

38th ANNUAL REPORT

2017-18

STABLE TRADING COMPANY LIMITED

STABLE TRADING COMPANY LIMITED

BOARD OF DIRECTORS

Shrikant Ladia Whole Time Director
Ajay Kumar Gupta
Rachna Jindal
Vibhor Kaushik

AUDIT COMMITTEE

Ajay Kumar Gupta *Chairman*
Vibhor Kaushik
Shrikant Ladia

CFO

Satish Saxena

COMPANY SECRETARY

Astha Wahi

AUDITORS

Khandelwal Prajapati and Co.
Chartered Accountants
8, Ganesh Chandra Avenue,
5th Floor, Room No. 33
Kolkata-700013

BANKERS

ICICI Bank Limited
HDFC Bank Limited

REGISTERED OFFICE

2/5 Sarat Bose Road, Sukh Sagar,
Flat No. 8A, 8th Floor,
Kolkata - 700020

CORPORATE OFFICE

Plot No. 30, Institutional Sector-44,
Gurgaon- 122 002,
(Haryana)

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignment Limited
Alankit Heights,
1E/13, Jhandewalan Extension,
New Delhi – 110055

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STABLE TRADING COMPANY LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 38th Annual Report along with Audited financial statements of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS

| | Year Ended <u>31.03.2018</u> | (Rs.) Year Ended <u>31.03.2017</u> |
|--|---------------------------------|--|
| Total Income | 14,25,79,544 | 8,74,66,039 |
| Profit before tax | 8,16,14,015 | 8,72,36,534 |
| Less: Provision for Taxation | 8,10,000 | 64,96,895 |
| Profit after tax and Adjustment | 8,08,04,015 | 8,07,39,639 |
| Balance brought forward from previous year | 130,15,54,684 | 124,19,63,188 |
| Profit available for appropriation | 138,23,58,699 | 132,27,02,827 |
| <u>APPROPRIATIONS</u> | | |
| -Transfer to Statutory Reserve | 1,61,61,018 | 1,61,48,143 |
| -Transfer to General Reserve | 50,00,000 | 50,00,000 |
| -Balance carried to Balance Sheet | 136,11,97,681 | 130,15,54,684 |
| | 138,23,58,699 | 132,27,02,827 |

DIVIDEND

With a view to conserve resources for future business operations of the Company, your Directors do not recommend any dividend for the year under review.

RESULTS OF OPERATIONS

Total income of the Company during the year was Rs.1425.80 lakhs as against Rs. 874.66 lakhs in the previous year. The profit before tax during the year was Rs. 816.14 lakhs as against Rs. 872.37 lakhs in the previous year. The profit after tax was Rs. 808.04 lakhs as against Rs. 807.40 lakhs in the previous year.

SUBSIDIARY COMPANIES

During the year Jindal Premium Connections Private Limited ceased to be associate of the Company in May, 2017.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Rachna Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

Item seeking your approval for her appointment is included in the Notice convening the Annual General Meeting.

Brief resume of Director who is proposed to be appointed/re-appointed is furnished in the Notice of Annual General Meeting.

All Independent Directors of the Company have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Shri Shrikant Ladia, Whole-time Director, Smt. Astha Wahi, Company Secretary and Shri Satish Saxena, Chief Financial Officer.

BOARD MEETINGS

During the year, 5 (five) Board meetings were held. The details of which are given in the Corporate Governance Report.

BOARD EVALUATION

The Board of Directors has carried out the Annual evaluation of its own performance, Board Committee and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board, after seeking inputs from all the Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of criteria such as contribution of the Individual Director to the Board and Committee meetings.

Also in a separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board was evaluated. The Company has no designated Chairman.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the corporate governance report, which forms part of the Directors' Report.

RISK MANAGEMENT

Adequate measures have been adopted by the Company to anticipate, plan and mitigate the spectrum of risks it faces. The Company's business operations are exposed to financial risks including Liquidity Risk etc.

The Board of the Company has approved the Risk management Policy of the Company and authorized the Audit Committee to implement and monitor the risk management plan for the Company and also identify and mitigate the various element of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

As per the provisions of Section 134(5)(e) of the Companies Act, 2013 the Company has in place adequate internal financial controls with reference to financial statements. Audit Committee periodically reviews the adequacy of internal financial controls.

During the year, such controls were tested and no reportable material weaknesses were observed.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, your Directors state:

- (i) that in the preparation of the Annual Accounts for the year ended 31st March, 2018, the applicable accounting standards had been followed and there are no material departures;
- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Annual Accounts for the year ended 31st March, 2018 have been prepared on a going concern basis;
- (v) that the internal financial controls laid down by the Board and being followed by the Company are adequate and were operating effectively; and
- (vi) that the proper systems, devised by Directors to ensure compliance with the provisions of all applicable laws, were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed with this Report.

AUDIT COMMITTEE

The Audit Committee of the Company consists of Shri Ajay Kumar Gupta, Chairman, Shri Vibhore Kaushik and Shri Shrikant Ladia as its other members. The terms of reference are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VIGIL MECHANISM

The Company has adopted a Whistle blower policy and established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. The said policy has been disclosed on the Company's website under the web link <http://stabletrading.in/StableWhistleBlowerPolicy.pdf>

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee has formulated, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities, which has been approved by the Board.

