verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) On the basis of examination of records maintained by the company, we are of the opinion that the company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification of stock as compared to books.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 during 2013-14. So, the sub clause (b), (c) and (d) of clause (iii) of the paragraph 4 of the companies (Auditor's Report) order 2003 is not applicable to the company.
  - (e) In our opinion and according to the information and explanations given to us, the company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year 2013-14. So, the sub clause (e), (f) and (g) of clause (iii) of the paragraph 4 of the companies (Auditor's Report) order 2003 is not applicable to the company
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business. During the course of our audit we have not observed any major weakness in internal controls.
- (v) (a) As per information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the company has not made any transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 exceeding the value of ` 5 Lac in respect of any party during the year.

- (vi) In our opinion and according to the information and explanations given to us ,the company has not accepted any deposits within the meaning Section 58A, 58AA or any other provisions of the Companies Act, 1956 and the rules framed there under during the year ending 31<sup>st</sup> March, 2014.
- (vii) In our opinion and on the basis of examination of records, the company has an adequate internal audit system commensurate with its size and nature of its business.
- (viii) As per information and explanations given to us, the central govt. has not prescribed to the company to maintain any cost records so the Clause (viii) of the paragraph 4 of the Companies (Auditor's Report) Order, 2003 relating to maintenance of cost records is not applicable to the company.
- (ix) (a) The Company is regular in depositing with the appropriate authorities any undisputed statutory dues during the year as applicable to the company.  
  
(b) According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Wealth tax, Service Tax Custom Duty, and cess, which have not been deposited on account of any dispute.
- (x) In our opinion and according to the information and explanations provided to us, there is an accumulated loss of ` 1826675.04 with the company as on 31.3.2014. The company has not incurred cash losses during the year 2013-14 and in immediate previous year .
- (xi) In our opinion and according to the information and explanations provided to us, the company is not defaulted in repayment of dues to a financial Institute or bank or debenture holders.
- (xii) As per information and explanations given to us, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. So the requirement of maintenance of documents and records in regard to loans and advances is not applicable to the company.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of sub clause (a), (b), (c) and (d) of clause (xiii) of para 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion and on the basis of examination of records, the company has maintained proper records of the transactions and contracts and timely entries have been made therein. Further shares, securities, debentures and other investments are held by the company during the year 2013-14 in it's name or in process of transfer the same in it's own name.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us, the company has not obtained any term loans during the year covered by our audit.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.

- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Act during the year ending 31<sup>st</sup> March, 2014.
- (xix) According to the information and explanation given to us, the company has not issued any debentures. Therefore clause (xix) of paragraph 4 of Companies (Auditor's Report) Order, 2003 is not applicable to the company
- (xx) The company has not raised money by way of public issues. Therefore clause (xx) of paragraph 4 of Companies (Auditor's Report) Order, 2003 is not applicable to the company
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year ended on 31<sup>st</sup> March 2014.

