

Letter of Offer
Date: _____
For Equity Shareholders of Company

MACK TRADING COMPANY LIMITED

Registered Office: 5-C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai,
Maharashtra-400001

CIN: L51900MH1980PLC022532

Tel.: 022- 22047644/22047404

Fax. : 022 – 22885638

Contact Person: Mr. Pavankumar Sanwarmal, Director

Email Id: info@macktradingcompany.com

Website: www.macktradingcompany.com

**FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF THE COMPANY
ONLY**

OFFER OF 98000 EQUITY SHARES OF Rs. 10/- EACH FOR CASH AT PAR (OFFER PRICE OF RS. 10/-) TO THE SHAREHOLDERS OF THE COMPANY AND TO SUCH PERSONS WHETHER OR NOT SUCH PERSONS ARE MEMBERS OF THE COMPANY AGGREGATING TO RS. 980000/- (SIZE Rs.980000/-) ON A "RIGHTS" BASIS OFFER IN THE RATIO OF 2 (TWO) EQUITY SHARES OF THE FACE VALUE OF RS. 10/- EACH FOR CASH AT PAR FOR EVERY 5 (FIVE) EQUITY SHARE OF RS. 10/- EACH HELD ON RECORD DATE.

MACK TRADING COMPANY LIMITED

LETTER OF OFFER

1. General Risks

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the equity of Mack Trading Private Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the shares of the Company. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved. The securities being offered in this issue have not been recommended or approved by Stock exchange or Securities and Exchange Board of India (SEBI) nor does Stock Exchange or SEBI guarantee the accuracy or adequacy of this document specific

attention of the investors is invited to the statement of Risk Factors given on page(s) 8 of this Letter of Offer.

2. **Issuers Absolute responsibility**

The Company having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to the Company and the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects, that the opinion and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of the Company are listed on BSE Limited (BSE). The Equity Shares of the Company are proposed to be listed on the BSE Limited (BSE). The Company has submitted this Letter of Offer with BSE and the same has been made available on the website of BSE (www.bseindia.com).

The Company has received "in-principle" approval from BSE for listing of securities being offered through this Letter of Offer vide their letter No. (•) dated (•)

REGISTRAR TO THE OFFER
Universal Capital Securities Pvt Ltd
21/25 Shakil Niwas, Opp Satyasaibaba Temple,
Mahakali Caves Road, Andheri E,
Mumbai 400093
Tel No. 022-28207203-05 | 022- 28257641
Fax: 022- 2820/7207
Email: Info@unisec.in

OFFER PROGRAMME

Offer Open on	Last date for receiving request for Split Application forms	Offer Close on
(•)	(•)	(•)

TABLE OF CONTENTS

Sr. No.	Particulars	Page No.
I	Definitions, Abbreviations and Industry related terms	
II	Risk Factors and Management Perceptions thereof	
III	Business Summary and Offer Summary	
IV	General Information	
V	Capital Structure	
VI	Terms of the Present Offer	
VII	Statement of Possible Tax Benefit	
VIII	Company History & Management	
IX	Overview of Organization Structure & Senior Management Personnel	
X	Promoter and Subsidiary Companies	
XI	Financial Statements	
XIII	Outstanding Litigations, Defaults and Material Developments	
XIV	Documents for Inspection	
XV	Declaration	

I. DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS

Act	The Companies Act, 2013
Articles (AOA)	Articles of Association of Mack Trading Company Limited
Board	Board of Directors of Mack Trading Company Limited
BSE	BSE Limited
CARO	Companies (Auditors Report) Order, 2003
CDSL	Central Depository Services (India) Limited
Company	Mack Trading Company Limited, a Public Limited Company incorporated under the Companies Act, 1956
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A Depository registered with SEBI under the SEBI (Depositories & Participants) Regulations, 1996 as amended from time to time.
Directors	Directors on the Board of Mack Trading Company Limited
Depository Participant /DP	A Depository Participant as defined under the Depositories Act, 1996 as amended from time to time
Equity Shares	Fully paid-up shares of Rs. 10/- each of the Company
Equity Shareholders	A holders of Equity Share(s) as on the Record Date
Investor(s)	The Equity Shareholders of the Company as on the Record Date and Renounces
Issuer/Company	Mack Trading Company Limited
I T Act	Income Tax Act, 1961 and subsequent amendments thereto
MCA	Ministry of Corporate Affairs
MOA	Memorandum of Association of Mack Trading Company Limited
NSDL	National Securities Depository Limited
Offer/Rights Issue	The Offer of 98000 Equity Shares of Rs.10/- each for cash at par to the shareholders of the Company and to such persons whether or not such persons are members of the company in the ratio of 2 (Two) Equity shares of Rs.10/- each at par for every 5 (Five) Equity share held on Record Date.
Offer Closing Date	The date on which the Offer closes for subscription
Offer Opening Date	The date on which the Offer opens for subscription
Offer Period	The period between the Offer Opening Date and Offer Closing Date and includes both these dates
Offer Price	The price at which the equity shares will be issued by the Company under this Letter of Offer
RBI	Reserve Bank of India
Registrar and Share Transfer Agent / Registrars	Universal Capital Securities Pvt Ltd 21/25 Shakil Niwas, Opp Satyasaibaba Temple, Mahakali Caves Road, Andheri East,

	Mumbai 400093 Contact Person: Mr. Devanand Dalvi Tel: +91 (22) 2820 7203-05 / 2825 7641 Fax: +91 22 2820 / 7207 Email: info@uniseq.in Website: www.uniseq.in
ROC	Registrar of Companies, Maharashtra, Mumbai
Record Date	(•)
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992

In the Letter of Offer, all reference to 'Rs.' refer to Rupees, the lawful currency of India, reference to one gender also refers to another gender and the word 'Lakh' or 'Lac' means 'one hundred thousand' and the word 'million' means 'ten lacs' and the word 'crore' means 'ten million'

CERTAIN CONVENTIONS; USE OF MARKET DATA:

Unless stated otherwise, the financial data in this Letter of Offer is derived from our restated financial statements. In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding.

All references to "India" contained in this Letter of Offer are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India.

For additional definitions, please see the section titled "Definitions, Abbreviations and Industry Related Terms" of this Letter of Offer.

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained from the published data and industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Letter of Offer is reliable, it has not been independently verified.

The information included in this Letter of Offer about various other Companies is based on their respective Annual Reports and information made available by the respective companies.

FORWARD-LOOKING STATEMENTS:

We have included statements in this Letter of Offer which contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expression.

"Forward looking statements". Similarly, statements that describe our objectives, plans or goals also are forward-looking statements, actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to:

General economic and business condition in India and other countries;

Regulatory changes and our ability to respond to them;

Our ability to successfully implement our strategy, our growth and expansion plans;

Technological changes:

Our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments;
The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial, markets in India and globally;
Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors" of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future profits or losses could materially differ from those that have been estimated.

We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not materialize.

II. RISK FACTORS AND MANAGEMENT PERCEPTIONS THEREOF:

An investment in equity securities involves a high degree of risk. Investors should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity shares. Occurrence of any of the following risks as well as the other risks and uncertainties discussed in this Letter of Offer could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity shares to decline, which could result in the loss to the investor.

Personnel Risk.

The Company's success to a large part depends on the abilities and continued services of its senior management, as well as other skilled personnel, including creative and programming personnel. The Company's senior management is particularly important to its business because of their experience and knowledge of the industry. The loss or non-availability to the Company of any of its senior management could have significant adverse affect. The Company may also not be able to either retain its present personnel or attract additional qualified personnel as and when needed. To the extent the Company will be

required to replace any of its senior management or other skilled personnel, there can be no assurance that the Company will be able to locate or employ similarly qualified persons on acceptable terms or at all.

BUSINESS RISK IN GENERAL:

Our business is fluctuating and highly competitive and there can be no assurance that we will be successful in future. The Indian Securities Markets are more volatile than Securities Markets of developed countries. Indian Stock Exchange have experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker's defaults, settlement delays, and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and increased margin requirements.

Further disputes have occurred on occasion between listed companies and the Indian Stock Exchange and other regulatory bodies that in some cases have a negative effect on market sentiment. Similarly, adverse conditions in global securities market have also adversely affected sentiments in Indian Markets. If similar problems occur in the future, market price and liquidity of Equity shares could be adversely affected.

External Risk:

Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.

There is no assurance that the liberalization policies of the government will continue in the future. Protests against privatization could slow down the pace of liberalization and deregulation. The Government of India plays an important role by regulating the policies and regulations governing the private sector. The current economic policies of the government may change at a later date. The pace of economic liberalization could change and specific laws and policies affecting the industry and other policies affecting investment in Our Company's business could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect Our Company's business.

Unstable internal and international political environment could impact the economic performance in both the short term and the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years.

The present Government has also announced policies and taken initiatives that support continued economic liberalization.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business, and the market price and liquidity of the Equity Shares, may be affected by changes in interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Natural disasters could disrupt our operations and result in loss of revenues and increased costs.

The business of our Company is exposed to man-made and natural disasters such as explosions, earthquakes, storms and floods as well as to terrorist attacks or other enemy actions. The occurrence of a man-made or natural disaster, terrorist attack, enemy action or other accidents could disrupt the operations of the business of our Company and result in loss of revenues and increased costs.

Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include income tax, service tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Currently we benefit from certain tax benefits that results in a decrease in the effective tax rate compared to the tax rates that we estimate would have applied if these incentives had not been available. There can be no assurance that these tax incentives will continue in the future. The non-availability of these tax incentives could adversely affect our financial condition and results of operations.

After this Offer, the price of our Company's Equity shares may be highly volatile, or an active trading market for our Equity shares may not develop.

The prices of our Company's Equity shares on the Indian Stock Exchange may fluctuate after this offer as a result of the factors, including:

- Volatility in the Indian and global securities market;
- Company's results of operations and performance;

- Performance of Company's competitors in finance industry,
- Adverse media reports on Company or pertaining to the Indian Finance industry,
- Changes in the estimates of Company's performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies;
- Significant developments in India's fiscal and environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for the industry. There are no standard valuation methodologies or accounting practices in the finance industry and the financial of the issuer are not comparable with the players in the Industry. The prices of its Equity shares of the Company may fluctuate after this offer. There can be no assurance that an active trading market for Company's Equity shares will develop or be sustained after this Issue, or that the prices at which its Equity shares are initially traded will correspond to the prices at which its Equity shares will trade in the market subsequent to this offer.

RISK RELATE TO EQUITY SHARES:

Future sales of Equity shares by shareholders or any future equity offerings by us may adversely affect the market price of the Equity shares.

If we do not have sufficient internal resources to fund our working capital or capital expenditure needs in the future, we may need to raise funds through further equity offerings. As a purchaser of the Equity shares, you may experience dilution to your shareholding to the extent that we conduct future equity or convertible equity offerings. Such dilutions can adversely affect the market price of the Equity shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity shares.

After listing, the price of our Equity shares may be volatile, or an active trading market for our Equity shares may not develop.

The prices of our Equity shares may fluctuate after listing due to a wide variety of factors, including volatility in the Indian and global securities markets; our operational performance, financial results and capacity expansion; developments in India's economic liberalization and deregulation policies, and changes in India's laws and regulations impacting our business. There is no assurance that an active trading market for our Equity shares will develop or be sustained after listing

Management Perception:

Company is mainly into the business of trading and investment activities. The Company's Income mainly depends on the trading in the securities and interest and dividend income. During last 3 years, there was a profit after tax of Rs. 11,55,123/- (2013-2014), profit of Rs. 10,22,972/- (2012 – 13) and profit of Rs. 41,661/- (2011-12). But company expects of making profit in years to come.

III BUSINESS SUMMARY AND OFFER SUMMARY:

This is only a summary. Investors should read the following summary with the Risk Factors mentioned and the more detailed information about us and our financial statements included elsewhere in this Letter of offer.

BUSINESS SUMMARY:

Industry and Business Overview:

Presently company is directed and controlled, keeping in mind long term interest of shareholders. The purpose is to achieve business excellence and dedicated itself to transparency in all its dealing in places and business efforts.

ISSUE SUMMARY:

Dear Shareholders,

Pursuant to the resolutions passed by the Board of Directors of the Company at its meeting held on 11th August, 2014 it has been decided to make the following offer to the shareholders of the Company and to such persons whether or not such persons are members of the company, with right to renounce:

Equity Shares offered by our Company	98000 Equity Shares of Rs. 10/- each
Rights Entitlement for Equity shares	2 (Two) Equity Shares of the face value Rs.10/ each for cash at par for every 5 (Five) Equity Shares of the face value Rs. 10/- each held on the Record Date
Record Date	(•)
Offer Price per Equity	Rs.10/-
Paid up Equity shares outstanding	2,45,000 Equity shares of Rs.10/- each

prior to the Offer	
Paid up Equity shares outstanding after the Offer	343000 Equity shares of Rs.10 /- each
Use of Offer proceeds	See section titled " Objects of the Offer "
Terms of the Offer	See section titled " Terms of the Offer "
Risk Factors	See section titled " Risk factors and Management Perceptions Thereof "
Security Codes	ISIN:INE436D01012 BSE Code: 501471

IV. GENERAL INFORMATION

Mack Trading Company Limited, a public Company incorporated on 18th April, 1980 under the Companies Act, 1956)

Registered Office: 5-C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai-400001.