The CSR Policy may be accessed on the website of the Company <http://www.stabletrading.in/StableCSRPolicy.pdf> in accordance with the provisions of Section 135 of the Companies Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Provisions of Section 186 are not applicable to any acquisition made by a non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities (i.e. investment and lending activities). The Company has not given any guarantee or provided any security.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contracts/ arrangements/transactions with related parties as defined under provisions of Section 188 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Thus disclosure in form AOC-2 is not required.

CORPORATE GOVERNANCE REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report along with Auditors' Certificate regarding compliance of conditions of Corporate Governance has been annexed as part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said committee.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, M/s. Khandelwal Prajapati and Co., Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of the 35th Annual General Meeting of the Company held on 30th September, 2015 till the conclusion of 40th Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting.

The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualification, reservation or adverse remark.

COST RECORDS

The Company is not required to maintain cost records as specified by the Centre Government under Section 148(1) of the Companies Act 2013.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

SECRETARIAL AUDIT

The Board has appointed M/s Hemant Singh and Associates (FCS No. 6033), Company Secretaries, to conduct Secretarial Audit for the financial year 31st March, 2018. The Secretarial Audit Report for the year ended 31st March, 2018 is annexed herewith as an annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

FIXED DEPOSITS

The Company has not accepted any deposits from Public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the business activities of the Company, the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

PARTICULARS OF EMPLOYEES

Particulars of employees, as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. However, in pursuance of Section 136(1) of the Act, this report is being sent to the shareholders of the Company excluding the said information. The said information is available for inspection by the members of the Company at the registered office of the Company during working hours up to the date of the Annual General Meeting. Any member interested in obtaining such information may write to the Company Secretary at the corporate office of the Company.

MATERIAL CHANGES & COMMITMENTS

No material changes and commitments, effecting the financial position of the Company have occurred after the end of the financial year ended 31st March, 2018 and till the date of this report.

ACKNOWLEDGEMENT

The Board expresses its grateful appreciation of the assistance and co-operation received from Central and State governments, Banks and Shareholders.

Your Directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees and associates at all levels.

For and on behalf of the Board

Place: Gurgaon
Dated: 8th August, 2018

Shrikant Ladia
Whole Time Director
DIN:02163361

Rachna Jindal
Director
DIN:00449767

Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy which is posted on the Company's website www.stabletrading.in. The Company proposes to adopt projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as recommended from time to time.

- 2. The Composition of the CSR Committee.** The Company has a CSR Committee of Directors comprising of Shri Shrikant Ladia, Chairman of the Committee and Ajay Kumar Gupta and Shri Vibhore Kaushik as its other members.

- 3. Average net profit of the Company for last three financial years:** Rs.175.26 Lakhs

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) –** Rs. 3.51 Lakhs

- 5. Details of CSR spent during the financial year**

(a) Total amount to be spent for the financial year – Rs.4.00 Lakhs

(b) Amount unspent, if any – NIL

(c) Manner in which the amount spent during the financial year is detailed below.

- 6. Reasons for not spending two percent of the average net profit of the last three financial years or any part thereof on CSR.**

N.A.

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

| | |
|----------------------------------|---|
| Rachna Jindal Director | Shrikant Ladia Chairman CSR Committee |
|----------------------------------|---|

| Sr. No. | CSR Project or Activity identified | Sector in which the project is covered | Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken. | Amount Outlay (Budget) project or programs wise | Amount spent on the projects or programs subheads : (1) Direct Expenditure (2) Overheads | Cumulative Expenditure upto the reporting period | Amount Spent : Direct or through implementing agency |
|---------|--|--|--|---|--|--|--|
| 1 | Health care including preventive health care | Health care including preventive health care | Delhi & NCR | 2,00,000 | 2,00,000 | 2,00,000 | Through B.C. Jindal Charitable Trust |
| 2 | Animal welfare | Animal welfare | Delhi & NCR | 1,00,000 | 1,00,000 | 1,00,000 | Through B.C. Jindal Charitable Trust |
| 3 | Education including special education | Education including special education | Delhi & NCR | 1,00,000 | 1,00,000 | 1,00,000 | Through B.C. Jindal Charitable Trust |
| | Total CSR Spend | | | 4,00,000 | 4,00,000 | 4,00,000 | |

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
STABLE TRADING COMPANY LIMITED
2/5, Sarat Bose Road, Sukh Sagar,
Flat No. 8A, Kolkata-700020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STABLE TRADING COMPANY LIMITED (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **STABLE TRADING COMPANY LIMITED ("the Company")** for the financial year ended on **31st March, 2018** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **(Not applicable to the Company during the Audit Period)**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not applicable to the Company during the Audit Period)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client with respect to issue of securities;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **(Not applicable to the Company during the Audit Period)**; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
(Not applicable to the Company during the Audit Period);

- (vi) Other laws applicable specifically to the Company namely:
- a. Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other relevant guidelines and circulars issued by Reserve Bank of India from time to time and periodic reporting's done by the Company.