**For PAWAN PURI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 005950N**

**PLACE : LUDHIANA  
DATE : 25.06.2014**

**S/d  
(PAWAN PURI)  
PARTNER**



# S. G. GLOBAL EXPORTS LIMITED

304, LSE BUILDING, FEROZE GANDHI MARKET, LUDHIANA

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	44,155,250.00	44,155,250.00
(b) Reserves and Surplus	2	1,826,675.04	1,828,473.04
<b>(2) Share Application money pending allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	2,872,000.00	2,872,000.00
(b) Deferred Tax Liabilities (Net)		328.00	308.00
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	4	822,396.00	940,396.00
(d) Short-Term Provisions	5	795.00	830.00
<b>Total Equity &amp; Liabilities</b>		<b>46,024,093.96</b>	<b>46,140,310.96</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
<b>(i) Tangible Assets</b>			
Gross Block		55,079.00	55,079.00
(-) Depreciation		48,491.00	47,826.00
Net Block		6,588.00	7,253.00
<b>(ii) Intangible Assets</b>			
<b>(iii) Capital Work-in-Progress</b>			
<b>(iv) Intangible Assets Under Development</b>			
(b) Current investments	7	16,110,900.00	8,110,900.00
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	8	-	-
(e) Other non-current assets		350,000.00	350,000.00
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	9	4,645,880.00	4,645,880.00
(d) Cash and cash equivalents	10	1,525,725.96	1,641,277.96
(e) Short-term loans and advances	11	23,385,000.00	31,385,000.00
(f) Other current assets	12	-	-
<b>Total Assets</b>		<b>46,024,093.96</b>	<b>46,140,310.96</b>
<b>NOTES TO ACCOUNTS</b>	18	-	-
<i>This is the Balance Sheet referred to in our Report of even date addressed to the Members of S. .G. Global Exports Limited</i>			
<b>For PAWAN PURI &amp; ASSOCIATES</b>		<b>FOR S. G. GLOBAL EXPORTS LIMITED</b>	
<b>CHARTERED ACCOUNTANTS</b>			
s/d		(DIRECTOR)	(DIRECTOR)
<b>(PAWAN PURI)</b>			
<b>PARTNER</b>			
<b>Membership No. : 084919</b>		<b>PLACE : LUDHIANA</b>	
<b>Firm's Reg. No. : 005950 N</b>		<b>DATE : 25.06.2014</b>	



## S. G. GLOBAL EXPORTS LIMITED

### Notes Forming Integral Part of the Balance Sheet as at 31st March, 2014

**Note No. 1:**

Sr. No	SHARE CAPITAL	CURRENT YEAR	PREVIOUS YEAR
1	<b>AUTHORIZED CAPITAL</b> 5500000 Equity Shares of Rs. 10/- each.(Previous Year - Same)	55,000,000.00	55,000,000.00
		-	-
		<b>55,000,000.00</b>	<b>55,000,000.00</b>
2	<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b> 5008500 Equity Shares of Rs. 10/- each. (Previous Year -190100 Equity Shares)	50,085,000.00	50,085,000.00
	Less: Calls in Arrears	5,929,750.00	5,929,750.00
	<b>Total in `</b>	<b>44,155,250.00</b>	<b>44,155,250.00</b>

**Note No. 1A:**

**DETAIL OF SHARES ISSUED, BOUGHT BACK & ANY OTHER ADJUSTMENT DURING THE YEAR.**

Sr. No	Particulars	Equity Shares			
		As at 31 March 2014		As at 31 March 2013	
		Number	`	Number	`
1	Shares outstanding at the beginning of the year	5,008,500	50,085,000.00	5,008,500	50,085,000.00
2	Shares Issued during the year	-	-	-	-
3	Shares bought back during the year	-	-	-	-
4	Any other movement (please specify)	-	-	-	-
5	Shares outstanding at the end of the year	5,008,500	50,085,000.00	5,008,500	50,085,000.00

**Note No. 1B:**

**DETAIL OF SHAREHOLDERS HOLDING SHARES MORE THAN 5%**

Sr. No	Name of Shareholder	Equity Shares			
		As at 31 March 2014		As at 31 March 2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	M/s Classic Global Impex Ltd.	610,000	12.18	610,000	12.18
2	M/s Diwakshi Inv. Ltd.	900,000	17.97	900,000	17.97
3	M/s Kinetic Trust Ltd.	325,000	6.49	325,000	6.49
4	Mr. Manohar Lal	347,500	6.94	347,500	6.94

**Note No. 2:**

Sr. No	RESERVES & SURPLUS	CURRENT YEAR	PREVIOUS YEAR
1	<b>Surplus (Profit &amp; Loss Account)</b>		
a)	Balance brought forward from previous year	- 1,828,473.04	- 1,830,438.04
	Add: Net Profit/(Net Loss) For the current year	1,818.00	1,990.00
	Less: Previous Year Adjustment	20.00	25.00
	Closing Balance	- 1,826,675.04	- 1,828,473.04
	<b>Total in `</b>	<b>- 1,826,675.04</b>	<b>- 1,828,473.04</b>

## S. G. GLOBAL EXPORTS LIMITED

**Note No. 3:**

Sr. No	LONG TERM BORROWINGS	CURRENT YEAR	PREVIOUS YEAR
		-	-
1	<b>Unsecured (ICDs')</b>		
a)	Term loans from Others	2,872,000.00	2,872,000.00
	<b>Total</b>	<b>2,872,000.00</b>	<b>2,872,000.00</b>

