

**ANNEXURE TO THE DIRECTORS' REPORT**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

1. Industry Structure and developments

The financial period 2008-2009 witnessed challenges. The average price of company has been approximately equaling over the past few years..

2. Opportunities and Threats

The Company is operating in an environment which is becoming more and more competitive and the margins in this continue to be under pressure. The company feels this business is high growth area.

3. Internal control systems and their adequacy

The Company has a proper and adequate system of internal control to ensure that all the assets are safeguard, protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal audit reports are reviewed for corrective actions wherever required. The view of statutory auditors are also considered to ascertain the adequacy of the internal control system

4. Material developments in Human Resources/Industrial Relations front, including number of people employed

Human resources are a valuable assets and Company seek to attract and retain the best talent available. Systematic training, development, continuance of productivity are employee satisfaction is some of the highlight of human resources development activities during the year. Employee relations continued to be cordial. Your directors acknowledge and thank employees for their continued contribution.

Place: Mumbai

Date: 27/06/2011

## ANNEXURE TO THE DIRECTORS REPORT

### Report on Corporate Governance

#### COMPANY PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to attain the highest levels of transparency, accountability and integrity. This objective extends, not merely to meet with statutory requirements but also to go beyond them by putting into place procedures and systems which are in accordance with best practices for governance. Corporate Governance at G D TRADING AND AGENCIES LIMITED means being responsive to aspirations to all the stakeholders – customers, suppliers, lenders, employees, the shareholders and expectations of the society. The Board of Directors supports the board principles of Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organization to achieve its avowed objectives of transparency, accountability and integrity. Given below is the report on Corporate Governance at G D TRADING AND AGENCIES LIMITED.

#### BOARD OF DIRECTORS

##### Composition of the Board:

The Board of Directors of your Company consists of four Directors as on 31<sup>st</sup> March, 2009.

None of the Directors on the Board are members of more ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

During the financial year 2008-2009, Eight Board Meetings were held on the following dates:

- 10.04.2008
- 10.07.2008
- 07.08.2008
- 19.08.2008
- 02.09.2008
- 24.10.2008
- 12.12.2008
- 15.03.2009

The details of the Directors on the Board of your Company as on 31<sup>st</sup> March, 2009 are given below:

Name	Category	No. of Shares Held	Attendance Particulars		No. of Outside Directorship(*)	No. of outside Committee positions held (@)	
			Board meetings	Last AGM		Chairman	Member
Mr. SHEKHAR NANDKUMAR SOMANI	Director (Executive)	8220	Yes	Yes	Nil	Nil	Nil
Mr. NAND KUMAR SOMANI	(Non-Executive)	--	Yes	Yes	Nil	Nil	Nil
Mr. VINOD KUMAR MIMANI	(Non-Executive)	--	Yes	Yes	Nil	Nil	Nil

(\*) Excludes directorship in Indian Private Limited Companies, Foreign Companies, Companies under Section 25 of the Companies Act, 1956 and membership of Managing Committees of various bodies.

(@) Only membership of Audit Committee and Shareholder's/Investor's Grievances Committees are considered.

**Board Procedure:**

The Board meets at least once in quarter, interalia, to review the quarterly performance and the financial results. The Board Meetings are generally scheduled well and the notice of each Board Meeting is given in writing to each Director.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is placed before the Board the Board wherever applicable.

## AUDIT COMMITTEE

### Terms of reference:

The Audit Committee of the Board of Directors of your Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

Apart from all the matters provided in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Committee review reports of the Internal Auditors, meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of audit, observations of the auditors and reviews accounting policies followed by your Company. The Committee reviews with the management, the half yearly and annual financial statements before its submission to the Board. The minutes of the Audit Committee meetings are placed and noted at the subsequent meeting of the Board of Directors of your Company.

### Composition and Attendance at Meeting:

The Audit Committee comprises of three members and Mr. SANJAY SAMPATKUMAR SOMANI, the Director of the Company is financially literate as prescribed in the Listing Agreement.

Mr. SANJAY SAMPATKUMAR SOMANI, Director is the Chairman of the Committee. Mr. SHEKHAR NANDKUMAR SOMANI and Mr. VINODKUMAR MIMANI are the members of the Committee.

The Audit Committee generally meets once in a quarter, inter-alia, to review the quarterly performance and the financial results.

The Audit Committee met Eight times during the financial year 2008-2009 on

→10.04.2008  
→10.07.2008  
→07.08.2008  
→19.08.2008  
→02.09.2008  
→24.10.2008  
→12.12.2008  
→15.03.2009

Name of the Member	Position	No. of Meetings held	No. of meetings Attended
Mr.SANJAY SAMPATKUMAR SOMANI	Chairman	8	8

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Name of the Member	Position	No. of Meetings held	No. of meetings Attended
Mr. VINODKUMAR MIMANI	Chairman	5	5
Mr.SHEKHAR NANDKUMAR SOMANI	Member	5	5
Mr.SANJAY SAMPATKUMAR SOMANI	Member	5	5

Mr. VINODKUMAR MIMANI, Chairman of the Committee was present at the Annual General Meeting of your Company held on 29<sup>th</sup> September, 2008 to answer the shareholders' queries.

The Minutes of the Shareholders Grievance Committee Meetings form part of the documents placed before the meetings of the Board of Directors. In addition, the Chairman of the Shareholders Grievance Committee appraises the Board about the significant discussions at the Shareholders Grievance Committee meetings.