We have also examined compliance with the Standards/ Regulations of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, as per our audit of records of the Company and as per the explanations and clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions of the Board were carried out through unanimous votes, no dissenting views of any Director was recorded in the minutes maintained by the Company.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there has not been any such activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Hemant Singh & Associates
Company Secretaries**

**Date: 8th August, 2018
Place: New Delhi**

**(Hemant Kumar Singh)
(Partner)
FCS 6033
C.P. No. 6370**

This Report is to be read with Annexure A, which forms an integral part of this report.

Annexure A

To,
The Members,
STABLE TRADING COMPANY LIMITED
2/5, Sarat Bose Road, Sukh Sagar,
Flat No. 8A, Kolkata-700020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Hemant Singh & Associates
Company Secretaries

Hemant Kumar Singh
Partner
Membership No. 6033
Certificate of Practice No. 6370

8th August, 2018
Place: New Delhi

STABLE TRADING COMPANY LIMITED

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on 31st March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

| | | |
|------|---|---|
| i) | CIN | L27204WB1979PLC032215 |
| ii) | Registration Date | 31 st August, 1979 |
| iii) | Name of the Company | STABLE TRADING COMPANY LIMITED |
| iv) | Category/Sub-Category of the Company | Public Company/Limited by shares |
| v) | Address of the Registered Office and contact details | 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata, West Bengal-700 020 Phone: 033-30522053 Fax: 91-33-24742290 |
| vi) | Whether listed company | Yes |
| vii) | Name, Address and Contact details of Registrar and Share Transfer Agent, if any | Alankit Assignment Limited Alankit House, 2E/21, Jhandewalan Extension, New Delhi – 110055 Phone: 011-23541234, 42541234 Fax: 011- 42541967 e-mail: rta@alankit.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Commercial Loan and Investment | 65923 | 99.54% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

| Sl. No. | NAME OF THE COMPANY | Address | CIN/GLN | HOLDING/ SUBSIDIARY /ASSOCIATE | % of shares held |
|---------|---------------------|---------|---------|--------------------------------|------------------|
| 1 | NIL | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year (1 st April, 2017) | | | | No. of Shares held at the end of the year (31 st March, 2018) | | | | % change since last year |
|--|--|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTERS | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Indian/HUF | 1245200 | - | 1245200 | 56.00 | 1245200 | - | 1245200 | 56.00 | |
| b) Central Govt. | - | - | - | - | - | - | - | - | |
| c) State Govt(s) | - | - | - | - | - | - | - | - | |
| d) Bodies Corporate | 285805 | - | 285805 | 12.85 | 285805 | - | 285805 | 12.85 | |
| e) Bank/FI | - | - | - | - | - | - | - | - | |
| f) Any Other | - | - | - | - | - | - | - | - | |
| Sub - Total | 1531005 | - | 1531005 | 68.85 | 1531005 | - | 1531005 | 68.85 | |
| (2) Foreign | | | | | | | | | |
| a) NRI - Individuals | - | - | - | - | - | - | - | - | |
| b) Other Individuals | - | - | - | - | - | - | - | - | |
| c) Bodies Corporates | - | - | - | - | - | - | - | - | |
| d) Bank/FI | - | - | - | - | - | - | - | - | |
| e) Any Other | - | - | - | - | - | - | - | - | |
| Sub - Total | - | - | - | - | - | - | - | - | |
| Total shareholding of Promoters (A) = (A)(1)+(A)(2) | 1531005 | - | 1531005 | 68.85 | 1531005 | - | 1531005 | 68.85 | |
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| B. PUBLIC | | | | | | | | | |
| Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | |
| b) Bank/FI | - | - | - | - | - | - | - | - | |

| | | | | | | | | | |
|--|----------------|--------------|----------------|---------------|----------------|--------------|----------------|---------------|---|
| c) Central Government | - | - | - | - | - | - | - | - | - |
| d) State Government | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Ventures | - | - | - | - | - | - | - | - | - |
| i) Others (Specify) | - | - | - | - | - | - | - | - | - |
| Non-Institutions | | | | | | | | | |
| a) Bodies Corporates - Indian | 637595 | - | 637595 | 28.68 | 637595 | - | 637595 | 28.68 | |
| b) Individuals shareholders holding nominal share capital upto Rs. 1 lakh | - | 54900 | 54900 | 2.47 | - | 54900 | 54900 | 2.47 | |
| Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh | - | - | - | - | - | - | - | - | |
| c) Others (Specify) | - | - | - | - | - | - | - | - | |
| Sub-total (B)(2): | 637595 | 54900 | 692495 | 31.15 | 637595 | 54900 | 692495 | 31.15 | |
| Total Public shareholding | 637595 | 54900 | 692495 | 31.15 | 637595 | 54900 | 692495 | 31.15 | |
| C. Shares held by Custodian for GDRs and ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 2168600 | 54900 | 2223500 | 100.00 | 2168600 | 54900 | 2223500 | 100.00 | |