**Note No.4:**

Sr. No	OTHER CURRENT LIABILITIES	CURRENT YEAR	PREVIOUS YEAR
		-	-
1	Barnala Marketing	-	41,000.00
2	Listing Fees Payable	812,396.00	749,396.00
3	Other Payables	-	140,000.00
4	Audit Fees Payable	10,000.00	10,000.00
	<b>Total in `</b>	<b>822,396.00</b>	<b>940,396.00</b>

**Note No. 5:**

Sr. No	SHORT TERM PROVISIONS	CURRENT YEAR	PREVIOUS YEAR
		-	-
1	<b>Others</b>		
	Provision for Taxation	795.00	830.00
	<b>Total in `</b>	<b>795.00</b>	<b>830.00</b>

## S. G. GLOBAL EXPORTS LIMITED

*Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2014*

**Note No. 6: Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i),(ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956**

Sr. No	Particulars	Rate	Gross Block				Depreciaton				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
I	<b>Tangible Assets</b>											
1	Computer		12,500.00	-	-	12,500.00	11,875.00	-	-	11,875.00	625.00	625.00
2	Furniture & Fixture		10,500.00	-	-	10,500.00	5,476.00	665.00	-	6,141.00	4,359.00	5,024.00
3	Scooter		32,079.00	-	-	32,079.00	30,475.00	-	-	30,475.00	1,604.00	1,604.00
	<b>Total (Current Year)</b>		<b>55,079.00</b>	<b>-</b>	<b>-</b>	<b>55,079.00</b>	<b>47,826.00</b>	<b>665.00</b>	<b>-</b>	<b>48,491.00</b>	<b>6,588.00</b>	<b>7,253.00</b>
	<b>(Previous Year)</b>		<b>55,079.00</b>	<b>-</b>	<b>-</b>	<b>55,079.00</b>	<b>44,531.00</b>	<b>1,965.00</b>	<b>-</b>	<b>46,496.00</b>	<b>8,583.00</b>	<b>10,548.00</b>

## S. G. GLOBAL EXPORTS LIMITED

### Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2014

**Note No. 7:**

Sr. No	CURRENT INVESTMENTS	CURRENT YEAR	PREVIOUS YEAR
		-	-
	<b>TRADE INVESTMENTS UNQUOTED ( Valued at Cost)</b>		
	28000 Equity Shares of Sanskam Papers Pvt. Ltd. @ of `50/- each	1,400,000.00	1,400,000.00
	120000 Equity Shares of Sagar Fastners @ of `10/- each	1,200,000.00	1,200,000.00
	110000 Equity Shares of Fourd Imaging Pvt. Ltd. @ of `10/- each	1,100,000.00	1,100,000.00
	4000 Equity Shares of Mishre Boilers @ of `40/- each	160,000.00	160,000.00
	70300 Equity Shares of Exalt Fincap Ltd. @ of `3/- each	210,900.00	210,900.00
	600 Equity Shares of Rama Krishna Spintex @ of `1000/- each	600,000.00	600,000.00
	150000 Equity Shares of Motia Developers Pvt. Ltd. @ of `10/- each	1,500,000.00	1,500,000.00
	144000 Equity Shares of Mishre Boilers @ of `10/- each	1,440,000.00	1,440,000.00
	50000 Equity Shares of Mango Diaries Pvt. Ltd. @ of `10/- each	500,000.00	500,000.00
	500000 Equity Shares of Shree Hari Spintex P. Ltd. @of `100/- each	5,000,000.00	-
	2500 Equity Shares of City Lights & Dev. P. Ltd. @of `400/- each	1,000,000.00	-
	20000 Equity Shares of Chilka Fintrade P. Ltd. @of `100/- each	2,000,000.00	-
	<b>Total in `</b>	<b>16,110,900.00</b>	<b>8,110,900.00</b>

**Note No. 8:**

Sr. No	LONG TERM LOANS AND ADVANCES	CURRENT YEAR	PREVIOUS YEAR
		-	-
	<u>Share Application money Invested</u>		
	Unsecured, Considered Good :	-	-
	<b>Total in `</b>	<b>-</b>	<b>-</b>