CIN No: L51900MH1980PLC022532

E- Mail Id: info@macktradingcompany.com

Tel.: 022- 22047644/22047404

Fax. : 022 – 22885638

Following are the Directors of the Company:

1. Mr. Pavankumar Sanwaramal
2. Ms. Rita Pavankumar
3. Mr. Sudhir Bandiwadekar
4. Mr. Vijay Pandya

Address of Registrar of Companies: Registrar of Companies, Maharashtra, Mumbai, 1st Floor, Everest, 100, Marine Lines, Mumbai-400 002

Company Secretary: Ms. Hetal Mody
2A/4, Majithia Nagar, S. V. Road,
Kandivali (West),
Mumbai, - 400067

Auditor: M/S A.K. Nevatia & Associates.
Chartered Accountants,

19, Laxminarayan shopping centre,
Poddar road, Malad (East), Mumbai-
400097
Tel no.: 28836667
Fax no. 28829045
Email: ak_nevatia@yahoo.com

Share Transfer Agent : Universal Capital Securities Pvt Ltd

21/25 Shakil Niwas, Opp Satyasaibaba Temple,
Mahakali Caves Road, Andheri E,
Mumbai 400093
Tel No. 022-28207203-05 | 022- 28257641
Fax: 022- 2820/7207
Contact Person: Mr. Devanand Dalvi
Email: info@unisec.in
Website; www. unisec.in
SEBI Registration No.: INR000004082

Bankers to the Company:

1. Kotak Mahindra Bank Limited - Mumbai
2. Citi Bank NA, Mumbai

Listing:

The existing Equity shares of the Company are listed on BSE Limited.

The Company has received "in-principle" approval from BSE Limited vide its Letter No (•) dated (•) for listing of securities being offered through this Letter of Offer dated (•) 2014 . For the purpose of this Offer, the Designated Stock Exchange is BSE.

PROMINENT NOTES:

Offer of 98000 Equity shares of Rs. 10/- each for cash at par at Rs. 10/- per share (Offer price of Rs. 10/-) to the shareholders of the Company and to such persons whether or not such persons are members of the company aggregating to Rs. 980000/- (offer size Rs. 980000/-) on a "Rights" basis in the ratio of 2 (Two) Equity shares of the face value of Rs. 10/- each for cash at par for every 5 (Five) Equity share held on record date.

Net worth of the Company before the Offer as on 31st March, 2014 was Rs. 32919109/-.

Offer Schedule :

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Offer Opening Date:	(•)
Last date for receiving requests for split application forms:	(•)
Offer Closing Date:	(•)

Disclaimer clause of BSE Limited:

(•)

V. CAPITAL STRUCTURE

No. of Shares	Description	Nominal Value (Rs)	Issue Price (Rs)
A. Authorised Capital			
25,00,000	Equity Shares of Rs 10/- each	2,50,00,000	10/-
	Total	2,50,00,000	10/-
B. Issued, Subscribed & Paid Up Capital			
2,45,000	Equity Shares of Rs 10/- each	24,50,000	10/-
	Total	24,50,000	10/-
C. Present Offer			
Rights Issue in terms of this Letter of Offer			
98,000	Equity shares of Rs. 10/- each at par	9,80,000	10/-
	Total	9,80,000	10/-
D. Issued, Subscribed & Paid Up Capital after the Rights Offer (Expected)			
3,43,000	Equity shares of Rs. 10/- each	34,30,000	10/-
	Total	34,30,000	10/-

i. Capital Evolution of the Company as under:

Date of Issue	No. of Shares Issued	Issue Price (Rs.)	Type of the Issue	Cumulative Capital (No. of Shares)	Whether listed If not listed give reasons thereof
Since Incorporation	7	10/-	Equity – Subscribers to the Memorandum	7	Yes
21/06/1980	49993	10/	Equity - Preferential	50000	Yes

			Allotment		
11/08/1990	195000	10/	Equity - IPO	245000	Yes

(I)(a) SHAREHOLDING PATTERN

**STATEMENT SHOWING SHAREHOLDING PATTERN AS ON 31ST
DECEMBER, 2014**

(PRE OFFER)

Statement showing Shareholding Pattern

Name of the Company: MACK TRADING COMPANY LTD		
Scrip Code: 501471	Name of the scrip, class of security: Equity shares	Quarter ended: 31st December, 2014

Category of Shareholder	No. of Share holders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
						Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	4	24950	24950	10.18	10.18	0	0.00
Bodies Corporate	2	153620	153620	62.70	62.70	0	0.00
Sub Total	6	178570	178570	72.89	72.89	0	0.00
(2) Foreign	0	0	0	0	0	0	0
Total shareholding of Promoter and Promoter Group	6	178570	178570	72.89	72.89	0	0

(A)							
(B)Public Shareholding							
(1) Institutions	0	0	0	0	0	0	0
(2) Non-Institutions	0	0	0	0	0	0	0
Bodies Corporate	12	64480	63780	26.32	26.32	0	0
Individuals	0	0	0	0	0	0	0
Individual shareholders holding nominal share capital up to Rs. 1 lakh	20	1900	300	0.78	0.78	0	0
Any Others (Specify) Trust	1	50	50	0.01	0.01	0	0
Clearing Members	0	0	0	0	0	0	0
Sub Total	33	66430	64130	27.11	27.11	0	0
Total Public shareholding (B)	33	66430	64130	27.11	27.11	0	0
Total (A)+(B)	39	245000	242700	100	100	0	0
(C)Shares held by Custodians and against which Depository Receipts have been issued							
(1) Promoter and Promoter Group	0	0	0	0	0.00	0	0.00
(2) Public	0	0	0	0	0.00	0	0.00
Sub Total	0	0	0	0	0.00	0	0.00
Total (A)+(B)+(C)	39	245000	242700	100	100.00	0	0.00

(l)(b) Statement showing Shareholding of persons belonging to the category "Promoter and Promoter Group"

Name of the Share holder	Details of Shares held		Encumbered shares (*)			Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
	No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
Pavankumar Sanwarmal	22250	9.08	0	0.00	0.00	0	0.00	0	0.00	9.08
Rita Pavankumar	1500	0.61	0	0.00	0.00	0	0.00	0	0.00	0.61
Sanwarmal Pavankumar - HUF	1100	0.45	0	0.00	0.00	0	0.00	0	0.00	0.45
Resham Resha Pvt Ltd	71500	29.19	0	0.00	0.00	0	0.00	0	0.00	29.19
SM Sheti Seva Pvt Ltd	82120	33.52	0	0.00	0.00	0	0.00	0	0.00	33.52
Vikas Pavankumar	100	0.04	0	0	0	0	0	0	0	0.04
Total	178570	72.89	0	0.00	0.00	0	0.00	0	0.00	72.89

(I)(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of shares

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
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1.	Man Made Fibres Pvt Ltd	60620	24.74
Total		60620	24.74

(I)(c) **Statement showing Shareholding of persons belonging to the category "Public" and holding more than 5% of the total number of shares**

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1.	Man Made Fibres Pvt Ltd	60620	24.74
Total		60620	24.74

(I)(d) **Statement showing details of locked-in shares**

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1.	NIL	NIL	NIL
Total		NIL	NIL

(II)(a) **Statement showing details of Depository Receipts (DRs)**

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1.	Nil			0.00
TOTAL		0	0	0.00

(II)(b) **Statement showing Holding of Depository Receipts (DRs), where underlying shares are in excess of 1% of the total number of shares**

Sr. No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1.	Nil			0.00
TOTAL			0	0.00

Statement showing Expected Shareholding Pattern

(Post offer)
Statement showing Shareholding Pattern

Name of the Company: Mack Trading Company Limited		
Scrip Code: 501471	Name of the scrip, class of security : Equity shares	Quarter ended: Post Right Offer

Category of Shareholder	No. of Share holders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	4	34930	34930	10.18	10.18	0	0.00
Bodies Corporate	2	215068	215068	62.70	62.70	0	0.00
Sub Total	6	249998	249998	72.89	72.89	0	0.00
(2) Foreign	0	0	0	0	0	0	0
Total shareholding of Promoter and Promoter Group (A)	6	249998	249998	72.89	72.89	0	0.00
(B)							
Public Shareholding	0	0	0	0	0	0	0
(1) Institutions	0	0	0	0	0	0	0
(2) Non-Institutions							
Bodies Corporate	12	90272	89292	26.32	26.32	0	0

Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	20	2660	420	0.78	0.78	20	0
Any Others (Specify) Trust	1	70	70	0.01	0.01	0	0
Clearing Members	0	0	0	0	0	0	0
Sub Total	33	93002	89782	27.11	27.11	0	0
Total Public shareholding (B)	33	66430	64130	27.11	27.11	0	0
Total (A)+(B)	39	343000	339780	100	100.00	0	0.00
(C)							
Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0.00	0	0.00
(1) Promoter and Promoter Group	0	0	0	0	0.00	0	0.00
(2) Public	0	0	0	0	0.00	0	0.00
Sub Total	0	0	0	0	0.00	0	0.00
Total (A)+(B)+(C)	39	343000	339780	100	100.00	0	0.00

(1)(b) Statement showing Shareholding of persons belonging to the category "Promoter and Promoter Group"

Name of the Shareholder	Details of Shares held	Encumbered shares (*)	Details of warrants	Details of convertible securities	Total shares (including underlying shares assuming full conversion of

									warrant s and converti ble securiti es) as a % of diluted share capital	
	No. of Shares held	As a % of grand total (A) +(B) +(C)	No	As a per centa ge	As a % of grand total (A) +(B) +(C) of sub- clause (I)(a)	Numbe r of warran ts held	As a % total number of warrants of the same class	Number of con- vertible securitie s held	As a % total number Of convertible securities of the same class	
Pavankumar Sanwarmal	31150	9.08	0	0	0	0	0	0	0	9.08
Rita Pavankumar	2100	0.61	0	0	0	0	0	0	0	0.61
Sanwarmal Pavankumar - HUF	1540	0.45	0	0	0	0	0	0	0	0.45
Resham Resha Pvt Ltd	100100	29.19	0	0	0	0	0	0	0	29.19
SM Sheti Seva Pvt Ltd	114968	33.52	0	0	0	0	0	0	0	33.52
Vikas Pavankumar	140	0.04	0	0	0	0	0	0	0	0.04
Total	249998	72.89	0	0	0	0	0	0	0	72.89

(l)(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of shares

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1.	Man Made Fibres Pvt Ltd	84868	24.74
Total		84868	

(I)(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 5% of the total number of shares

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1.	Man Made Fibres Pvt Ltd	84868	24.74
Total		84868	

(I)(d) Statement showing details of locked-in shares

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1.	NIL	NIL	NIL
Total		0	0.00

(II)(a) Statement showing details of Depository Receipts (DRs)

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1.	Nil			0.00
TOTAL		0	0	0.00

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares are in excess of 1% of the total number of shares

Sr. No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
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1.	Nil		0.00
TOTAL		0	0.00

VI TERMS OF THE PRESENT OFFER :

AUTHORITY FOR THE PRESENT OFFER:

The present Offer is being made pursuant to the resolution to be passed by the shareholders in the Extra- Ordinary General Meeting held on 1st April, 2015 and resolution passed by the Board of Directors of the Company at its meeting held on 11th August, 2014.

BASIS OF THE OFFER:

The Equity Share of Rs.10/- each for cash at par is being offered on a Rights basis to the shareholders of the Company and to such persons whether or not such persons are members of the Company in the ratio of 2 (Two) Equity Shares for every 5 (Five) Equity Share held on Record Date (•) being the date fixed by the Board of Directors of the Company in consultation with the "BSE Limited."

BASIS OF PRICE:

The Board of Directors of the Company have decided to issue the shares at par i.e. Rs. 10/- per equity share on a right basis.

PRINCIPAL TERMS OF THE OFFER:

The equity shares now being issued are subject to the terms and conditions of this Letter of Offer, the Memorandum and Articles of Association, the Government approvals, RBI approvals, the provisions of the Companies Act, 2013, guidelines issued by SEBI, listing agreement with the BSE and such other notifications and regulations as may be issued by statutory authorities in this regard, from time to time, terms and conditions as stipulated in the allotment advise or letter of allotment or share certificate, or any other legislative enactments and rules as may be applicable and introduced from time to time by SEBI, Government of India, RBI and or other authorities.