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year (1 st April, 2017) | | | Shareholding at the end of the year (31 st March, 2018) | | | % change in share holding during the year |
|--------|--|---|----------------------------------|--|--|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | D.P. Jindal | 355350 | 15.98 | 0.00 | 355350 | 15.98 | 0.00 | 0.00 |
| 2 | Saket Jindal | 309325 | 13.91 | 0.00 | 309325 | 13.91 | 0.00 | 0.00 |
| 3 | Savita Jindal | 325000 | 14.62 | 0.00 | 325000 | 14.62 | 0.00 | 0.00 |
| 4 | Rachna Jindal | 255525 | 11.49 | 0.00 | 255525 | 11.49 | 0.00 | 0.00 |
| 5 | Global Jindal Fin-Invest Limited | 150805 | 6.78 | 0.00 | 150805 | 6.78 | 0.00 | 0.00 |
| 6 | Brahma Dev Holding and Trading Limited | 135000 | 6.07 | 0.00 | 135000 | 6.07 | 0.00 | 0.00 |
| | Total | 1531005 | 68.85 | | 1531005 | 68.85 | 0.00 | 0.00 |

(i) Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. No. | Name | Shareholding at the beginning of the year (As on 1 st April, 2017) | | Date | Increase/ Decrease in shareholding | Reason | Shareholding at the end of the year (As on 31 st March, 2018) | |
|---------------------------|------|---|----------------------------------|------|------------------------------------|--------|--|----------------------------------|
| | | No. of shares | % of total shares of the Company | | | | No. of shares | % of total shares of the Company |
| No Change during the year | | | | | | | | |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year (1 st April, 2017) | | Increase/Decrease during the year | | Cumulative Shareholding at the end of the year (31 st March, 2018) | |
|---------|-------------------------------------|---|----------------------------------|-----------------------------------|--------|---|-------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | Reason | No. of shares | % of total shares of the comp |
| 1 | Jhanjhari Holdings Pvt. Ltd. | 2,22,100 | 9.99 | - | N.A. | 2,22,100 | 9.99 |
| 2 | Gautam Fin-Invest Pvt. Ltd. | 1,95,495 | 6.75 | - | N.A. | 1,95,495 | 6.75 |
| 3 | Pushpanjali Investrade Pvt. Ltd. | 1,10,000 | 4.95 | - | N.A. | 1,10,000 | 4.95 |
| 4 | GVN Fuels Ltd. | 1,10,000 | 4.95 | - | N.A. | 1,10,000 | 4.95 |
| 5 | Ram Naresh Jha | 800 | 0.04 | - | N.A. | 800 | 0.04 |
| 6 | Roori Prasad | 800 | 0.04 | - | N.A. | 800 | 0.04 |
| 7 | Sadanand Shukla | 800 | 0.04 | - | N.A. | 800 | 0.04 |
| 8 | Baleshwar | 800 | 0.04 | - | N.A. | 800 | 0.04 |
| 9 | Bharat Yadav | 800 | 0.04 | - | N.A. | 800 | 0.04 |
| 10 | Bharat Pal | 800 | 0.04 | - | N.A. | 800 | 0.04 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | | Shareholding at the beginning of the year 1 st April, 2017) | | Increase/Decrease during the year | | Cumulative Shareholding at the end of the year (31 st March, 2018) | |
|---------|---------------------------------|--|----------------------------------|-----------------------------------|--------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | Reason | No. of shares | % of total shares of the Company |
| 1 | Smt. Rachna Jindal, Director | 255525 | 11.49 | - | N.A. | 255525 | 11.49 |
| 2 | Shri Ajay Kumar Gupta, Director | 0 | 0.00 | - | N.A. | 0 | 0.00 |
| 3 | Shri Sandeep Shah, Director | 0 | 0.00 | - | N.A. | 0 | 0.00 |
| 4 | Shri Vibhor Kaushik, Director | 0 | 0.00 | - | N.A. | 0 | 0.00 |
| 5 | Shri Shrikant Ladia, Director | 0 | 0.00 | - | N.A. | 0 | 0.00 |
| 6 | Shri Satish Saxena - CFO | 0 | 0.00 | - | N.A. | 0 | 0.00 |
| 7 | Smt. Astha Wah- CS | 0 | 0.00 | - | N.A. | 0 | 0.00 |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| · Addition | - | 11,03,90,576 | - | 11,03,90,576 |
| · Reduction | - | - | - | - |
| Net Change | - | 11,03,90,576 | - | 11,03,90,576 |

| | | | | |
|--|--|--------------|--|--------------|
| Indebtedness at the end of the financial year | | 11,03,90,576 | | 11,03,90,576 |
| i) Principal Amount | | 11,03,90,576 | | 11,03,90,576 |
| ii) Interest due but not paid | | - | | - |
| iii) Interest accrued but not due | | - | | - |
| Total (i+ii+iii) | | 11,03,90,576 | | 11,03,90,576 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no. | Particulars of Remuneration | Shri Shrikant Ladia, WTD (Rs.) | Total Amount (Rs.) |
|---------|---|--------------------------------|--------------------|
| 1. | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 9,76,750 | 9,76,750 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | |
| 2. | Stock Option | | |
| 3. | Sweat Equity | | |
| 4. | Commission - as % of profit - others, specify... | | |
| 5. | Others, please specify | | |
| | Total (A) | 9,76,750 | 9,76,750 |