#### GENERAL BODY MEETINGS:

Particulars of General meetings held during last three years:

Annual General meeting (AGM)	Date	Venue	Time	No. of Special Resolutions Passed
AGM (2005-2006)	29 <sup>th</sup> September, 2006	KAPUR MAHAL, 5 <sup>TH</sup> FLOOR, MARINE DRIVE, MUMBAI, MAHARASHTRA INDIA	3.00 p.m.	Nil
AGM (2006-2007)	29 <sup>th</sup> September, 2007	KAPUR MAHAL, 5 <sup>TH</sup> FLOOR, MARINE DRIVE, MUMBAI, MAHARASHTRA INDIA	11.00 a.m.	NIL
AGM (2007-2008)	29 <sup>th</sup> September, 2008	KAPUR MAHAL, 5 <sup>TH</sup> FLOOR, MARINE DRIVE, MUMBAI, MAHARASHTRA INDIA	11.00 a.m.	NIL

There were no any Special resolutions passed by the members during the last three years' General Meeting:

There was no any resolution passed by Postal Ballot.

**DISCLOSURES:**

Your Company has no material significant transactions with its related parties that may have a potential conflict with the interest of your Company during the Financial Year 2008-2009. The details of transaction between your Company and the related parties are given for information under Note 7 to the Schedule 17 to the Balance Sheet as at 31<sup>st</sup> March, 2009.

In the preparation of the financial statements, your Company follows Accounting Standards issued by the Institute of Chartered Accountants of India.

Your Company has formulated and laid down a procedure on risk assessment and minimization. These procedures have been considered by the Board and a properly defined framework is laid down to ensure that executive management controls the identified risks. Your Company has not framed any Whistle Blower Policy during the year 2008-2009.

During the year under review, your Company did not raise any proceeds through a public issue, rights issue and /or a preferential issue.

## GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting :

Date and Time : Thursday, 30<sup>th</sup> September, 2009 at 11.00 a.m.

Venue : KAPUR MAHAL, 5TH FLOOR,, MARINE DRIVE,,  
MUMBAI-400020

2. Date of Book Closure : 26<sup>th</sup> September, 2009 to  
30<sup>th</sup> September, 2009  
(both days inclusive)

3. Listing on Stock Exchange : Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 023..

4. Stock Code

BSE : 504346

5. The monthly High and Low of market price of the equity shares of your Company on the BSE and the stock performance during the last financial year was as under :

The Company is being suspended from the BSE

6. Address of Correspondence : INDIAN MERCANTILE CHAMBERS 3RD FLR 14-R KAMANI

7. Designated E-Mail ID for registering  
Complaints by the investors : [gdtai2000@gmail.com](mailto:gdtai2000@gmail.com)



8. Shareholding Pattern as on 31.03.2009

Equity Share Holding Pattern as on 31.03.2009

Category	No. of shares held	% age of shareholding
A. Promoter's holding		
(1) Promoters:		
Indian Promoters	50,080	50.08
Foreign Promoters	0	0.00
(2) Persons acting in concert	0	0.00
Sub Total	50,080	50.80
B. Non-Promoter's Holding		
(1) Institutional Investors	0	0.00
(2) Mutual Funds & UTI	0	0.00
(3) Banks, Financial Institutions, Insurance Companies, Central-State Government Institutions, Non-Government Institutions	0	0.00
(4) FIIs	0	0.00
Sub Total	0	0.00
C. Others		
(1) Private Corp. Bodies	24,420	24.42
(2) Indian Public	25,500	25.50
(3) NRIs / OCBs	0	0.00
(4) Any other (Please specify)	0	0.00
IN TRANSIT		
Sub Total	49,920	49.92
Grand Total	1,00,000	100.00

NOTE:

TOTAL FOREIGN SHAREHOLDINGS:	SHARES	PERCENTAGE
NRI'S	0	0.00
GDR'S & ADR'S	0	0.00

**CHIEF EXECUTIVE OFFICER (CEO) AND/OR CHIEF FINANCIAL OFFICER (CFO)  
CERTIFICATION**

To the Board of Directors of G D TRADING AND AGENCIES LIMITED

Dear Sirs,

Sub :-CEO/CFO Certificate

(Issued in accordance with the provisions of Clause 49 of the Listing Agreement)

I, SHEKHAR NANDKUMAR SOMANI, Managing Director G D TRADING AND AGENCIES LIMITED., to the best of my knowledge and belief, certify that :

I have reviewed the financial statements, read with the cash flow statement of G D TRADING AND AGENCIES LIMITED for the year ended 31<sup>st</sup> March, 2009 and that to the best of our knowledge and belief, I state that:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) These statements present a true and fair view of the Company's affairs and are in Compliance with current Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial proposed to be taken for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee :
  - (i) That there are no significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - (iii) That are no frauds of which I have become aware and the involvement therein, if any, of the management or an employee.

For G D TRADING AND AGENCIES LIMITED

SHEKHAR NANDKUMAR SOMANI

  
Managing Director

**DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

In accordance with sub-clause I(D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I, SHEKHAR NANDKUMAR SOMANI, Managing Director of G D TRADING AND AGENCIES LIMITED, hereby confirm that the Board members and the Senior Management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31<sup>st</sup> March, 2009.

**ANNEXURE TO THE DIRECTORS' REPORT**

**AUDITORS CERTIFICATE**

TO,

The Members of G D TRADING AND AGENCIES LIMITED.

We have reviewed the Company's procedure and compliance with the provisions of Clause 49 regarding corporate governance of the Listing Agreement, on the basis of our review and according to the information and explanation given to us and the representation made to us by the management, we state that to the best of our knowledge and belief, the company has complied with the mandatory requirement of the provisions of corporate governance stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges.

Place: Mumbai  
Date: 27/06/2011



FOR J.K LAHOTI & Co.  
Chartered Accountants

J.K. LAHOTI  
PROPRITOR  
MEMBERSHIP No. 16655