RIGHTS ENTITLEMENT:

As your name appears in the Register of Members as an equity shareholder/Beneficial Owner (as per the list provided by the Depositories) of the Company on the Record Date i.e. (•)

The eligible shareholders shall be entitled to the following:

- 2 (Two) Equity Shares of Rs. 10/- each for every 5 (Five) Equity Share of Rs. 10/- held on the Record Date (•)

PRINCIPAL TERMS AND CONDITIONS OF THE OFFER OF EQUITY SHARES:

- i. **Face Value:** Each equity share shall have the face value of Rs.10 /-.
- ii. **Offer Price:** Each equity share is being offered at par at Rs.10/-
- iii. **Entitlement Ratio** The Equity shares are being offered on Rights basis to the shareholders of the Company and to such persons whether or not such persons are members of the Company in the ratio of 2 (Two) Equity shares for every 5 (Five) Equity share held. All the fractional entitlement will be rounded off to the next higher integer.
- iv. **Market Lot: The** Equity Shares of the Company are tradable in demat mode only. The market lot for the Equity shares of the Company is 1 (One). In case of holding of the Equity shares in a physical form, Company would Offer to the allottees 1 (One) consolidated certificate for all the equity shares allotted under physical mode. Upon request from the shareholders, the Company will arrange for splitting of the share certificates without any charges, into smaller denominations within 7 days of receipt of the request.

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v. Terms of Payment:

Amount Payable	Towards Capital (Rs.)
On Application	10.00
Total	10.00

- vi. Where an applicant has applied for additional shares and is allotted lesser number of shares than applied for, the excess application money shall be refunded. The excess application monies would be refunded within 15 days from the closure of the Issue, and if there is a delay, every Director of the Company who is an officer in default shall be jointly and severally liable to repay the money with interest for the delayed period, at the rates stipulated

vii: Utilization of Funds raised from the proposed Rights Offer

The funds to be raised from the proposed right offer of Equity Shares will be utilized for working capital and general corporate purposes.

The Board declares that:

1. All monies received pursuant to the offer will be transferred into the separate bank account maintained by the Company as per the provisions of the Companies Act;

2. Details of all monies utilized out of the offer shall be disclosed, and continue to be disclosed till the time any part of the offer Proceeds remains unutilized, under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the offer, if any, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilized monies have been invested; and
4. The Company may utilize the funds collected in the offer only after the basis of Allotment is finalized.

viii: Expenses of the present Offer

The expenses of the present offer includes mandatory costs such as fees to the Registrar to the offer, Bankers to the offer, Advisory fees, Stock exchange fees, registration, Advertising, printing etc. and the said expenses will be payable by the Company out of the proceeds of this offer.

BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Articles of Association and the approval of the Designated Stock Exchange, the Board will proceed to allot the Equity Shares in the following order of priority:

(a) Full Allotment to those Investors who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Equity Shares renounced in their favour, in full or in part.

(b) Investors whose fractional entitlements are being ignored would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Share. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for allotment under this head are more than number of Equity Shares available after allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

(c) Allotment to the Renouncees and Investors who having applied for all the Equity Shares offered to them as part of the Issue and have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by Renouncees and / or investor on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of the Board in

consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment

LISTING AND TRADING OF EQUITY SHARES PROPOSED TO BE ISSUED:

The Company's existing Equity shares are currently traded on BSE Limited under the ISIN: INE436D01012. The Equity shares offered pursuant to the offer shall be listed and traded under a same ISIN.

The Equity shares allotted pursuant to this offer will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading shall be taken within seven working days of finalisation of the basis of Allotment. The Company has received "in-principle" approvals from the BSE for listing the Equity shares allotted pursuant to the offer ("**Allotted**") no. [●] and dated [●] respectively.

The listing and trading of the Equity shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

RANKING OF EQUITY SHARES:

The equity shares allotted pursuant to this Letter of Offer shall rank pari-passu in all respects with the existing equity shares of the Company including in respect of dividend, if any, declared by the Company for the financial year, in which these equity shares are allotted.

PAYMENT OF DIVIDEND :

The Dividend is paid to all the eligible shareholders in terms of the provisions of the Companies Act, 2013 with regard to payment of dividend. The unclaimed dividend if any are transferred to Investors Protection Fund as prescribed under the Companies Act.

NOMINATION FACILITY:

In terms of Section 72 of the Act, every holder of securities of a company may, at any time, nominate, in the prescribed manner, any person to whom his securities shall vest in the event of his death.

Where the securities of a company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the securities of the company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the securities of the company, the nominee shall, on the death of the holder of securities or , as the case may be, on the death of the joint-holders, become entitled to all the rights in the securities, of the holder or, as the case may be, of all the joint-holders, in relation to such securities, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

Where the nomination is a minor, it shall be lawful for the holder of the securities, making the nomination to appoint, in the prescribed manner, any person to become entitled to the securities of the company, in the event of the death of the nominee during his minority.

A nomination shall stand rescinded upon the sale/disposal of the Equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When two or more persons hold Equity share(s), the nominee shall become entitled to receive the Equity shares only on the demise of all the holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of the Company located at 5-C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai, Maharashtra-400001 or at such other place or at such address as may be notified by the Company. The applicant can make the nomination by filling in the relevant portion in the CAF.

Only one nomination would be applicable for one folio. Hence, in case the shareholder(s) has (have) already registered the nomination with the Company, no further nomination needs to be made for Equity shares to be allotted in the offer under the same folio.

In case the allotment of Equity shares is in dematerialized form, there is no need to make a separate nomination for the Equity shares to be allotted in the offer. Nominations registered with respective DP of the applicant would prevail. If such applicants require changing the nomination, they are requested to inform their respective DP.

ADDITIONAL EQUITY SHARES:

You are eligible to apply for additional Equity shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Equity shares offered to you without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity shares shall be considered and allotment shall be made at the sole discretion of the Board,

subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange.

If you desire to apply for additional Equity shares, please indicate your requirement in the place provided for additional Equity shares in Part A of the CAF. The Renouces applying for all the Equity shares renounced in their favour may also apply for additional Equity shares.

Where the number of additional Equity shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

ACCEPTANCE OF OFFER:

You may accept and apply for the Equity shares hereby offered to you wholly or in part by filling Part A of the enclosed CAF and submit the same along with the application money to the Bankers to the Offer or to any of their designated branches as mentioned on the reverse of the CAF before the close of business hours on (.) 2015. The Board or Committee of Directors authorised in this behalf by the Board of Directors will have the power to extend the last date for receipt and acceptance of the CAF for such period as it may deem fit but in no case will the Offer for subscribing to the Offer be kept open for more than 30 (thirty) days.

If for any reason whatsoever, the CAF together with the amount payable is not received by the Bankers to the offer or by any of their designated branches as mentioned on the reverse of the CAF on or before the close of business hours on (.) 2015 or such extended date as may be determined by the Board or Committee of Directors authorised in this behalf by the Board of Directors, the Offer contained in the Letter of Offer shall be deemed to have been declined.

The Company will not be liable for any postal delays and any application received by mail after closure of the Offer date will be returned to the applicants. The date of mailing by the applicant will not be the criteria for acceptance.

RENUNCIATION:

Unless the articles of the company otherwise provide , the offer aforesaid shall be deemed to include a right exerciseable by the person concerned to renounce the shares offered to him or any of them in favour of any other person.

As an Equity shareholder, you have the right to renounce your entitlement to the Rights shares, wholly or in part in favour of any other person(s) subject to the approval of the Board. Such renouces can only be Indian Nationals (including minor

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through their natural/legal guardian), Limited Companies incorporated under/governed by the Companies Act, 1956, Statutory Corporations / Institutions, Trust (registered under the Indian Trust Act, 1882), Societies (registered under the Societies Registration Act, 1860, or any other applicable laws) and provided that such Trust / Society is authorized under its constitution /rules /bye-laws to hold Equity Shares in a Company and cannot be a Partnership Firm or Foreign nationals or nominees of any of them (unless approved by RBI or the relevant authorities) any other persons not approved by the Board.

Any renunciation from a Resident shareholder(s) to Non Resident shareholder(s) or from Non Resident shareholder(s) to Resident or Non-Resident Indians is subject to the renouncer(s) or renounee(s) obtaining the necessary permission of RBI and the same shall be attached to the CAF. Applications not accompanied by the aforesaid approval are liable to be rejected.

A request for the allotment of the equity shares by the renounee(s) in whose favour renunciation has been exercised shall be subject to the condition that the Board or Committee of Directors of the Company authorised in this behalf by the Board shall have absolute discretion to reject such request for allotment, without assigning any reasons thereof.

PROCEDURE FOR RENUNCIATION:

TO RENOUNCE IN WHOLE IN FAVOUR OF ONE RENOUNCEE:

If you wish to renounce this offer in whole, please complete Part B of the CAF. In case of joint holdings, all joint holders must sign this part of CAF in the same order as per the specimen signatures recorded with the Company. The person in whose favour this Offer has been renounced, should complete and sign Part C of the CAF. In case of joint renounees, all joint renounees must sign this part of CAF.

TO RENOUNCE IN PART:

If you wish to accept this offer in part and renounce the balance or renounce the entire Offer in favour of one or more renounees. Please indicate your requirement for the split forms in the space provided for this purpose in Part D of the CAF and return the entire CAF at the Registered Office of the Company so as to reach them on or before ____ 2015. On receipt of the required number of split forms from the Registrar, the procedure as mentioned above should be followed.

CHANGE AND/OR INTRODUCTION OF ADDITIONAL HOLDERS:

If you wish to apply for equity shares jointly with any other person(s) (upto 2), who

is/are not already joint holder(s) with the applicant, it would amount to renunciation. Even a change in the sequence of the joint holders shall amount to renunciation and the procedure for renunciation as stated above would apply viz. Parts B and C of the CAF will have to be filled in.

RENOUNCEE(S):

The person(s) in whose favor the equity shares are renounced should fill in and sign Part C of the CAF and submit the same to the Bankers to the Offer on or before the Offer closing date along with the application money.

In case the signature of the equity shareholder(s), who has/have renounced the equity shares does not match with the specimen signature(s) as per the records of the Company, the application is liable to be rejected.

SPLITTING OF COMPOSITE APPLICATION FORMS

1. Split forms cannot be re-split;
 2. Only the person to whom the Offer is made and not the renounee(s) shall be entitled to obtain split forms;
 3. Requests for split forms should be sent to the at the Registered Office of the Company, not later than _____ 2015 by filling in Part D of the CAF;
 4. Request for split CAF will be entertained once only.
 5. Split forms can be issued in multiple of 1 equity share and one split CAF will be issued for the balance equity share, if any.
 6. Split forms shall be sent by post to the applicant at the applicant's risk.
 7. Option available to the Eligible Equity Shareholders
- a. The CAFs will clearly indicate the number of Equity shares that the Eligible Equity Shareholder is entitled to.
- b. If the Eligible Equity Shareholder applies for an investment in Equity shares, then he can:
- (i) Apply for his Rights Entitlement of Equity shares in full;
 - (ii) Apply for his Rights Entitlement of Equity shares in part (without renouncing the other part);
 - (iii) Apply for his Rights Entitlement of Equity shares in part and renounce the other part of the Equity shares;
 - (iv) Apply for his Rights Entitlement in full and apply for additional Equity shares; or Renounce his Rights Entitlement in full.

Notes:

- Part A of the CAF must not be used by any person(s) in whose favour this entitlement has been renounced.
- While applying for or renouncing equity shares, joint holders must sign in the same order and as per the specimen signatures registered with the Company.

APPLICANTS RESIDING AT PLACES OTHER THAN DESIGNATED COLLECTION CENTRES :

Applicants residing at places other than the cities where the bank collection centers have opened should send their completed CAF by registered post at the registered Office of the Company along with the bank drafts payable at Mumbai in favour of “Mack Trading – Rights Issue” crossed a/c payee only so as to reach on or before closure of the Offer (i.e. _____ 2015). In such case, the applicants can make the payment net of demand draft and postal charges. The Company shall not be liable for any postal delays and applications received through mail after the closure of the offer are liable to be rejected and returned to the applicants. Applications by mail should not be sent in any manner except as mentioned above.

All CAFs duly completed together with cash / cheque / demand draft must be submitted before closure of the offer to the bankers to the offer named herein or to any collection centers mentioned on the reverse of the CAF.

APPLICATIONS UNDER POWER OF ATTORNEY:

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund or Trusts, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the CAF or lodged for scrutiny separately, quoting the serial number of the CAF and the bank’s branch where the application has been submitted, at registered office of the Company after submission of the CAF to the Banker to the offer or any of the designated branches as mentioned on the reverse of the CAF, failing which the applications are liable to be rejected. Such authority received at registered office of the Company after closure of the offer may not be considered.

JOINT APPLICATIONS:

An application may be made in single name or jointly with any other person(s) (upto 2). In the case of a joint application, refund orders (if any) and interest/dividend warrants, etc. will be made out in favour of the first applicant and all communications will be addressed to the applicant whose name appears first and

at his/her address stated in the CAF.

AVAILABILITY OF DUPLICATE CAF:

In case the original CAF is not received or is misplaced, duplicate CAF is available at the registered office of the Company, on the request of the applicant who should furnish the registered folio number / DP and Client ID number and his / her full name and address. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the applicant violates any of these requirements, he / she shall face the risk of rejection of both the applications.