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|--|-----------------------|---------------------|-----------------|
| | | Shri Ajay Kumar Gupta | Shri Vibhor Kaushik | |
| | Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify | | | |
| | Total (1) | | | |
| | 4. Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify | | | |
| | Total (2) | | | |
| | Total (B)=(1+2) | | | |
| | Total Managerial (A) +(B) Remuneration | | | 9,76,750 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in Rs.)

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|----------------------|-------------------------|-----------------|
| | | CEO | Mrs. Ashta Wahi (CS) | Mr. Satish Saxena (CFO) | Total |
| 1. | | | | | |
| | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 4,71,908 | 5,22,165 | 9,94,073 |
| | (b) Value of perquisites u/s 17(2) Income-tax | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission - as % of profit - others, specify... | - | - | - | - |
| 5. | Others, please specify | - | - | - | - |
| | Total | - | 4,71,908 | 5,22,165 | 9,94,073 |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/punishment/compounding | Authority (RD/NCLT/ Court) | Appeal made, if any (give details) |
|---------------------------|------------------------------|-------------------|---|----------------------------|-------------------------------------|
| Penalty | | | -NIL- | | |
| Punishment | | | | | |
| Compounding | | | | | |
| OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

STABLE TRADING COMPANY LIMITED

CORPORATE GOVERNANCE REPORT

Sound Corporate Governance is essential to enhance the shareholders' trust and value. Your Company conducts its affairs with the highest levels of integrity, with proper authorizations, accountability, disclosure and transparency. The Company strongly believes in maintaining a simple and transparent corporate structure driven solely by business needs. Shareholders' interests are on utmost priority while protecting the interest of other stakeholders, customers, suppliers and its employees and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The Company is in compliance with the requirements as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

1. BOARD OF DIRECTORS

Composition

The Company's policy is to have appropriate mix of Executive and Non-Executive/Independent Directors including one women Director on the Board. The Company has one Executive Director. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all companies in which they are Directors. The Directors have made necessary disclosures regarding their Committee positions.

All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Functioning and Procedure

During the year ended 31st March, 2018 the Board of Directors met (5) five times. The Board meetings were held on 20th April, 2017, 26th May, 2017, 10th August, 2017, 14th November, 2017, and 8th February, 2018. The Board periodically reviews the compliance report of all laws applicable to the Company. The names and categories of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting and also the number of Directorships held by them in other companies as on 31st March, 2018 are given below:

| Directors | Category | Shares held | Attendance | | No. of other Directorships and Committee Memberships/ Chairmanships held | | |
|-----------------------|---------------|-------------|---------------|----------|--|-----------------------|-------------------------|
| | | | Board Meeting | Last AGM | Directorships | Committee Memberships | Committee Chairmanships |
| Smt. Rachna Jindal | Non-Executive | 2,55,525 | 4 | - | - | - | - |
| Shri Shrikant Ladia | Executive | - | 5 | Yes | 2 | - | - |
| Shri Ajay Kumar Gupta | Independent | - | 5 | Yes | 2 | - | - |
| Shri Vibhor Kaushik | Independent | - | 5 | - | 2 | 1 | - |

Note:

1. Only Audit and Stakeholder's Relationship Committees are considered
2. Excludes directorship in Foreign Companies.
3. No Director is related with other directors.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Director or management personnel, inter alia, to discuss:

- the performance of Non Independent Directors and Board of Directors as a whole.
- the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively perform its duties.

During the year under review, the Independent Directors met on 8th February, 2018. All Independent Directors were present at the meeting.

Familiarisation Programme

The Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee meetings on business and performance updates of the Company. Detailed presentations on the Company's business segments were made at the separate meeting of the Independent Directors.

The details of familiarization programmes for Independent Directors are posted on the Company's website and can be accessed at <http://www.stabletrading.in/programme.pdf>

2. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions to the audit functions and monitors the quality of internal and statutory audit.

The responsibilities of the Audit Committee include overseeing the financial reporting process, to ensure fairness, sufficiency and credibility of financial statements, review findings of internal auditors relating to various functions, recommendation of appointment and removal of statutory auditors, internal auditors and cost auditors and fixation of their remuneration; review of the quarterly and annual financial statements before submission to the Board With particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; review of adequacy and compliance of internal control systems and the internal audit function; review of compliance with laws; inspection of records and audit reports and reports of statutory auditors; review of findings of internal investigations; review of statement of significant related party transactions; review of management letters/letter of internal control, weaknesses issued by statutory auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any in the payment to shareholders; review the functioning of the Whistle Blower mechanism etc.