**Note No. 9:**

Sr. No	TRADE RECEIVABLES	CURRENT YEAR	PREVIOUS YEAR
		-	-
1	<u>TRADE RECEIVABLES</u>		
	Unsecured, Considered Good :		
	(More than six months old)	4,645,880.00	4,645,880.00
	<b>Total in `</b>	<b>4,645,880.00</b>	<b>4,645,880.00</b>

**Note No. 10:**

Sr. No	CASH & CASH EQUIVALENT	CURRENT YEAR	PREVIOUS YEAR
		-	-
	Balances with banks:	8,960.00	9,370.00
	Cheques, drafts on hand	-	450,000.00
	Cash on hand	1,516,765.96	1,181,907.96
	<b>Total in `</b>	<b>1,525,725.96</b>	<b>1,641,277.96</b>

**Note No. 11:**

Sr. No	SHORT TERM LOANS AND ADVANCES	CURRENT YEAR	PREVIOUS YEAR
		-	-
1	<u>Other Loans &amp; Advances</u>		
	Unsecured, Considered Good :		
	Advances Recoverable in Cash or in Kind	23,385,000.00	31,385,000.00
	<b>Total in `</b>	<b>23,385,000.00</b>	<b>31,385,000.00</b>

**Note No. 12:**

Sr. No	OTHER CURRENT ASSETS	CURRENT YEAR	PREVIOUS YEAR
		-	-
		-	-

# S. G. GLOBAL EXPORTS LIMITED

*Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2014*

Total in`	-	-
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# S. G. GLOBAL EXPORTS LIMITED

*Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2014*

**Note No.13:**

Sr. No	REVENUE FROM OPERATIONS	CURRENT YEAR	PREVIOUS YEAR
1	Consultancy Income	240,400.00	201,800.00
	<b>Total in `</b>	<b>240,400.00</b>	<b>201,800.00</b>

**Note No.14:**

Sr. No	OTHER INCOME	CURRENT YEAR	PREVIOUS YEAR
1	Interest Income	-	500.00
	<b>Total in `</b>	<b>-</b>	<b>500.00</b>

**Note No. 15:**

Sr. No	FINANCE COST	CURRENT YEAR	PREVIOUS YEAR
1	Interest Expenses	-	-
2	Bank Charges	410.00	250.00
	<b>Total in `</b>	<b>410.00</b>	<b>250.00</b>

**Note No. 16**

Sr. No	DEPRECIATION & AMORTIZATION EXPENSES	CURRENT YEAR	PREVIOUS YEAR
1	Depreciation	665.00	665.00
2	Preliminary Expenses W/O	-	-
	<b>Total in `</b>	<b>665.00</b>	<b>665.00</b>

**Note No. 17:**

Sr. No	OTHER ADMINISTRATIVE EXPENSES	CURRENT YEAR	PREVIOUS YEAR
1	Advertisement Exps	26,750.00	19,125.00
2	AGM Exps	547.00	437.00
3	Audit Fees	10,000.00	10,000.00
4	Conveyance	13,385.00	13,930.00
5	Computer Repair & maint	4,000.00	-
6	Fees & Taxes	8,000.00	2,500.00
7	Food & Beverage to Staff	11,510.00	7,575.00
8	General Repair & Maint.	6,430.00	6,043.00
9	Listing fees	63,000.00	63,000.00
10	Postage & Telegram	570.00	695.00
11	Printing & Stationery	-	3,250.00
12	Misc. Exp.	-	5,707.00
13	Legal & Professional Ch.	15,000.00	3,000.00
14	Salary to Director	72,000.00	60,000.00
15	Telephone Exps	5,500.00	3,250.00
	<b>Total in `</b>	<b>236,692.00</b>	<b>198,512.00</b>



**S.G. GLOBAL EXPORTS LTD.**  
**304, LSE BUILDING, FEROZE GANDHI MARKET, LUDHIANA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014**