PROCEDURE FOR APPLICATION ON PLAIN PAPER:

Where the shareholders have neither received the original CAF nor are in a position to obtain a duplicate CAF, they may apply on plain paper giving particulars such as:

- i. Name in full: (including names of joint-holders in the same order as the records of The Company)
- ii. Address of Sole/First Holder:
- iii. DP ID No:
- iv. Client ID No:
- v. Registered Folio Number:
- vi. Number of shares held on the Record Date i.e. _____, 2015.
- vii. Distinctive Numbers & Share certificate numbers (if held in physical form)
- viii. Number of equity shares to which entitled:
- ix. Total number of equity shares applied for and total amount paid on application:
- x. Particulars of Cheque/ Demand Draft:
- xi. Income Tax Permanent Account No.(PAN) and Income-tax Circle/Ward /District in case applications for equity shares for value of Rs 50,000/- or more for the applicant and for each applicant in case of joint names.
- xii. Bank Account No. and Name of Bank and Branch for refund purposes.

- xiii. In case of the Non-Resident Shareholder(s) the details of the NRE/FCNR/NRO account along with the name and address of the Bank and branch.
- xiv. Such applicants should send the application signed by all the holders of the shares in the same sequence and order as they appear in the Register of Members or Demat Account of The Company by Registered Post along with the Cheques/ Demand Drafts payable at Mumbai only at the Registered office of the Company to reach on or before the last date for submission of the CAF. The Company shall not be responsible for any postal delay or loss in transit.

INSTRUCTIONS FOR OPTIONS:

The summary of options available to the Eligible Equity shareholder is presented below.

You may exercise any of the following options with regard to the Equity shares offered:

OPTION AVAILABLE	ACTION REQUIRED
1. Accept whole or part of your Rights entitlement without renouncing the balance.	Fill in and sign Part A (All joint holders must sign)
2. Accept your Rights Entitlement in full and apply for additional Equity shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity shares (All joint holders must sign)

<p>3. Accept a part of your Rights Entitlement and renounce the balance to more than one Renouncee(s)</p> <p style="text-align: center;">OR</p> <p>Renounce your Rights Entitlement of all the Equity shares offered to you to more than one Renouncee</p>	<p>Fill in and sign Part D (all joint holders must sign) requesting for SAFs. Send the CAF to the Registrar to the offer so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below.</p> <p>(i) For the Equity shares you wish to accept, if any, fill in and sign Part A.</p> <p>For the Equity shares you wish to renounce, fill in and sign Part B indicating the number of Equity shares renounced and hand it over to the Renouncees.</p> <p>Each Renouncee should fill in and sign Part C for the Equity Shares accepted by them.</p>
<p>4. Renounce your Rights Entitlement in full or part to one Renouncee (Joint Renouncees are considered as one).</p>	<p>In respect of the CAF, take the following action:</p> <ul style="list-style-type: none"> • For the Equity shares you wish to accept, if any, fill in and sign Part A. • For the Equity shares you wish to renounce, fill in and sign Part B indicating the number of Equity shares renounced and hand it over to the Renouncees. • The Renouncee should fill in and sign Part C for the Equity Shares accepted by him.
<p>5. Introduce a joint holder or change the sequence of joint holders.</p>	<p>This will be treated as renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.</p>

MODE OF PAYMENT:

The Cheque/Demand Draft should be drawn in favour of "Kotak Mahindra Bank Limited, Mumbai-Mack Trading- Rights Issue" and crossed "A/c Payee only".

SECTION 269SS OF THE INCOME-TAX ACT, 1961:

Having regard to the provisions of Section 269SS of the Income-tax Act, 1961, payment against application should not be made in cash if the amount payable is Rs.20,000/- or more. In case the payment is made in contravention of this, the application is liable to be rejected and the amount will be returned without interest.

Resident Shareholders:

- a. Payment should be made in cash or by cheque or by bank draft. Money orders/ postal orders /outstation /post-dated cheques or outstation demand drafts will not be accepted. Only one mode of payment should be used per CAF.
- b. All cheques or bank drafts must be made payable to the Bankers to the offer mentioned in the CAF marked "**Kotak Mahindra Bank Limited, Mumbai-Mack Trading- Rights Issue**" and crossed "A/c payee only".
- c. A separate cheque or bank draft must accompany each application form.
- d. All application forms duly completed together with cash/cheque/demand draft for the amount payable on application at Rs. 10 per equity Share must be submitted before the close of the Subscription List to the Bankers to the Offer named herein or to any of their branches mentioned on the reverse of the CAF.
- e. No receipt will be issued for the application money. However, the Bankers to the Offer and/or their branches receiving the applications will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each CAF.
- f. Where an application is for allotment of equity shares for a total value of Rs. 50,000/- or more, i.e. the total number of equity shares applied for multiplied by the Offer price, is Rs. 50,000/- or more, the applicant or in the case of applications in joint names, each of the applicants, should mention his/her permanent account number allotted under the Income-tax Act, 1961 or where the same has not been allotted the GIR number and the Income tax Circle/Ward/District. In case where neither the permanent account number nor the GIR number has been allotted, the fact of non-allotment should be mentioned in the Application Forms without which this information will be considered incomplete and the Applications are liable to be rejected.
- g. The applicant should provide information in the CAF as to his/her savings/current bank account number and the name of the bank with whom such account is held, in the space provided for the said purpose, to enable to print the said details on the refund orders, if any, after the name of the applicants. This has

been made mandatory and applications not containing such details are liable to be rejected.

- h. Applicants in centers not covered by the branches of collecting banks can send their CAF along with the Demand Draft payable at Mumbai, net of Demand Draft and Postal charges to the Registrars to the offer at the Registered office of the Company by Registered Post.
- i. For further instructions the investors are requested to read the CAF carefully while applying for the equity shares.

NON-RESIDENT SHAREHOLDERS:

Applications received from Non-Resident Indians/persons of Indian origin resident abroad, for allotment of equity shares shall be, inter alia, subject to the conditions imposed from time to time by the Reserve Bank of India under the FEMA on the matter of refund of application moneys, allotment of equity shares, Issue of Letters of Allotment/share certificate(s), payment of interest, dividends, etc. General permission has been granted to any person resident outside India to purchase shares offered on rights basis by an Indian Company in terms of FEMA.

Vide notification dated 18th June, 2003, bearing number FEMA 94/2003, RBI has granted general permission to Indian companies to Offer rights/bonus equity shares to existing non-resident shareholders. The existing non-resident shareholders may apply for Offer of Equity Shares and The Company may allot the same subject to the condition that the overall Offer of Equity Shares to non-residents in the total paid up capital does not exceed the sectoral cap. In other words, non-residents may subscribe for additional Equity Shares over and above Equity Shares offered on rights basis by The Company and renounce the Equity Shares offered in full or part thereof in favour of a person named by them. However, this facility would not be available to investors who have been allotted such Equity Shares as OCBs.

The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of equity shares, payment of dividend etc., to the NRI Shareholders. Mode of payment by NRI shareholders will depend on whether the equity shares are on repatriation or non-repatriation basis.

A) ON REPATRIATION BASIS:

Payments are to be made by such NRIs in any of the following modes:

- i. Indian Rupee Draft purchased from abroad and made payable at Mumbai or

funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or

- ii. Cheques drawn on Non-Resident External Account (NRE Account) with any bank in India and payable at Mumbai
- iii. Indian Rupee Draft purchased out of NRE/FCNR accounts maintained anywhere in India and payable at Mumbai

In case of NRIs who remit their application money through Indian Rupee drafts from abroad, refunds, payment of interest and other disbursements, if any will be made in the relevant foreign currencies at the rate of the exchange prevailing at such time subject to the permission of Reserve Bank of India. The Company will not be liable for any loss on account of exchange fluctuations for converting their Rupee amount in any foreign currency. In case of those NRIs who remit their application money from funds in NRE/FCNR accounts, refund, payment of interest and other disbursements, if any, shall be credited to such accounts. The details of such accounts should be furnished in the appropriate column of the CAF.

- iv. Cheque/Draft purchased out of funds held in Foreign Institutional Investors special non-resident rupee account.
- v. Applicants seeking allotment of the equity shares on repatriation basis should note that the payments for such allotment have to be made through external source only and that the payments through NRO accounts shall not be permitted.

B) ON NON-REPATRIATION BASIS:

Payments are to be made by such NRIs by Cheque drawn on a Non-Resident Ordinary Account (NRO Account) at Mumbai or Rupee Draft purchased out of NRO Account maintained anywhere in India but payable at Mumbai. In such cases, refund, interest and other disbursement, if any, will be payable in Indian Rupees only. The CAF should be accompanied by a non-repatriation undertaking as per the forms prescribed by RBI.

Whether the application is being made for the equity shares are on repatriation basis or non-repatriation basis, a separate cheque /demand draft must accompany each CAF. All instruments must be crossed "Account Payee Only" and drawn in favour of "Name of the Bank Mack Trading - Rights Issue – Non-Residents". You are requested to mention the folio number and the CAF number on the reverse of the cheque /demand draft.

An account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting FCNR/NRE/NRO Account must be attached in all cases where drafts have been purchased from FCNR/NRE/NRO Accounts or Foreign Inward Remittance Certificate (FIRC) from the Authorised Dealers along with the CAF otherwise the application may be considered incomplete and liable for rejection. Payment by way of cash shall not be accepted.

RIGHTS OF THE EQUITY SHAREHOLDERS:

The holders of the equity shares arising out of the present offer shall be entitled to the following Rights:

- a. Right to receive dividend, if declared;
- b. Right to attend general meeting and exercise voting rights, unless prohibited by laws
- c. Right to vote either personally or through proxy.
- d. Right to receive offers for rights shares and be allotted bonus shares.
- e. Any other rights available under the Companies Act, 2013.
- f. Only the registered equity shareholders or in case of joint holders, the one whose name appears first in the Register of equity shareholders shall be entitled to the above-mentioned rights. The shares issued in the Rights Issue shall be pari passu with the existing shares in all respects.
- g. The equity shares shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as applicable to the existing equity shares of The Company. The provisions relating to the transfer and transmission and other related matters in respect of the shares of The Company contained in the Articles and the Act shall apply mutatis mutandis to these equity shares also.

FEW REASONS FOR TECHNICAL REJECTIONS:

- i. If the signature is not matching with the signatures already registered with the Company;
- ii. In case of joint holders, if the signatures are not made in the same order as registered with the Company;
- iii. If cash above Rs.20,000/- is remitted toward share application money;

- iv. PAN/GIR No. is not mentioned if the value of the application is more than Rs.50,000/-;
- v. Amount paid does not tally with the amount payable for;
- vi. Bank account details are not given;
- vii. Applications not duly signed by sole/joint applicants
- viii. Re-Split of CAF

CONSOLIDATED SHARE CERTIFICATE:

Shareholders opting to receive equity shares in physical mode will be issued a consolidated equity Share certificate for all the equity shares allotted to them in this Letter of Offer. Upon request from the shareholders, The Company will arrange for splitting of the share certificates without any charges, within 7 days of receipt of the request.

PRINTING OF BANK PARTICULARS ON REFUND ORDERS:

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the applicant's bank account are mandatory required to be provided for printing on refund orders. Bank account details will be printed on the refund orders, which can be deposited only in the account specified after the name of the payees. The Company will be in no way responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

JOINT-HOLDERS:

Where two or more persons are registered as the holders of Equity shares, they shall be deemed (so far as The Company is concerned) to hold the same as joint-tenants with benefits of survivorship subject to provisions contained in the AOA.

NOTICES:

All notices to the equity shareholder(s) required to be given by The Company in connection with the offer shall be published in one English national daily with wide circulation, one regional national daily with wide circulation and will be sent by ordinary post/registered Post/speed post/Courier to the registered holders of the equity share(s) from time to time.

ISSUE OF DUPLICATE SHARE CERTIFICATES:

If any Equity share certificate(s) is/are destroyed, stolen, lost or misplaced, then upon production of proof thereof to the satisfaction of the Company and upon furnishing such indemnity/surety and/or such other documents as the Company may deem adequate, duplicate Equity share certificate(s) shall be issued.

OPTION TO RECEIVE THE RIGHTS EQUITY SHARES IN DEMATERIALISED FORM :

Applicants have the option to hold the equity shares of the Company in the electronic form under the Depository System. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), which enable an investor to hold and trade in securities in dematerialized (Electronic) form, instead of holding equity shares in the form of physical certificates.

In the Rights Issue, an option is being provided to the shareholders to receive their Rights equity shares in the form of an electronic credit to their beneficiary account with any of the depository participant (NSDL/CDSL) instead of receiving these equity shares in the form of physical certificates. Investor can opt for this facility by filling up the relevant particulars in the CAF.

Applicants may note that they have the option to subscribe to the Rights equity shares in demat or physical form, or partly in demat and partly in physical form, in the same application. In case of partial allotment, allotment will be first done in demat form for the shares sought in demat and the balance, if any, will be allotted in physical form. However, the investors may note that the equity shares of The Company can be traded on the Stock Exchanges only in demat form.