COMPOSITION

The Audit Committee of the Company comprised of three Directors consisting of one Executive Director and two Independent Non-Executive Directors. All members of the Committee possess knowledge of Corporate finance, Accounts and Company Law. The Chairman of the Committee is an Independent Non-executive Director. The Company Secretary acts as the Secretary to the Audit Committee.

Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board meeting.

During the year under review 4 Audit Committee Meetings were held on 26th May, 2017, 10th August, 2017, 14th November, 2017, and 8th February, 2018. The composition, names of the members, chairperson, and particulars of the meetings and attendance of the members during the year are as follows:

| Members | Category | No. of meetings attended |
|-----------------------|----------|--------------------------|
| Shri Ajay Kumar Gupta | Chairman | 4 |
| Shri Vibhor Kaushik | Member | 4 |
| Shri Shrikant Ladia | Member | 4 |

INTERNAL AUDIT

The Company has appointed Internal Auditors to review the internal control systems of the Company and to report thereon. The Audit Committee reviews the reports of the Internal Auditors periodically.

1. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted Nomination and Remuneration Committee (NRC) and the terms of reference of the NRC are as per guidelines set out in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for the Directors, key managerial personnel and other employees, formulation of criteria for evaluation of independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

The Nomination and Remuneration Committee comprised of three Non-Executive Directors. The Chairman of the Committee is an Independent Non-Executive Director. During the year under review meeting of the Nomination and Remuneration Committee was held on 26th May, 2017 and 8th February, 2018.

| Name of the Members | Designation | No. of Meetings attended |
|-----------------------|-------------|--------------------------|
| Shri Ajay Kumar Gupta | Chairman | 2 |
| Shri Vibhor Kaushik | Member | 2 |
| Smt. Rachna Jindal | Member | 2 |

Nomination and Remuneration Policy

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. This Remuneration Policy applies to Directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

Remuneration of Whole Time Director reflects the overall remuneration philosophy and guiding principles of the Company. When considering the appointment and remuneration of Whole Time Director, due consideration is given to pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under the Companies Act, 2013 inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration also aims to motivate personnel to deliver company's key business strategies, create a strong performance oriented environment and reward achievement of meaningful targets over the short and long term.

The Nomination and Remuneration Policy of the company has been uploaded and can be accessed on the Company's website at <http://www.stabletrading.in/StableNRCPolicy.pdf>

Directors' Remuneration

Remuneration paid to the Directors during the financial year ended 31st March, 2018 are as under:

(a) The Details of remuneration paid to Whole-time Director:

(Amount in Rs.)

| Name | Salary | Perquisites and other benefits | Total |
|---------------------|----------|--------------------------------|----------|
| Shri Shrikant Ladia | 9,76,750 | - | 9,76,750 |

(b) The Non- Executive Directors are entitled to be paid by way of sitting fees for meetings of the Board of Directors and Audit Committee. During the year ended 31st March, 2018 no remuneration was paid to Non-Executive Directors in view of them having waived their entitlement to receive the sitting fee.

Apart from being entitled to Directors' remuneration by way of sitting fee for attending meetings of the Board and Audit Committee, none of the Non- Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31st March, 2018.

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Directors have constituted the Corporate Social Responsibility Committee in reference to the requirements of Section 135 of the Companies Act, 2013.

The constitution of the Corporate Social Responsibility Committee is as under:-

| Members | Designation |
|-----------------------|-------------|
| Shri Shrikant Ladia | Chairman |
| Shri Ajay Kumar Gupta | Member |
| Shri Vibhor Kaushik | Member |

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

During the year under review, the said Committee met on 10th August, 2017. All members of the Committee were present at the meeting.

3. **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Company has constituted Stakeholders' Relationship Committee under the Chairmanship of a Non-Executive Director of the Company. The Committee meets periodically, to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of shares transfers/transmissions approved by the Committee are placed at the Board meetings from time to time.

COMPOSITION

The constitution of the Stakeholders Relationship Committee is as under:-

| Name of the Members | Designation |
|----------------------------|--------------------|
| Smt. Rachna Jindal | Chairperson |
| Shri Shrikant Ladia | Member |

Compliance Officer

The Board has designated Company Secretary as Compliance Officer of the Company.

Details of Shareholders' Complaints received and replied to the satisfaction of Shareholders

| | | |
|---|---|-----|
| Number of Shareholders complaints received during the period 01.04.2017 to 31.03.2018 | : | Nil |
| Number of complaints not solved to the satisfaction of shareholders | : | Nil |
| Number of pending complaints as on 31.03.2018 which were solved later on. | : | Nil |

DESIGNATED EMAIL ID FOR INVESTORS

The Company has designated the following e-mail ID exclusively for redressal of investor grievance i.e. secretarial@stabletrading.in

SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company.

The Company has adopted a Policy in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company under the web link

http://www.stabletrading.in/Material_Subsubsidiary.pdf

4. GENERAL BODY MEETINGS

(I) Details of the last three Annual General Meetings:

| Financial year | Date | Location of the Meeting | Time |
|----------------|------------|--|----------|
| 2014-15 | 30.09.2015 | Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020 | 1.30 PM. |
| 2015-16 | 30.09.2016 | Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020 | 1.30 PM. |
| 2016-17 | 28.09.2017 | Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020 | 1.30 PM. |

(ii) No Special resolutions were passed in the preceding three Annual General Meetings.