PARTICULARS	AMOUNT (IN ` )
<b>A. CASH FLOW FROM OPERATING ACTIVITES</b>	
NET PROFIT AFTER TAX AND EXTRA ORDINARY ITEMS	1818.00
ADJUSTMENTS FOR :-	
DEPRECIATION	795.00
Depreciation Reserve W/of	665.00
PROVISION FOR DEFFERED TAX	20.00
OEPRATING PROFIT BEFORE WORKING CAPITAL CHANGES	3298.00
ADJUSTMENTS FOR :-	
(INCREASE)/DECREASE IN TRADE & OTHER RECEIVABLES	0.00
(INCREASE)/DECREASE IN INVENTORIES	0.00
INCREASE/(DECREASE) IN TRADE PAYBALES & OTHER LIABILITIES	-118000.00
CASH GENERATED FROM OPERATIONS	-114702.00
TAXES PAID/PROVIDED	850.00
NET CASH FROM OPERATION ACTIVITIES	-115552.00
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
(PURCHASE)/SALE OF INVESTMENTS	0.00
(INCREASE)/LOANS & ADVANCES	
NET CASH FLOW IN INVESTING ACTIVITIES	0.00
<b>C. CASH FLOW FROM FINANCING ACTIVITIS</b>	
PROCEEDS FROM LONG TERM BORROWINGS	0.00
NET CASH FLOW FROM FINANCING ACTIVITIES	0.00
NET INCREASE IN CASH & CASH EQUIVALENTS	-115552.00
CASH & CASH EQUIVALENTS 01.04.2013	1,641,277.96
CASH & CASH EQUIVALENTS 31.03.2014	1,525,725.96

**FOR THE BEHALF OF THE BOARD**

**for PAWAN PURI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
(FIRM'S REG NO. 005950 N)

**DIRECTOR**

**DIRECTOR**

**(PAWAN PURI)**  
**PARTNER**  
**M.NO. 084919**

**S.G. GLOBAL EXPORTS LTD.**  
**LUDHIANA**

**SCHEDULE-18**

**FIN. YEAR 2013-14**

**NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES**

1. **SIGNIFICANT ACCOUNTING POLICIES**

a) **BASIS OF ACCOUNTING:**

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.

b) **USE OF ESTIMATES:**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

c) **INVESTMENTS:** - Investment has been valued at cost and any diminishing in the value of shares is considered temporary.

d) **REVENUE RECOGNITION:** - Income and the expenditure are accounted on accrual basis.

e) **FIXED ASSETS:** - Fixed assets are stated at original cost plus any directly attributable cost of bringing the assets to their working condition for intended use.

f) **DEPRECIATION:** - Depreciation is provided on straight-line method at the appropriate rates in accordance with schedule XIV of the Companies Act, 1956. Further the dep. has not been provided on the scooter and computer keeping in view the residual value of 5%.

g) **FOREIGN TRANSACTIONS:** - The Company has not transacted any foreign transaction during the year 2012-13.

J) **CURRENT ASSETS:** - There company has no closing stock as on 31.03.2014.

k) **PROVISIONS:** - The Company has provided for the Provision for Income Tax for ` 795.00 and Provision for expenses payable has been made for the year 2013-14.

2. The balances of Sundry creditors and Sundry debtors are subject to their confirmation from respective parties.

3.The provisions for Deferred Tax Liability in accordance with Accounting Standard –22 issued by the Institute of Chartered Accountants of India have been provided for as per detail below:

	<b>2012-13</b>	<b>2013-14</b>
	-----	-----
Diff. In net block of assets	996.00	1060.00
Deffered Tax Liability	308.00	328.00
Opening Balance of DTL	255.00	308.00
Prov. required to be reversed	53.00	20.00

4. Claims against the company not acknowledged as debts	NIL	NIL
5. Contingent Liabilities not provided for Bank Guarantee of	NIL	NIL
6. Estimated amount of contracts remaining to be executed	NIL	NIL
7 Break up value of expenditure incurred on employees who:		
(a) if employed for one or more than one full year were in receipt of remuneration which, in aggregate was not less than Rs. 6000000/-	NIL	NIL
(b) if employed for a part of the year were in receipt of remuneration which, for any month of that year was not less than Rs. 500000/-	NIL	NIL

8. Additional information pursuant to the provisions of paragraph 3, 4C & 4D of Schedule VI of the Companies Act, 1956 . As the company has not traders any goods except of sale of investment so no information has been given.