COMPULSORY DEMATERIALISED DEALING :

The equity shares of The Company have been under compulsory dematerialized trading for all investors with effect from October 30, 2000 vide SEBI notification No. SMDRP/ POLICY/CIR-23/2000 dated 29th May, 2000. The Company has an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and its equity shares bear the ISIN No. INE436D01012. However, the investors have an option to hold the shares in physical form or demat form.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEY;

- a. No acknowledgment will be issued for the Application money received by the Company. However, the Bankers to the Issue/Registrar to the Issue receiving the

CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

- b. The Board of the Company or Committee of Directors authorised in this behalf by the Board of the Company reserves its full, unqualified and absolute right to accept or reject any application in whole or in part the application of renounees in consultation with Designated Stock Exchange without assigning any reason thereof. If any application is rejected in full the entire application money will be refunded to the applicant in accordance with the provisions of the Companies Act, 2013. Where the applicant is allotted in part, the balance of the application money will be refunded to the applicant in accordance with the provisions of the Companies Act, 2013.
- c. Refund will be made by cheques/ pay orders drawn on refund bankers and bank charges, if any, for encashing such cheques or pay orders will be payable by the applicant. Such cheques or pay orders will however, be payable at par at the branches of the refund bankers located at all places where applications are accepted.
- d. Allotment of equity shares and export of Letters of Allotment/share certificate(s) to NRI/OCB/Non- Residents would be subject to the approval of the Reserve Bank of India under the FEMA, if required.
- e. The Company should made adequate provision for complying with requirement of dispatch of refund cheques /Letter(s) of Allotment / share certificate(s) by registered post / under postal certificate.
- f. For further instructions, read the CAF carefully.

OFFER OF LETTER OF ALLOTMENT:

In case the Company issues Letter(s) of Allotment, the relative Share Certificate(s) will be kept ready within 2 months from the date of allotment thereof or such extended time as may be approved by the Company Law Board or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for Share Certificate(s).

Commented [P3]: check no of months

Commented [P4]:

Commented [P5]:

ALLOTMENT ADVICE / DISPATCH OF REFUND ORDERS:

The Company will issue and dispatch Allotment advice/share certificates/demat credit and/or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. If such money is not repaid within such period, every Director

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of the Company who is an officer in default shall, be jointly and severally liable to pay the money with interest as prescribed under the Companies Act.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Electronic Clearing Service ("NECS") except where Investors have not provided the details required to send electronic refunds, or where the Investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement ("RTGS").

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

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Any letter of allotment/refund order would be sent by registered post/speed post to the sole/first Investor's registered address. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

PAYMENT OF REFUND:

MODE OF MAKING REFUNDS :

The payment of refund, if any, would be done through cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par and the refund orders will be dispatched through Speed Post/Registered Post.

DENOMINATION OF SHARES:

The present denomination of the equity shares of the Company is Rs. 10/- and the Company undertakes that at any given time there will be only one denomination for the equity shares of the Company. The Company shall comply with such disclosures and accounting norms as specified by SEBI from time to time.

OBJECTS OF THE OFFER:

1. To meet long term Working Capital requirement and general corporate purpose
2. To meet the Offer expenses.

UNDERTAKINGS BY THE COMPANY:

The Company undertakes the following:

- i. The complaints received in respect of the offer shall be attended to by the Company expeditiously and satisfactorily.
- ii. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity shares are to be listed will be taken within seven working days of finalization of basis of Allotment.
- iii. The funds required for making refunds to unsuccessful Applicants as per the modes disclosed shall be made available to the Registrar to the offer by the Company.

Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the offer closing date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

- iv. At any given time, there shall be only one denomination for the Equity shares.
- v. The Company shall comply with such disclosure and accounting norms specified by the SEBI from time to time.
- vi. The certificates of the securities or refund orders to non-resident shareholders will be dispatched within specified time.
- vii. No further issue of securities shall be made till the securities offered through this Draft Letter of Offer are listed or till the application moneys are refunded on account of non-listing, under-subscription, etc.

MINIMUM SUBSCRIPTION:

If the Company does not receive the minimum subscription of 90% of the Offer, or the subscription level falls below 90% after the Offer Closing Date on account of cheques being returned unpaid or withdrawal of applications, the Company shall forthwith refund the entire subscription amount received within 15 days from the Offer Closing Date. If such money is not repaid within eight days from the day the Company becomes liable to repay it, (i.e. 15 days after the Offer Closing Date or the date of the refusal by the Stock Exchange(s), whichever is earlier) the Company and every Director of the Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as

prescribed under the Companies Act 2013 read with Company Rules, 2014.

Important

- Read the Letter of Offer carefully before taking any action. The instructions contained in the CAF are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.
- All enquiries in connection with the Letter of Offer or CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/DP and Client ID number, the CAF number and the name of the sole/first Eligible Equity Shareholder as mentioned on the Application Form and super-scribed "Mack Trading Company *Limited - Rights Issue*" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

Universal Capital Securities Private Limited

21, Shakil Niwas, Opp Satyasaibaba Temple,
Mahakali Caves Road, Andheri E,
Mumbai 400093

Tel: +91 (22) 2820 7203-05 / 2825 7641

Fax: +91 22 2820 / 7207

Email: info@unisec.in

Website: www.unisec.in

The Rights Entitlement and the Equity shares are not intended to be offered or sold to persons in the United States or any other jurisdiction where such offer or sale may be prohibited. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any shares or rights to sale in the United States, the territories or possessions thereof, or a solicitation therein of an offer to buy any of the said shares or rights. Accordingly, the Letter of Offer and the CAF should not be dispatched or forwarded to or transmitted in or to, the United States at any time. The Company reserves absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so. Any person who acquires Rights Entitlements or Equity shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Equity shares or the Rights Entitlements, it will not be, in the United States or any other jurisdiction where such acquisition may be prohibited. The offer will remain open for a minimum 15 days but not exceeding 30 days from the issue opening date.

VII. STATEMENT OF TAX BENEFITS

**The Board of Directors,
Mack Trading Company Limited,
5-C, Sindhu House, Nanabhai Lane,
Flora Fountain, Fort,
Mumbai, Maharashtra-400001**

Dear Sir,

Sub: Statement of Possible Tax Benefits available to Mack Trading Company Limited ('the Company') and its shareholders

We hereby enclose in the Annexure a statement of possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and the Wealth-tax Act, 1957 (as amended by the Finance Act, 2012), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfillment of such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

- i. The Company or its shareholders will continue to obtain these benefits in future; or
- ii. The conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This report is intended solely for your information and for the inclusion in the Offer Document in connection with the proposed Right Offer of the Company.

For A.K. nevatia & Associates
Chartered Accountants

Sd/-
Anil Kumar Nevatia
(Proprietor)
Membership No. 040403

Place: Mumbai
Dated: 15/12/2014

Annexure to the Statement of Possible Tax Benefits:

As per the present provisions of Income Tax Act, 1961 (hereinafter referred to as "the Act") and other laws as applicable for the time being in force in India, the following tax benefits and deductions are available to the Company and its shareholders, subject to fulfillment of prescribed conditions;

A. Special Tax Benefits Under the Income Tax Act, 1961

i) Benefits of Unabsorbed Capital Loss of Rs. Nil

In view of the provisions of Section 74 of the Act, Company can carry forward the Unabsorbed Capital Loss for a period of eight assessment years immediately succeeding assessment years in which the loss was first computed.

ii) Benefits of Unabsorbed Business Loss (Non Speculation, other than Depreciation of Rs. 26.71 Lacs)

In view of provisions of Section 72 of the Act, Company can carry forward the unabsorbed Business Loss for a period of eight assessment years immediately succeeding assessment years in which loss was first computed to be set off against business income.

iii) Dividend exempt under Section 10 (34) of the Act

Under Section 10 (34) of the Act, dividend income earned by the company referred to in Section 115-O of the Act, will be exempt from tax in the hands of the Company.

iv) Income from specified mutual fund exempt under Section 10(35) of the Act

In accordance with and subject to the provisions of Section 10(35) of the Act, the following income shall be exempt in the hands of the Company:

- a) Income received in respect of the units of a Mutual Fund specified under Clause (23D) of Section 10 of the Act; or

- b) Income received in respect of units from the Administrator of the specified undertaking; or
- c) Income received in respect of units from the specified company.

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

v) **Exemption from Capital Gain under Section 10(38) of the Act**

In terms of Section 10(38) of the Act, any long term capital gains arising to a company from transfer of long term capital asset being equity shares in any other company or a unit of an equity oriented fund would not be liable to tax if the following conditions are satisfied:

- a) The transaction of sale of such equity share is entered into on or after 1st October, 2004.
- b) The transaction is chargeable to Securities Transaction Tax under Chapter VII of the Finance (No.2) Act, 2004.

However, in terms of the fifth proviso to Section 48 of the Act, no deduction of amount paid on account of securities transaction tax will be allowed in computing the income chargeable to tax as capital gains.

vi) **Business Deductions**

Under Section 36(1)(vii)/36(2) of the I. T Act, any bad debts or part thereof written off as irrecoverable, would be allowed as deduction from the total income in accordance with and subject to the provisions contained therein.

B. MAT Credit

Where the tax liability of the Company as computed under the normal provisions of the Act, is less than 18.5% of its book profits after making certain specified adjustments, the Company would be liable to pay Minimum Alternate Tax ("MAT") at an effective rate of 20.0078% (including applicable surcharge and education cess) of the book profits. For the purpose of computation of MAT, the book profits are subjected to certain adjustments as prescribed.

The difference between the MAT payable under section 115JB of the IT Act and the tax on its total income payable for that assessment year shall be allowed to be carried forward as "MAT credit" upto tenth assessment year immediately succeeding the assessment year in which the tax credit under MAT has been paid. The MAT credit can be utilized to be set off against taxes payable on the total income computed under the

provisions of the IT Act other than 115JB thereof if any, in the subsequent assessment years in accordance with the provisions & limit specified in section 115JAA of the IT Act.

Under section 54EC of the I T Act and subject to the conditions and to the extent specified therein, long term capital gains arising on the transfer of capital asset by the Company will be exempt from capital gains tax if the capital gains arising there from are invested within a period of 6 months after the date of such transfer in eligible bonds (to be held for a minimum period of 3 years from the date of their acquisition) issued by

- National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988;
- Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956;

However, the investment made in the specified bonds during the financial year should not exceed Rs 50 lacs.

As per section 70 read with section 74, short term capital loss arising during a year is allowed to be set off against short term as well as long term capital gain arising in that year. Balance loss if any, should be carried forward and available for set-off against subsequent year's short term or long term capital gains for subsequent 8 years.

As per section 70 read with section 74, long term capital loss arising during a year is allowed to be set off only against long term capital gains. Balance loss if any, should be carried forward and available for set-off against subsequent year's long term capital gains for subsequent 8 years

To the Members of the Company

C1. Under the Income Tax Act, 1961

1. Resident Members

- In terms of Section 10(23D) of the Act, all mutual funds set up by public sector banks or public financial institutions or mutual funds registered under the Securities and Exchange Board of India or authorized by the Reserve Bank of India subject to the conditions specified therein are eligible for exemption from income tax on their entire income, including income from investments in the shares of the Company.
- By virtue of Section 10(34) of the Act, income earned by way of dividend income from domestic company referred to in Section 115-O of the Act, are exempt from tax in the hands of the shareholders.

iii) In terms of Section 10(38) of the Act, any long term capital gains arising to a shareholder from transfer of long term capital asset being equity shares in the company would not be liable to tax in the hands of the shareholders if the following conditions are satisfied:

(a) The transaction of sale of such equity share is entered into on or after 1st October, 2004.

(b) The transaction is chargeable to securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004.

However, in terms of the fifth proviso to Section 48 of the Act, no deduction of amount paid on account of securities transaction tax will be allowed in computing the income chargeable to tax as capital gains.

iv) Under Section 48 read with Section 2(29B) of the Act, if the Company's shares are sold after being held for more than twelve months, the gains (in case not covered under Section 10(38) of the Act), if any, will be treated as long term capital gains and such gains shall be calculated by deducting from the gross consideration, the indexed cost of acquisition/improvement and expenditure incurred wholly and exclusively in connection with the transfer.

v) Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gains (in cases not covered under Section 10(38) of the Act) arising on the transfer of shares of the Company shall not be chargeable to capital gains tax if the capital gains are invested within a period of six months after the date of such transfer in long-term specified assets and held for a period of at least three years.

vi) Under Section 54F of the Act, long term capital gains (in cases not covered under Section 10(38) of the Act) arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the Company shall not be chargeable to capital gains tax subject to other conditions, if the net sales consideration from such shares are utilized for purchase of residential house property within a period of one year before or two years after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer. Such benefit will not be available if:

(a) The individual or Hindu Undivided Family:

(i) Owns more than one residential house (other than the new residential house), on the date of transfer of share; or

(ii) Purchases another residential house (other than the new residential house) within a period of two years after the date of transfer of the shares; or

(iii) Constructs another residential house (other than the new residential house) within a period of three years after the date of transfer of the shares; and

(b) The income from such residential house, other than the one residential house owned on the date of transfer of the shares, is chargeable under the head "Income from house property".

i) In terms of Section 111A of the Act and other relevant provisions of the Act, any short term capital gains arising to a shareholder from transfer of short term capital asset being equity shares in the company would be liable to tax at the rate of 15% (plus applicable surcharge and education cess) if the following conditions are satisfied;

(a) the transaction of sale of such equity share is entered into on or after 1st October, 2004.

(b) the transaction is chargeable to securities transaction tax.