(iii) No Special resolution is proposed to be conducted through postal ballot.

5. MEANS OF COMMUNICATION

The Company's financial results are communicated to Calcutta Stock Exchange Limited with whom the Company has listing arrangement, as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are normally published in Financial Express(English) and Sukabar (Bengali). The Financial Results are also available on the Company's website <http://www.stabletrading.in>

6. GENERAL SHAREHOLDERS INFORMATION

(a) **Annual General Meeting:**

Date and Time: 28th September, 2018 at 1:30 P.M.

Venue: Registered Office of the Company at 2/5, Sarat Bose Road, Kolkata – 700020

(b) **Financial Year:** 1st April, 2017 to 31st March, 2018

(c) **Dividend Payment Date:** N.A.

(d) **Listing on stock Exchange**

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee upto 2018-19 has been duly paid.

(e) **Stock Code**

Scrip ID: STABLE TRADING

Scrip Code: 10029386

NSDL/ CDSL – ISIN INE204F01019

(f) **Market Price Data**

There was no trading of shares on CSE during the period from 1st April, 2017 to 31st March, 2018.

(g) **Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc.**

Not Applicable as the Company is listed on CSE only.

(h) **In case securities are suspended from trading, the directors shall explain the reason thereof:**

In spite of submission of all information to Calcutta Stock Exchange Limited, and enquiring from them the reasons for suspension of trading in its securities the Company has not received any reply in the matter.

(i) **Registrar and Transfer Agent**

Alankit Assignment Limited

Alankit Heights,

1E/13, Jhandewalan Extension,

New Delhi – 110055

Phone: 011-23541234, 42541234

Fax: 011- 42541967, e-mail: rta@alankit.com

(j) **Share Transfer System:**

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within the prescribed time from the date of receipt.

(k) **Distribution of shareholding as on 31st March, 2018**

| No. of Equity Shares held | No. of Shareholders | % of shareholders | No. of Shares held | % of Shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| Upto 5000 | 69 | 87.34 | 54,900 | 2.47 |
| 5001-50000 | - | - | - | - |
| 50001 to 100000 | - | - | - | - |
| 100001 and Above | 10 | 12.66 | 21,68,600 | 97.53 |
| Total | 79 | 100.00 | 2223500 | 100.00 |

Shareholding Pattern as on 31st March, 2018:

| Category | No. of Shares held | % of Shareholding |
|--------------------------|--------------------|-------------------|
| Promoters | 15,31,005 | 68.85 |
| Private Bodies Corporate | 6,37,595 | 28.68 |
| Indian Public | 54,900 | 2.47 |
| Grand Total | 2,223,500 | 100.00 |

(l) **Dematerialization of shares**

97.53 % of total paid-up equity shares of the Company were in dematerialized form as on 31st March, 2018.

(m) **Outstanding GDRs/ADRs/Warrants or any Convertible Bonds, conversion date and likely impact on equity:**

There is no outstanding GDRs/ADRs or convertible Bonds etc.

(n) **Commodity price risk or foreign exchange risk and hedging activities**

There is no commodity, exchange risk and hedging activities during the year.

(o) **Plant Locations: N.A.**

(p) **Address for correspondence:**

Shareholders' correspondence should be addressed to the Registrar and Transfer Agent at the following address:

Alankit Assignment Limited

Alankit Heights,

1E/13, Jhandewalan Extension,

New Delhi – 110055

Phone: 011-23541234, 42541234

Fax: 011- 42541967, e-mail: rta@alankit.com

Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participants.

7. OTHER DISCLOSURES

a) Related Party Transactions

There have been no related party transactions during the year ended 31st March, 2018.

The Board has approved a policy on materiality of Related Party Transactions which has been uploaded on the website of the Company at the following link www.stabletrading.in/StableRPTPolicy.pdf

b) Details on Non Compliance

There were no penalties or strictures imposed on the Company by the Stock Exchanges, SEBI, or any other statutory authorities on any matter related to the capital markets during the last 3 years.

c) Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link <http://stabletrading.in/StableWhistleBlowerPolicy.pdf>.

d) Detail of compliance with mandatory requirements and Adoption of Non-mandatory requirements

The Company has complied with all the mandatory requirements of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has also complied with following non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. Shareholder Rights

Financial positions of the company are posted on the website of the Company.

B. Modified opinion(s) in audit report

The Financial Statements of the Company are unqualified.

C. Reporting of Internal auditor

Internal Audit Reports are directly reported to audit committee.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel. The Code has also been posted on the Company's website <http://www.stabletrading.in>

The Code has been circulated to all members of the Board and senior management personnel and the compliance with the Code of Conduct and Ethics is affirmed by them annually. A declaration signed by the Whole-time Director of the Company is given below:

This is to certify that, all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the financial year ended 31st March 2018.