9. <b>PAYMENT TO AUDITORS:</b>		
<b><u>PARTICULARS</u></b>	<b><u>CURRENT YEAR</u></b>	<b><u>PREVIOUS YEAR</u></b>
Statuary Audit Fee	10000.00	10000.00

10. Due to lack of information regarding the status of creditors, the amount outstanding to SSI undertaking beyond 30 days could not be given.

11. Statement on Calculation of Basic & Diluted EPS is as under:

	<b><u>Current Year</u></b>	<b><u>Previous Year</u></b>
Profit after Tax	1818.00	1990.00
Weighted avg. no. of equity shares	5008500	5008500
Weighted avg. no. of equity shares Which would be issued on conversion Of Diluted potential equity shares	NIL	NIL
Earning per shares of Rs. 10/- each		
---- Basic	0.0003	0.0004
---- Diluted	NIL	NIL

12. Related Party Disclosure:-

Detail of transaction entered in to with related parties during the year as required by Accounting standard (AS-18) on "Related party Disclosures" issued by Institute of Chartered Accountants of India are as under.

Name of related parties and description of relationship.

a) Key Management Personnel	Mr. Sanjeev Gupta. (MG. Director)
Enterprise over which Key	Salary ` 60000.00 paid

13. The Company is advised that the computation of the profit under section 349 of the Companies Act, 1956 need not be made because remuneration/ commission paid/ payable to the Directors for the year ended 31<sup>st</sup> March 2014 is within the limits as prescribed in Schedule XIII Part II.

For S.G. GLOBAL EXPORTS LTD.

For PAWAN PURI & ASSO.  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 005950N

S/d  
(SANJEEV GUPTA)  
MG. DIRECTOR

S/d  
(ASHOK KUMAR)  
DIRECTOR

S/d  
(PAWAN PURI)  
PARTNER  
M. NO. 084919

Place : LUDHIANA  
Dated : 25.06.2014

**S.G. GLOBAL EXPORTS LTD.  
R.O.: 304,LSE BUILDING, FEROZEGANDHI MARKET  
LUDHIANA.**

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**ATTENDANCE SLIP**

I hereby record my presence at the 19<sup>th</sup> ANNUAL GENERAL MEETING of the Company held on 30<sup>th</sup> September, 2014.

REGD. FOLIO NO.....NO. OF SHARES.....

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS).....

SIGNATURE OF THE SHAREHOLDER/PROXY FORM.....

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**S.G. GLOBAL EXPORTS LTD.  
R.O.: 304,LSE BUILDING, FEROZEGANDHI MARKET  
LUDHIANA.**

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**PROXY FORM**

REGD. FOLIO NO \_\_\_\_\_ DPID No. \_\_\_\_\_ Client ID No \_\_\_\_\_  
NO. OF SHARES.....

I/We .....of .....being a  
Member/ Members of S.G. GLOBAL EXPORTS LTD appoint Smt. /Sh.....  
hereby.....  
or failing him.....  
of.....as

my/our Proxy to attend and vote for me/us and on my/our behalf 19<sup>th</sup> ANNUAL GENERAL MEETING of the Company to be held on 30<sup>th</sup> Sep., 2014 at 12.15 P.M. and at any adjournment thereof.

/-----\  
Re. 1.00 Revenue  
Stamp  
\-----/

AS WITNESS my/our hand this .....Revenue .....day of .....2014.  
Signature by the said.....

NOTE: - The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting

## FORM-A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange

1. Name of the Company : **S G GLOBAL EXPORTS LIMITED**
2. Annual Financial Statements for the Year ended : 31<sup>st</sup> March, 2014
3. Type of Audit observation : **Un-Qualified** \ Matter of Emphasis
4. Frequency of observation : Whether appeared First time **N.A** / Repetitive\_\_\_\_\_/ since how long period
5. To be Signed by- :
  - CEO/Managing Director : Mr. Sanjeev Gupta & Mr. Ashok Kumar
  - CFO :
  - Auditor of the Company : M/s Pawan Puri & Asso.
  - Audit Committee Chairman : Mr. Sanjeev Gupta