However, in terms of fifth proviso to Section 48 of the Act, no deduction of amount paid on account of securities transaction tax will be allowed in computing the income chargeable to tax as capital gains.

viii) Under Section 112 of the Act and other relevant provisions of the Act, long-term capital gains (in cases not covered under Section 10(38) of the Act), arising on transfer of shares in the company held for more than twelve months, shall be taxed at a rate of 20% (plus applicable surcharge and education cess). The amount of such tax should however, be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the shares under transfer are listed shares.

2. Non Resident Indians/Members other than FIIs and Foreign Venture Capital Investors

i) By virtue of Section 10(34) of the Act, income earned by way of dividend income from domestic company referred to in Section 115-O of the Act, are exempt from tax in the hands of the shareholders.

ii) In terms of Section 10(38) of the Act, any long term capital gains arising to a shareholder from transfer of long term capital asset being equity shares in the company would not be liable to tax in the hands of the shareholders if the following conditions are satisfied:

(a) The transaction of sale of such equity share is entered into on or after 1st October, 2004.

(b) The transaction is chargeable to securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004.

However, in terms of the fifth proviso to Section 48 of the Act, no deduction of amount paid on account of securities transaction tax will be allowed in computing the income chargeable to tax as capital gains.

iii) Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gains {in cases not covered under Section 10(38) of the Act} arising on the transfer of shares of the Company shall not be chargeable to capital gains tax if the capital gains are invested within a period of six months from the date of such transfer in long-term specified assets and held for a period of at least three years.

iv) Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains, (in cases not covered under Section 10(38) of the Act), arising on transfer of shares in the Company held for more than twelve months, shall be taxed at a rate of 20% (plus applicable surcharge and education cess) after indexation as provided in the second proviso to Section 48 of the Act. The amount of such tax could, however, be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the shares under transfer are listed shares.

v) Under Section 115-I of the Act, a non-resident Indian (i.e. an individual being a citizen of India or person of Indian origin who is not a "resident") shareholder has an option to be governed by the provisions of Chapter XII-A of the Income tax Act, 1961 viz. "Special Provisions Relating to Certain incomes of Non-Residents", which are as follows:

(a) Under Section 115E of the Act, where shares in the company are acquired or subscribed for in convertible foreign exchange by a Non Resident Indian, capital gains arising to the non-resident Indian on transfer of shares held for a period exceeding 12 months, shall, in cases not covered under Section 10(38) of the Act, be concessionaly taxed at the rate of 10% (plus applicable surcharge and education cess). However, no indexation benefit shall be allowed to a Non-resident on long term capital gain arising on transfer of the said shares.

(b) Under the provisions of Section 115F of the Act, long term capital gains (in cases not covered Under Section 10(38) of the Act) arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange shall not be chargeable to Income Tax, if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their

acquisition.

- vi) Under provisions of Section 115G of the Act, it shall not be necessary for a Non-Resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from.

3.Foreign Institutional Investors (FIIs)

In terms of Section 10(34) of the Act, any income by way of dividends referred to Section 115-O received on the shares of the company is exempt from tax.

- i) In terms of Section 10(38) of the Act, any long term capital gains arising to an investor from transfer of long term capital asset being equity shares in the Company would not be liable to tax in the hands of the investor if the following conditions are satisfied:

a)The transaction of sale of such equity share is entered into on or after 1st October, 2004.

(b)The transaction is chargeable to securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004.

- ii) In terms of Section 111A of the Act and other relevant provisions of the Act, any short term capital gains arising to a shareholder from transfer of short term capital asset being equity shares in the company would be liable to tax at the rate of 15% (plus applicable surcharge and education cess) if the following conditions are satisfied;

(a) The transaction of sale of such equity share is entered into on or after 1st October, 2004.

(b) The transaction is chargeable to securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004.

- iii) The income by way of short-term capital gains or long-term capital gains {in cases not covered under Section 10(38) of the Act} realized by the FIIs is taxable @ 30% and 15% respectively (plus applicable surcharge and education cess) as per section 115AD of the Act. However in case of such long term capital gains, the tax is levied on the capital gains computed without considering the cost indexation and computation of gains in foreign exchange. Further, in terms of the fifth proviso to Section 48 of the Act, no deduction of amount paid on account of securities transaction tax will be allowed in computing the income chargeable to tax as capital gains.

- iv) Under Section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gains {in cases not covered under Section 10(38) of the Act} arising on the transfer of shares of the Company shall not be chargeable to capital gains tax if the capital gains are invested within a period of six months after the date of such transfer in long-term specified assets and held for a period of at least three years.
- v) As per Section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Act payable to Foreign Institutional Investors.

4. Venture Capital Companies/Funds

In terms of Section 10(23FB) of the Act, all Venture Capital Companies/Funds registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from income tax on their entire income, including income from investment in the shares of the Company.

C2. Under the Wealth Tax Act, 1957

Shares of the Company held by the shareholders are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957, hence the shares are not liable to Wealth Tax.

C3. Under The Gift Tax Act, 1958

Gifts of Shares of the Company made on or after October 1, 1998 are not liable to Gift Tax since abolished.

Notes:

- i) The above summary is based on the taxation laws and practice in force at the time of issue of this circular and is subject to change. The summary is not intended to constitute a complete analysis of the tax consequences under Indian Law of the acquisition, ownership and sale of the shares.
- ii) In respect of non-residents, the liability to tax and the tax rates mentioned above are further subject to any benefits available under the Double Taxation Avoidance Agreements, if any, between India and the country in which the non-resident is a tax resident.
- iii) The current positions of tax benefits available to the company and to its shareholders is provided for general information purposes only. In view of the

individual nature of tax consequences, investors are advised to consult their own tax advisors with respect to specific tax consequences of his/her participation in the issue.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

VIII. COMPANY HISTORY & MANAGEMENT

The Company was incorporated on 18th April, 1980 under the Companies Act, 1956 under CIN No. L51900MH1980PLC022532. The registered office of the Company is situated at 5-C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai – 400001.

MAIN OBJECTS OF THE COMPANY:

To carry on the business as merchants, traders, distributors, commission agents, buying agent, selling agents, brokers, adatias, buyers, sellers, importers, exporters, dealers in, collectors, and to import, export, buy, sell, barter, exchange, advance upon or otherwise trade and deal in dyes, chemicals, textile auxillary materials, machinery, equipments, components, spare parts, goods, produce, articles and merchandise of all kinds and allied products as wholesalers , retailers or on commission basis or for brokerage.

The Company is engaged in the business of trading and investment in securites.

BOARD OF DIRECTORS AS ON THE DATE OF THE LETTER OF OFFER.

Name Designation Occupation of Directors	Address	Other Directorships Held	Qualification	Date of Birth
1. Shri Pavankumar Sanwormal Designation: Director Address : Bhagirathi 49-B, Nehru Road, Vile Parle (E), Mumbai -400057 Occupation : Business		1. Resham Resha Private Limited 2. Dalal Street Investments Limited 3. Miraj Commercial And Trading Pvt Ltd 4. Mahal Plastics And Fibres Private Limited 5. Shree Bombay Cotton Mills Estate Private Limited 6. Keen Investment And Leasing Limited 7. Flora Fountain Properties Ltd 8. N And N Systems And Software Private Limited 9. Hemant Finance And Investment Private limited 10. Nakshatra Infrastructure Limited 11. Zillion Investment Company Limited 12. Amogh Energy Private Limited 13. S M Shetiseva Private Limited 14. Gifts Planet Private Limited 15. Multifilms Plastics Pvt. Ltd	BSC	16/04/1960
2. Smt Rita Pavankumar Designation: Director Address: Bhagirathi 49-B, Nehru Road, Vile Parle (E), Mumbai 400057 Occupation : Business		1. Keen Investment And Leasing Limited 2. Miraj Commercial And Trading Pvt Ltd 3. Zillion Investment Company Limited 4. Multifilms Plastics Private Limited 5. SM Shetiseva Private Limited 6. Dalal Street Investments Limited 7. Shree Bombay Cotton Mills Estate Private Limited	BCOM	8/09/1963
3. Shri Sudhir Bandwadekar Designation: Director Address: 8, Sudarshan Co-Op Society,		1. Dalal Street Investments Limited 2. Multifilms Plastics Pvt Ltd 3. Shree Bombay Cotton Mills Estate Private Limited	BSE (Tech)	26/02/1952

Mahant Rd, Vile Parle (East), Mumbai-400057 Occupation: Business			
4. Vijay Pandya Designation: Director Address: A-1703, Videocon Towers, Thakur Complex, Kandivali (East), Mumbai - 400101 Occupation: Business	1. Dalal Street Investments Limited	M.COM	9/08/1957

(* Mr. Vikas Pavankumar has resigned from the posit of Director w.e.f. 11th August, 2014

Brief Profile of Directors:

1. Shri Pavankumar Sanwarmal

Shri Pavankumar Sanwarmal is a Director of the Company. He is 53 years of age and has done B. Sc from Mumbai University. He is doing the business since 1980. He has a wide range of experience in the field of investment in shares and securities. He is a Director of the Company since 20th October, 1983.

2. Smt Rita Pavankumar

Rita Pavankumar is a Director of the Company since 9th December 1998. She is doing business since 1985.

3. Shri Sudhir Shankar Bandwadekar

Shri Sudhir Bandwadekar is a director of the company from 2nd September, 2014. He has more than 25 years of experience in Technical and Commercial field in Plastic Industries.

4. Shri Vijay Pandya

Shri Vijay Pandya is a Director of the Company. He has more than 30 years of experience in finance and capital market.

INTEREST OF DIRECTOR

Other than their respective shareholding in the Company and reimbursement of expenses incurred, all Directors of the Company have no interest in the Company.

Shareholding of Directors

The shareholding of Directors as on 31st December, 2014 is as under:

Sr. No	Name of Director	No of Shares held	%
1	Pavankumar Sanwarmal	22250	9.08
2	Rita Pavankumar	1500	0.61
3	Sudhir Bandiwadekar	25	0.01
4	Vijay Pandya	Nil	Nil

Corporate Governance

Clause 49 of the Listing Agreement shall not apply to the Company as the Company Paid up Capital is Below Rs. 10 crores.

IX. OVERVIEW OF ORGANISATION STRUCTURE & SENIOR MANAGEMENT PERSONNEL

Key Managerial Personnel

Shri Pavankumar Sanwarmal Controller of Accounts shall be responsible for day to day operations of the Company and as such he is the key managerial personnel. He shall be assisted in the day to day to management by a team of professionals who shall head respective business area. The other key Management personnel are as follows:-

- i. Ms. Rita Pavankumar. – Director
- ii. Ms. Hetal Mody – Company Secretary

X. PROMOTER AND SUBSIDIARY COMPANIES

Promoters

Before the Right Offer becoming effective, the shareholding of the promoters of the Company was as under:

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares
1	Pavankumar Sanwarmal	22500	09.08%
2	Rita Pavankumar	1500	0.61%

3	Resham Resha Pvt Ltd	71500	29.18%
4	SM Sheti Seva Pvt Ltd	82120	33.52%
5	Sanwarmal Pavankumar HUF	1100	0.45%
6	Vikas Pavankumar	100	0.04%

After the Right Issue has become effective, the shareholding of the Promoters of the Company is as follows:

Sr. No	Name of the Shareholder	Number of shares	Shares as a percentage of total number of shares
1	Pavankumar Sanwarmal	31150	09.08%
2	Rita Pavankumar	2100	0.61%
3	Resham Resha Pvt Ltd	100100	29.19%
4	Sm Sheti Seva Pvt Ltd	114968	33.52%
5	Sanwarmal Pavankumar HUF	1540	0.45%
6	Vikas Pavankumar	140	0.04%

The details of the Promoters are given hereinabove:

Subsidiary Company:

Keen Investment and Leasing Company, a public Company incorporated on 19th November, 1986 under the Companies Act, 1956)

Registered Office: 4-C, Sindhu House, Nanabhai Lane, Flora Fountain, Fort, Mumbai-400001

CIN No: U65910MH1986PTC041624

E- Mail Id: keeninvestmentsandleasing@gmail.com

Tel.: 022- 22047644/22047404

Fax. : 022- 22885638

Following are the Directors of the Company:

1. Mr. Pavankumar Sanwarmal
2. Ms. Rita Pavankumar
3. Mr. Harinarayan Gangaram Murarka
4. Mr. Vidhi Pavankumar

Details of Listing

The Shares of the Company are listed on BSE Limited

Monthly High and Low Price during preceding 6 months

Particulars	BSE LIMITED	
	High (Rs.)	Low (Rs..)
June 2014	-	-
July 2014	-	-
August 2014	73.20	73.20
September 2014	-	-
October 2014	-	-
November 2014	-	-
December 2014	-	-
January 2015	-	-
February 2015	-	-

(Source: www.bseindia.com)

The Shares are thinly traded.

XI. FINANCIAL STATEMENTS

The following tables set forth summary financial information derived from the Company's restated unconsolidated and consolidated audited financial statements of the Company for the Year 2014 and the related notes and annexures thereto. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the ICDR Regulations and presented under "**Financial Statements**".

INDEPENDENT AUDITOR'S REPORT

To the Members of
MACK TRADING COMPANY LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of **MACK TRADING COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 30th September, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the half year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and Matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the Disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 30th September, 2014, and its statement of profit/loss and its cash flows for the half year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 30th September, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 30th September, 2014 from being appointed as a director in terms of Section 164 (2) of the Act.