Date: 8th August, 2018

Shrikant Ladia
Whole Time Director

AUDITORS' CERTIFICATE

To
The Members of
Stable Trading Company Limited

1. We, Bidasaria & Associates Chartered Accountants, the Statutory Auditors of **Stable Trading Company Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations, during the year ended 31st March, 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For KHANDELWAL PRAJAPATI & CO.
Chartered Accountants
Firm Registration No. 313154E

(V.N. KHANDELWAL)
Partner
Membership No. 052862

PLACE: KOLKATA
DATED: 8th August, 2018

STABLE TRADING COMPANY LIMITED

Management Discussion and Analysis

Forming part of the Directors' Report for the year ended 31st March, 2018

FORWARD LOOKING STATEMENTS

The statement in the Directors' Report and Management Discussion and Analysis Report contains "forward-looking statements" about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expression for future are forward-looking statements.

Forward-looking statements should be viewed in the context of many risk issues, and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussion and Analysis Report, including but not limited to, the impact of changes in oil, Steel prices worldwide and domestic, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realized. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. The Company disclaims any duty to update the information given in the aforesaid reports.

ECONOMIC ENVIRONMENT OVERVIEW

The Indian economy posted a growth of 6.6% in FY2017-18 compared to 7.1% in FY2016-17 as the first round of effects of demonetisation and the implementation of GST played out. However, a host of other policies, implemented during and before FY2017-18, such as the Insolvency and Bankruptcy Code, reforms in the real estate sector in the form of RERA, allowing of FDI in various industries, fast-tracking of project clearances, various measures for financial inclusion, etc., are expected to drive growth upwards, going forward. While the IMF projects that India's GDP will increase at 7.4% in FY2019 and 7.8% in FY2020, the World Bank expects growth to reach 7.3% in FY2019 and rise further to 7.5% in FY2020.

NBFCs have always played an important role in promoting financial inclusion in India. They have been complementing and supplementing the banking sector in reaching out credit to the un-banked segments of the society. The biggest contribution of NBFCs is their ability to cater to the needs of the Micro, Small & Medium Enterprises (MSMEs) which form the cradle of entrepreneurship and innovation in India.

The Company was not exposed to the capital market at large during the year under review as it holds on as Promoters' stake in Maharashtra Seamless Limited (a Company with same group). Major operations of Maharashtra Seamless Ltd. cater to the Oil & Gas Sector, which is currently a very prominent and global sector.

The performance of your Company largely depends on the performance of the entity in which it holds investment. Your Company is looking forward for a sustainable growth in the investee Company in future and expects to earn reasonable return on the same which would enhance the shareholders' value.

BUSINESS OUTLOOK

Going forward, economic activity is expected to gather pace in F.Y. 2018-19, benefiting from a conducive domestic and global environment. Following factors will contribute towards it:

- the teething troubles relating to implementation of the GST are receding.
- Credit off take has improved in the recent period and is becoming increasingly broad-based, which portends well for the manufacturing sector and new investment activity.
- large resources mobilization

OPPORTUNITIES AND THREATS

The Company foresees, new opportunities to come up to expand its operations by way of equity participation in new projects/expansion of existing projects, considering long term growth potential of the Country. The NBFC sector holds immense potential in view of the Government of India's increased focus towards Financial Inclusion.

The economic slowdown, coupled with inflationary pressure has the prospects of curtailing business growth, raise the delinquency rate and enhance credit costs. With multiple players invading the market, the ability to compete effectively will depend, to some extent, on the Company's ability to raise low cost funds in future.

SEGMENT-WISE PERFORMANCE

The Company is engaged in the business of Investment activities. There is no other segment. Therefore, there are no separate segments for reporting as per the Accounting Standard AS-17 issued by The Institute of Chartered Accountants of India.

RISKS AND CONCERNS

As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes the strategic investments in a specific sector. Any downward movement in the prospects of the sector could be a threat to Company's prospects.

At this juncture of rapidly evolving macroeconomic risks, it becomes imperative for business to track the macroeconomic performance on an ongoing basis. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks, so as to arrive at a profitable investment decision.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system, commensurate with its size and nature of operations, covering assurance of recording all the transaction details, regulatory compliance and protecting the Company assets from any kind of loss or misuse. Accounting records are adequate for preparation of financial statements and other financial information. Internal Audit is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total income of the Company during the year was Rs.1425.80 lakhs as against Rs. 874.66 lakhs in the previous year. The profit before tax during the year was Rs. 816.14 lakhs as against Rs. 872.37 lakhs in the previous year. The profit after tax was Rs. 808.04 lakhs as against Rs. 807.40 lakhs in the previous year.

HUMAN RESOURCES

Your Company has employed professionals/experienced persons, playing an important role in the operations of the Company. The Company will strengthen its operative staff as and when the need arises.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF**

M/S. STABLE TRADING COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of M/s. **STABLE TRADING COMPANY LIMITED** which comprise of the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and Cash flow of the Company in accordance with the Accounting Standards specified under section 133 of the Act, and accounting principles generally accepted in India. 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 control, 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.

Auditor's 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 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 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. An audit also includes evaluating the appropriateness of 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 financial statements..

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