For A K NEVATIA AND ASSOCIATES
(Chartered Accountants)
FRN: 107045W

CA ANIL KUMAR NEVATIA
(PROPRIETOR)
Membership No. : 040403

Place: MUMBAI
Date: 13/11/2014

Annexure to Independent Auditors Report

Our Report of even date to the members of MACK TRADING COMPANY LIMITED on the accounts of the company for the half year ended 30th September, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the half year and therefore does not affect the going concern assumption.

As explained in note no.19.5 of Notes of Financial statement, the Company has not provided depreciation on its tangible fixed assets in accordance with Schedule to the Companies Act,2013, the effect of which is not quantifiable.

2. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans, unsecured, to two companies, listed in the register maintained under Section 189 of the Companies Act, 2013. The maximum amount involved during the year was Rs. 289.65 Lakhs and at the year end the balances of loan given to such party was Rs. 266.Lakhs.
- (b) The terms of such loan/advances are prima facie not prejudicial to the interest of the company.
- (c) There are no stipulation for repayment of loans / advances and interest on loans/advance given.
- (d) There is no overdue amount of loans/ advance given to the companies / parties listed in the register (s) maintained u/s 301 of the Companies Act, 1956.
- (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
3. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business fixed assets and payment for expenses. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
4. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial half year therefore requirement of reasonableness of transactions does not arises.
5. The Company has not accepted any deposits from the public covered under section 73 of the Companies Act, 2013.
6. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State

Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 30th September, 2014 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

8. The Company does not have any accumulated loss and has not incurred cash loss by our audit and in the immediately preceding financial year.
9. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
10. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
11. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
12. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the half year.
13. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 30th September, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
14. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the half year.
15. The Company has no outstanding debentures during the period under audit.
16. The Company has not raised any money by public issue during the half year.
17. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or

reported during the half year, nor have we been informed of such case by the management.

18. Clauses (ii), (viii), (xi), and (xiii) of the aforesaid order are not applicable to the company.

For A K NEVATIA AND ASSOCIATES
(Chartered Accountants)
FRN: 107045W

Place: MUMBAI
Date: 13/11/2014

CA ANIL KUMAR NEVATIA
(PROPRIETOR)
Membership No. : 040403

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES OF MACK
TRADING COMPANY LIMITED**

	PARTICULARS	31 March, 2014	30th September, 2014
A	EQUITY AND LIABILITIES		
1	I. SHAREHOLDERS FUNDS		
	(A) Share Capital	2450000	2450000
	(B) Reserve And Surplus	30469109	31768015
2	N-CURRENT LIABILITIES		
	(A) Long-Term Provisions	159500	159500
3	CURRENT LIABILITIES		
	(A) Other Current Liabilities	227978	51332
	(B) Short Term Provisions	245000	245000
	Total	33551587	34673847
B	ASSETS		
1	NON-CURRENT ASSETS		
	(A) Fixed Assets		
	Tangible Assets	3031068	2977023
	(B) Non Current Investments	2004926	2004926
	(C) Long Term Loan & Advances	28360199	28518571
2	CURRENT ASSETS		
	(A) Trade Receivables	22000	114861
	(B) Cash And Cash Equivalents	60682	1026757
	(C) Other Current Assets	72712	31709
	Total	33551587	34673847

Notes forming part of the financial statements

Note 1 : Share capital

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	Amount	Amount
(a) Authorised 25,00,000 Equity shares of Rs.10/- each with voting rights	25,00,000	25,00,000
(b) Issued 2,45,000 Equity shares of Rs.10/- each with voting rights	2,45,000	2,45,000
(c) Subscribed and fully paid up 2,45,000 Equity shares of Rs.10/- each with voting rights	2,45,000	2,45,000
Total	2,45,000	2,45,000

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for equal voting rights, payment of dividend & repayment of Capital.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 30 Sept, 2014		As at 31 March, 2014	
		% holding in that class of shares		% holding in that class of shares
Equity Shares With Voting Rights				
Pavan Kumar Sanwormal	22250	09.08%	22250	09.08%
Resham Resha Pvt Ltd	71500	29.18%	71500	29.18%
Sm Sethi Seva Pvt Ltd	82120	33.52%	82120	33.52%
Man Made Fibres Pvt Ltd	60620	24.74%	60620	24.74%

Note 2 Reserves and surplus

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	Amount	Amount
General reserve		
Opening balance	29,00,000	29,00,000
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:		
Issuing bonus shares		
Others (give details)		
Closing balance	29,00,000	29,00,000
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	1,46,910	51,924

Add: Profit / (Loss) for the year	1,298,906	1,155,123
Amounts transferred from:		
General reserve		
Excess provision for taxes		39,745
Less:		
Dividends proposed to be distributed to equity shareholders		245,000
Tax on dividend		
Transferred to:		
General reserve		
Closing balance	2,768,015	1,469,109
Total	31,768,015	30,469,109

Note 3 Long-term provisions

Particulars	As at 30 Sep, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
(a) Provision for Income tax	125,000	125,000
(b) Provision for employee benefits:		
(i) Provision for other employee benefits		
Provision for FBT (2006-07)	17,500	17,500
Provision for FBT (2007-08)	17,000	17,000
Total	159,500	159,500

Note 4 Other current liabilities

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
Other payables		
(i) Statutory remittances		
TDS payable	-	2187
P. Tax Payable	350	2100
(ii) Contractually reimbursable expenses	-	48834
(iii) Others		
Outstanding Expenses	50,982	174,857
Total	51,332	227,978

Note 5 Short-term provisions

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
(a) Provision For Taxation	-	-
(b) Proposed dividend	245,000	245,000
(c) Provision for tax on proposed dividend	-	-
Total	245,000	245,000

Note 6 Fixed Assets

Tangible Assets	Gross Block			Accumulated depreciation and impairment				Net Block		
	Balance As at 31st March 2014	Additions	Disposals	Balance As at 30.09.14	Balance As at 31.03.14	Depreciation/ Amortisation expense for the year	Eliminated on disposal of assets	Balance As at 30.09.14	Bal. as at 31.3.14	Bal. As At 30.09.14
	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.
a) Buildings: Own use	347755	--	--	347755	270758	2135	--	272893	74862	76997
b) Plant & equipment owned	2751854	--	--	2751854	92404	556	--	92960	2658895	2659450
c) Furniture and fixtures owned	73531	--	--	73531	72913	56	--	72969	562	618
d) Vehicles owned	539421	--	--	539421	443551	12411	--	455962	83460	95870
e) Office equipment Owned	110435	--	--	110435	104771	394	--	105165	5270	5664
f) Computer Owned	869539	--	--	869539	677070	38494	--	715564	153975	192469
Total	4692535	--	--	4692535	1661467	54045	--	1715512	2977023	3031068
Previous Year	4692535	--	--	4692535	1492777	168690	--	1661467	3031068	3466370

NOTE 7: NON-CURRENT INVESTMENT

	As at 30th September, 2014			As at 31st March, 2014		
	No. of	Face	Total	No. of	Face	Total
	Shares	Value	Amount	Shares	Value	Amount
QUOTED EQUITY SHARES:						
Industrial Inv.Trust Ltd.	3250	10	95047	3250	10	95047
Tata Invest. Corpn. Ltd.	30318	10	808480	30318	10	808480
Indian Oil Corpn. Ltd.	1412	10	28026	1412	10	28026
Galada Power & Tele Communication Ltd.	2200	10	53135	2200	10	53135
NTPC Ltd.	190	10	12856	190	10	12856
Tanita Construction Ltd.	125	10	6250	125	10	6250
Chemplast Sanmar Ltd.	10	1	9	10	1	9
Balmer Lawrie Inv. Ltd. (allotted as per Scheme Of arrangement & re-construction between IBP Co. Ltd. & Balmer Lawrie Investments Ltd.	850	10	--	850	10	--
Dalal Street Inv. Ltd.	182	10	2383	182	10	1063
TOTAL			1006186			1006186
UNQUOTED EQUITY SHARES						
Southern Switchgear Ltd.	1019	10	23690	1019	10	23690
Chabhaiya Co.op.Hsg.Soc. Ltd.	1	50	50	1	50	50
OF SUBSIDIARIES:						
Keen Investment And Leasing Ltd.	97500	10	975000	97500	10	975000
Total-Other Investments			998740			998740
Less: Provision for diminution in value of investments			--			--
Total			2004926			2004926
Aggregate amount of Quoted investments			1006186			1006186
Aggregate market value of listed and quoted investments			19478869			15085134
Aggregate amount of unquoted investments			998740			998740

Note 8 Long-term loans and advances

PARTICULARS	As at 30th September, 2014	As at 31st March, 2014
	(a) Capital Advances Unsecured, considered	18,07,000

good		
(b) Loans and advances to related parties Unsecured, considered good	2,66,00,000	2,64,65,000
Less: Provision for doubtful deposits	--	--
(c) Prepaid expenses – Unsecured, considered Good	30,372	14,000
(d) Advance Income-tax	81,199	74,199
TOTAL	2,85,18,571	2,83,60,199

Note 8 Long-term loans and advances

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
(a) Capital advances Unsecured, considered good	1,807,000	1,807,000
(b) Loans and advances to related parties Unsecured, considered good	26,600,000	26,465,000
Less: Provision for doubtful deposits	-	-
(c) Prepaid expenses - Unsecured, considered good	30,372	14,000
(d) Advance income tax	81,199	74,199
Total	28,518,571	28,360,199

Note 9 Trade receivables

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Other Trade receivables	114,861	22,000

Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables		-
Total	114,861	22,000

Note 10 Cash and cash equivalents

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
(a) Cash on hand	1,000,390	4,710
(b) Balances with banks		
(i) In current accounts	26,367	55,972
Total	1,026,757	60,682

Note 11 Other current assets

Particulars	As at 30 Sept, 2014	As at 31 March, 2014
	AMOUNT	AMOUNT
(a) Accruals		
(i) Interest accrued on deposits	31,709	72,712
Total	31,709	72,712

Note 12 Other income

Particulars	For the Period ended 30 Sept, 2014	For the year ended 31 March, 2014
	AMOUNT	AMOUNT
(a) Interest income Interest on bank deposits	31,709	31,709
(b) Dividend income: from long-term investments subsidiaries	975,000	975,000
others	534,832	502,669
(c) Long Term Capital Gain	-	-
(d) Other non-operating income	332,175	673,280
Total	1,873,716	2,223,661

**Note 13 Employee benefits
expense**

Particulars	For the Period ended 30 sep, 2014	For the year ended 31 March, 2014
	AMOUNT	AMOUNT
Salaries and wages	199,350	425,450
TOTAL	199,350	425,450

Note 14 Other expenses

Particulars	For the Period ended 30 sep, 2014	For the year ended 31 March, 2014
	AMOUNT	AMOUNT
Bank Charges	112	225
Books and Periodics	-	-
Donation	-	25,000
Demat Charges	13,772	-
Power and fuel	250	260
Rent including lease rentals	-	7,595
Repairs and maintenance	-	10,012
Repairs and maintenance-other	54,107	73,769
Insurance	4,767	4,518
Rates and taxes	-	14,252
Communication	5,676	13,438
Travelling and conveyance	-	6,333

Printing and stationery	1,115	1,690
Commission	-	21,874
Vehicle maintenance	46,482	99,588
Business promotion	21,773	42,823
Listing Fees/Filling Fees	126,842	33,336
Legal and professional	32,400	62,159
Staff welfare	1,346	2,188
Service Charges	11,235	27,008
<u>Payments to auditors</u>		
As auditors - statutory audit	-	22,472
For taxation matters	-	5,618
Miscellaneous Expenses	1,538	240
Total	321,415	474,398

Note 15: Additional Information to the financial Statements

Disclosure as per clause 32 of the Listing Agreement with the Stock Exchange

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 30 Sept, 2014	Maximum balance outstanding during the year
Keen Investment and Leasing Ltd.	Subsidiary Company	24,100,000 (26,465,000)	26,465,000 (26,465,000)

Note: Figures in bracket relate to the previous year.

**Note 16 Disclosure under Accounting Standards
Particulars**

Related party transactions	
Details of related parties:	
Description of relationship	Name of Company
Subsidiaries	Keen Investment and Leasing Ltd.
Companies in which KMP's are interested	Multifilms Plastics Pvt Ltd

Details of related party transactions during the period ended 30 September, 2014 and balances outstanding as at 30 September, 2014:

	Subsidiaries	Companies in which KMP's are interested
Finance		
Loan Given	- (1,365,000.00)	2,500,000 -
<u>Balances outstanding at the end of the period</u>		
Loans and advances	24,100,000.00 (26,465,000.00)	2,500,000 -

Note: Figures in bracket relates to the previous year

Note 17 Disclosures under Accounting Standards

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<u>Earnings per share (EPS)</u>		
Net profit for the year (before tax)	1,298,906	1,155,123
Provision for Taxation	-	-
Net profit attributable to equity shareholders	1,298,906	1,155,123
Weighted average number of equity shares	245,000	245,000
Earnings per share - Basic & Diluted	5.30	4.71
Par value per share	10.00	10.00

**STANDALONE STATEMENT OF PROFIT & LOSS OF MACK TRADING
COMPANY LIMITED**

Particulars	31 March, 2014	30 September, 2014
A CONTINUING OPERATIONS		
1 Other Income	2223661	1873716
2 TOTAL REVENUE	2223661	1873716
3 EXPENSES:		
Employee Benefits Expenses	425450	199350
Depreciation And Amortisation Expenses	168690	54045
Other Expenses	474398	321415
TOTAL EXPENSES	1068538	574810
4 PROFIT/LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX	1155123	1298906
5 EXCEPTIONAL ITEMS	-	-
6 PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAX	1155123	1298906
7 EXTRAORDINARY ITEMS	-	-
8 PROFIT/LOSS BEFORE TAX	1155123	1298906
9 TAX EXPENSE :		
Current Tax Expense For Current Year	-	-
Less: Mat Credit (Where Applicable)	-	-
Current Tax Expense Relating To Prior Years	-	-
Net Current Tax Expense	-	-
Deferred Tax	-	-
10 PROFIT FOR THE YEAR	1155123	1298906
11 EARNINGS PER SHARE (OF 10/- EACH)		
Basic	4.71	5.30
Diluted	4.71	5.30

**STANDALONE CASH FLOW STATEMENT OF MACK TRADING
COMPANY LIMITED**

Particulars	31 March, 2014	30 September, 2014
Cash Flow From Operating Activities		
Profit / (Loss) Before Tax	1155123	1298906
Adjustments For:		
Depreciation And Amortisation	168690	54045
Interest Income	(72712)	(31709)
Dividend Income	(1477669)	(1509832)
Other Non- Operating Income	(673280)	(332175)
Excess Provision of Dividend Distribution Tax	39745	(1819671)
Operating profit/ loss before working capital changes	(860103)	(520765)
Changes in working capital		
Adjustments for (Increase) / decrease in Operating Assets:		
Trade Receivables	135460	(92861)
Long Term Loans and Advances	(1363000)	(158372)
Other Current Assets		410003
Adjustments for (Increase) / decrease in Operating Liabilities		
Other Current Liabilities	(167503)	(176646)
Other Long Term Provisions		
Short Term Provisions	(164745)	
Long Term Provisions	125000	
Cash Flow from Extraordinary Items	(1959885)	(907642)
Cash Generated from Operations	(1959885)	(907642)
Net Income Tax (Paid)/Refunds		
Net CASH FLOW FROM /(Used In) OPERATING ACTIVITIES	(1959885)	(907642)
Cash Flow From Investing Activities		
Purchase of Long Term Investments	(1320)	
Interest Received		
- Others	72712	31709

Dividend Received		
- Subsidiaries	975000	975000
- Others	502669	534832
Other Non-Operating Income	673280	332175
NET CASH FROM / (Used In) INVESTING ACTIVITIES	2222341	1873716
Cash Flow From Financing Activities		
Dividend Paid	(245000)	
NET CASH FROM / (Used In) Financing ACTIVITIES	(245000)	
Net Increase/ (Decrease) in Cash And Cash Equivalents	17456	966075
Cash And Cash Equivalent at the beginning of the year	43226	60682
Cash And Cash Equivalents at the end of the year	60682	1026757

PARTICULARS	AUDITED BALANCE SHEET FOR THE YEAR ENDED					
	30/09/2014	31/03/2014	31/03/2013	31/03/2012	31/03/2011	31/03/2010
I. SHAREHOLDERS FUNDS						
(A) SHARE CAPITAL	2450000	2450000	2450000	2450000	2450000	2450000
(B) RESERVE AND SURPLUS	31768015	30469109	29519241	28781014	28736842	27547135
1. NON-CURRENT LIABILITIES						
(A) LONG-TERM LOAN	00	00	00	00	28202	186284
(B) LONG-TERM PROVISION	159500	159500	34500	34500	00	00
3. CURRENT LIABILITIES						
(a) SHORT TERM BORROWINGS	00	00	00	00	00	00
(b) OTHER CURRENT LIABILITIES	51332	227978	60475	61686	35782	35465
(C) SHORT TERM PROVISIONS	245000	245000	409745	00	340192	422000
Total	34673847	33551587	32473961	31327200	31591018	30640884
I. ASSETS						
1. NON - CURRENT ASSETS						
(A) FIXED ASSETS						
TANGIBLE ASSETS	2977023	3031068	3199758	3466370	3009761	3098606
	2977023	3031068	3199758	3466370	3009761	3098606
(B) NON CURRENT INVESTMENTS	2004926	2004926	2003606	2043716	2043716	2043716
(C) LONG TERM LOAN & ADVANCES	28518571	28360199	26997199	25671229	26360989	24960989
2. CURRENT ASSETS						
(A) INVENTORIES	00	00	00	00	00	00
(B) TRADE RECEIVABLES	114861	22000	157460	31960	16000	16000
(C) CASH AND CASH EQUIVALENTS	1026757	60682	43226	29584	78057	439078
(d) SHARES AND	00	00	00	00	00	00

SECURITIES						
(e)SHORT TERM LOANS AND ADVANCES	00	00	00	16000	00	00
(e) OTHER CURRENT ASSETS	31709	72712	72712	68341	82495	82495
	1173327	155394	273398	145885	176552	537573
Total	34673847	33551587	32473961	31327200	31591018	30640884

In terms of our report attached.
Directors

For and on behalf of the Board of

Mack Trading Company Ltd

For A.K. Nevatia & Associates
Chartered Accountants

CA Anil Kumar Nevatia
Proprietor
M.N.:040403
Place: Mumbai
Date: 13/11/2014

Director
Sudhir Bandiwadekar

Director
Rita Pavankumar

	PROFIT AND LOSS FOR THE YEAR ENDED					
	30/09/2014	31/03/2014	31/03/2013	31/03/2012	31/03/2011	31/03/2010
I. REVENUE FROM OPERATIONS	00	00	00	00	00	00
II. OTHER INCOME	1873716	2223661	2280594	916031	2499572	2475757
III. TOTAL REVENUE (I+II)	1873716	2223661	2280594	916031	2499572	2475757
IV. EXPENDITURE						
PURCHASES OF STOCK-IN-TRADE	00	00	00	00	00	00
CHANGES IN THE INVENTORIES OF FINISHED GOODS W-I-P AND STOCK IN TRADE	00	00	00	00	00	00
EMPLOYEE BENEFIT EXPENSES	199350	425450	425450	425450	512675	467285
FINANCE COSTS	00	00	00	418	13638	31185

DEPRECIATION AND AMORTISATION	54045	168690	266612	102191	96845	125257
OTHER EXPENSES	321415	474398	440560	346311	401015	564294
TOTAL EXPENSES	574810	1068538	1132622	874370	1024173	1188021
V. PROFIT BEFORE EXECPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)	1298906	1155123	1147972	41661	1475399	1287736
VI. EXCEPTIONAL ITEMS	00	0	0	0	0	00
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (III-IV)	1298906	1155123	1147972	41661	1475399	1287736
VIII. EXTRAORDINARY	00	00	00	00	00	00
IX. PROFIT BEFORE TAX	1298906	1155123	1147972	41661	1475399	1287736
X. TAX EXPENSES						
CURRENT TAX EXPENSE FOR CURRENT YEAR	00	00	-125000	00	00	00
XI. PROFIT/ LOSS FOR THE YEAR	1298906	1155123	1022972	41661	1475399	1287736

In terms of our report attached.
Directors

For A.K. Nevatia & Associates
Chartered Accountants

CA Anil Kumar Nevatia
Pavankumar
Proprietor
M.N.:040403

For and on behalf of the Board of

Mack Trading Company Ltd

Director
Sudhir Bandiwadekar

Director
Rita

Place: Mumbai
Date: 13/11/2014

Cash Flow Statement for the period ended 30 th September,2014						
Particulars	For the year ended 30 th September,2014		For the year ended 31 March, 2014		For the year ended 31 st March,2013	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
A. Cash flow from operating activities						
Net Profit / (Loss) before Extraordinary items and tax		1298906		11,55,123		11,47,972
<i>Adjustments for:</i>						
Depreciation and amortization	54,045		1,68,690		2,66,612	
Finance costs	00		00		00	
Interest income	(31,709)		(72,712)		(72,712)	
Dividend income	(15,09,832)		(14,77,669)		(6,59,112)	
Other Non-Operating Income	(3,32,175)		(6,73,280)		(9,28,324)	
Excess Provision of Dividend Distribution Tax	-		39745		-	
Provision for estimated losses on onerous contracts	-		-		-	
Provision for contingencies	-		-		-	
Other non-cash charges (specify)	-		-		-	
Net unrealized exchange (gain) / loss	-		----		-	
		(18,19,671)		(20,15,226)		(13,93,536)
Operating profit / (loss) before working capital changes		(5,20,765)		(8,60,103)		(2,45,563)
<i>Changes in working capital:</i>						
<i>Adjustments for (increase) / decrease in operating assets:</i>						
Trade receivables	(92,861)		1,35,460		(1,25,500)	

Short-term loans and advances	-		-		16,000	
Long-term loans and advances	(1,58,372)		(13,63,000)		(13,25,970)	
Other current assets	41,003		-		(4,371)	
Other non-current assets	-		-		-	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>						
Trade payables	-		-		-	
Other current liabilities	(1,76,646)		1,67,503		(1,211)	
Other long-term liabilities	-		---		-	
Short –term provisions			(1,64,745)			
Long-term provisions	-		1,25,000		-	
		(3,86,876)		(10,99,782)		(14,41,052)
		(9,07,642)		(19,59,885)		(16,86,615)
Cash flow from Extraordinary items		-		-		-
Cash generated from operations		-		-		-
Net income tax (paid) / refunds		-		-		-
Net cash flow from / (used in) operating activities (A)		(9,07,642)		(19,59,885)		(16,86,615)
B. Cash flow from investing activities						
Proceed from sale of shares		-		-		40,111
Purchase of long-term investments		-		(1,320)		-
- Others (Shares)		-		-		-
Interest received						
- Others		31,709		72,712		72,712
Dividend received						
-Subsidiaries		9,75,000		9,75,000		-
- Others		5,34,832		5,02,669		6,59,112
Other Non operating income		3,32,175		6,73,280		9,28,324

		18,73,716		22,22,341		17,00,259
Net income tax (paid) / refunds		-		-		-
Net cash flow from / (used in) investing activities (B)		18,73,716		22,22,341		17,00,259
C. Cash flow from financing activities						
Finance cost	-		-		-	
Dividends paid	-		(2,45,000)		-	
Tax on dividend	-		--		-	
		00		(2,45,000)		-
Cash flow from Extraordinary items		-		-		-
Net cash flow from / (used in) financing activities (C)		00		(2,45,000)		-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		9,66,075		17,456		13,643
Cash and cash equivalents at the beginning of the year		60,682		43,226		29,584
Cash and cash equivalents at the end of the year						
(a) Cash on hand	10,00,390		4,710		390	
(b) Cheques, drafts on hand	-		-		-	
(c) Balances with banks						
(i) In current accounts	26,367	10,26,757	55,972	60,682	42,836	43,226
		9,66,075		17,456		13,642
Notes:						

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.		
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.		

In terms of our report attached.
Board of Directors

For and on behalf of the

Mack Trading Company Ltd

For A.K. Nevatia & Associates
Chartered Accountants

CA Anil Kumar Nevatia

Proprietor
M.N.:040403

**Sudhir
Bandiwadekar**
Director

Rita Pavankumar

Director

Place: Mumbai

Date: 13/11/2014

XII. OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There is no outstanding litigation before any Court of law, Tribunals for violation of any of the laws such as the Companies Act, 1956, FEMA, IPC, SEBI Act, RBI Act.

Previous Public/Rights Issues by the Company in the last years :

There were no Public/ Rights issues by the Company in the last years.

Revaluation of Assets:

The Company has not revalued its assets during the last years.

XIII. DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Information Memorandum) which are or may be deemed material have been entered or to be entered into by our Company.

Copies of following documents are available at our registered office for

inspection on any working day (i.e. Monday to Friday and Not on Sundays and public holidays) from 10.00 am to 6.00 pm

- i. Memorandum and Articles of Association of the Company along with Certificate of Incorporation and Certificate of Commencement of business issued by Registrar of Companies, Maharashtra, Mumbai
- ii. Copy of Tripartite Agreement with National Securities Depository Ltd and Central Depository Services (India) Ltd
- iii. Memorandum of Understanding with the Registrar and Share Transfer Agent
- iv. Annual Report containing the Audited Accounts of the Company and its subsidiary as on 31st March, 2014.

XIV DECLARATION

No statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made hereunder. All the legal requirements connected with the said offer as also the guidelines, instructions etc. issued by SEBI, Government and any other competent authority in this behalf have been duly complied with.

All the information contained in this document is true and correct.

For Mack Trading Company Limited

PavanKumar Sanwarmal

Director

DIN: 00321029

Address: Bhagirathi, 49-B Nehru Road,
Vile Parle (East),
Mumbai - 400057

Place: Mumbai

Date: