



C.P. JENA & ASSOCIATES

Company Secretaries

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CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

PH TRADING LIMITED,
PODDAR POINT, 113 PARK ST,
BLOCK B, 10-TH FLOOR,
KOLKATA 700016.

I have examined the compliance of corporate governance by M/s. PH TRADING LIMITED for the year ended 31st March, 2016 as stipulated in clause 49 of the listing agreement of the said company with the stock exchange.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of our information and according to the explanations given to me, and the representation made by directors and the management, I certify that the company has complied with the conditions of corporate governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

Date: 30/05/2016

Place: Kolkata

For C.P. JENA & ASSOCIATES

Company Secretary

CHANDNI PRASANNA JENA

(Proprietor)

M.No-22049

C.P. No-8023



PH TRADING LIMITED

PODDAR POINT, 'B' - BLOCK, 10TH FLOOR
113, PARK STREET, KOLKATA - 700 016
CIN No. L51109WB1982PLC035011

REPORT ON CORPORATE GOVERNANCE

Clause 49 of the Listing Agreement relating to the Corporate Governance is applicable to the company during the financial year under review, being a listed company. However, the company observes good corporate governance practices.

The Directors present the Company's Report on Corporate Governance for the financial year 2015-16.

1. Company's Philosophy

PH Trading Limited, is committed to implement sound corporate governance practices with a view to bring transparency, accountability and equity in all facets of its operations, maximize shareholders value, maintain a healthy work culture and responsibility towards the society on a continuous basis.

2. Board of Directors

The composition of Board of Directors, as on 31st March, 2016 comprised of Five Directors out of which Three Directors are Non- Executive and Independent Directors appointed by M/s PH Trading Limited, private equity investor of the Company. The composition of the Board of Directors and the category of each Director during the captioned period, to which this Report belongs, is as under:

Sl. No.	Name	Designation	Category
1.	Prakash Chandra Himatsingka	Director	Promoter, Executive Director
2.	Avishek Himatsingka	Director	Non- Executive, Promoter, Independent Director
3.	Amar Chand Agarwal	Director	Non- Executive, Independent Director
4.	Ashok Kumar Rameshwar Lal Jhanwar	Director	Executive Director
5.	Arati Trivedi	Director	Non- Executive, Independent Director

The Independent Directors are from different fields of work such as finance, Marketing, etc. The Chairman and Managing Directors have been delegated clearly defined responsibilities. The Company's Board meets at frequent and regular intervals for planning, assessing and evaluating important business.

The Company has received declarations from all the above Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

PH TRADING LTD
Himatsingka
Director



PH TRADING LIMITED

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Number of Board Meetings Held

Seven Board meetings were held during the financial year 2015-16. The intervening period between two Board meetings was well within the gap of four months prescribed under Clause 49 of Listing Agreement.

The details of the Board Meeting are as under:-

Sl. No.	Dates	Board Strength	No. of Directors Present
1	25.05.2015	5	3
2	30.05.2015	5	3
3	10.07.2015	5	3
4	12.08.2015	5	5
5	10.11.2015	5	3
6.	27.02.2016	5	3
7.	28.03.2016	5	5

Attendance of Directors at the Board Meetings, last Annual General Meeting (AGM) and number of other directorships and Chairmanship / Membership of each Director in various companies as on 31st March, 2016 is as under:-

Name of Director	Category	No. of shares held	No. of Board meeting attended	Last AGM attended	Directorship held in other Indian Companies	Other Committee positions held in Indian Public Limited Companies	
						As Chairman	As Member
Shri. Prakash Chandra Himatsingka	Promoter, Executive Director	45810	07	Yes	Nine	None	None
Shri. Avishek Himatsingka	Promoter, Non-Executive & Independent Director	49650	07	Yes	Six	None	None
Shri. Amar Chand Agarwal	Non- Executive, Independent Director	Nil	07	Yes	One	None	None
Shri. Ashok Kumar Rameshwar Lal Jhanwar	Executive Director	Nil	02	Yes	Two	None	None
Smt. Arati Trivedi	Non- Executive, Independent Director	Nil	02	Yes	None	None	None



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Director retiring by rotation

As per the provisions of Sec. 152 of the Companies Act, 2013, Shri. Amar Chand Agarwal, Directors of the Company, retire by rotation, at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

3. Committees of the Board

The Company has the following statutory Committees of the Board:

A) Audit Committee

Composition, Name of the Member and the Chairman

In terms of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, the Board of Directors of the Company has constituted an Audit Committee comprising of Four Directors out of which Three Directors are Non- Executive and Independent Directors The composition of Audit Committee, as on 31st March, 2015 comprised of:

Name	Designation	Category
Shri. Prakash Chandra Himatsingka	Member/ Chairman	Promoter & Executive Director
Shri. Avishek Himatsingka	Member	Promoter, Independent & Non-Executive Director
Shri. Amar Chand Agarwal	Director	Non- Executive, Independent Director
Arati Trivedi	Director	Independent & Non-Executive Director

Shri, Avishek Himatsingka is the Secretary to the Audit Committee.

The Minutes of the meeting of the Audit Committee are circulated to all the Member of the Board along with the Agenda.

a. The Audit Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

b. The role of the Audit Committee includes the following:

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;



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3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to: **Yes**
 - a. Matters required to be included in the Director's 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;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval: **Yes**
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter: **N.A.**
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process: **Normal manner**
8. Approval of any subsequent modification of transactions of the company with related parties;
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement: Yes
9. Scrutiny of inter-corporate loans and investments: **As per Audited Balance Sheet**
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems: **Yes**
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems: **Yes**
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit: **Yes**

FOR PH TRADING LTD


Director



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14. Discussion with internal auditors of any significant findings and follow up there on: **No**
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board: **No**
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern: **Yes**
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors: **N.A**
18. Reviewing the functioning of the Whistle Blower mechanism: **Yes**
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate: **There is No CEO in the Company**
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Attendance of the Members of the Audit Committee Meetings;

During the current Financial Year 2015-16, the Audit Committee met Four Times which is stated as follows:-

Sl. No.	Dates	Committee Strength	No. of Directors Present
1.	18/06/2015	4	3
2.	25/08/2015	4	3
3.	18/11/2015	4	3
4.	31/03/2016	4	3

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been constituted to formulate and recommend to the Board all elements of the Remuneration package of Directors, including perquisites payable to Directors.

In terms of Clause 49 of the Listing Agreements, the Board of Directors of the Company has constituted this Committee comprising **Three Non-Executive and Independent Directors** and **One Executive Director**. The composition of Remuneration & Selection Committee, as on **31st March, 2016** comprised of:

Name	Designation	Category
Shri. Prakash Chandra Himatsingka	Chairman/ Member	Promoter & Executive Director
Amar Chand Agarwal	Director	Independent & Non-Executive Director



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Avishek Himatsingka	Member	Independent & Non-Executive Director
Arati Trivedi	Director	Independent & Non-Executive Director

Shri. Amar Chand Agarwal is the Secretary to the Nomination and Remuneration Committee.

The Minutes of the meeting of the Nomination and Remuneration Committee are circulated to all the Member of the Board along with the Agenda.

Attendance of the Members of the Nomination and Remuneration Committee Meetings;

During the current Financial Year 2015-16 one Nomination and Remuneration Committee were held and the details of the meetings are as follows:-

Sl. No.	Dates	Committee Strength	No. of Directors Present
1	11/11/2015	4	4

Remuneration paid to the Directors during the financial year 2015-16.

Name	Category	Salary and Perquisite (Rs)	Sitting fee (Rs) Per Meeting	Total
Shri. Prakash Chandra Himatsingka	Promoter, Executive Director	80000 p.m.	Nil	9,60,000
Shri. Ashok Kumar Rameshwar Lal Jhanwar	Executive Director	15000 p.m	Nil	180000
Shri. Avishek Himatsingka	Promoter, Non-Executive & Independent Director	Nil	250	1750
Shri. Amar Chand Agarwal	Non-Executive & Independent Director	Nil	250	1750
Smt. Arati Trivedi	Non-Executive & Independent Director	Nil	250	500

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Himatsingka
Director



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D) Stakeholders Relationship Committee

The composition of Stakeholders Relationship Committee, as on 31st March, 2016, comprised of:

Name	Designation	Category
Avishek Himatsingka	Chairman	Independent & Non-Executive Director
Amar chand Agarwal	Member	Independent & Non-Executive Director
Ashok Kumar Rameshwar Lal Jhanwar	Member	Executive Director
Prakash Chandra Himatsingka	Member	Executive Director

Shri. Amar chand Agarwal is the Secretary to the Stakeholders Relationship Committee.

Shareholders complaints status;

Opening	Nil
Number of shareholders' complaints received during the year under review:	Nil
Number of complaints not resolved to the satisfaction of shareholders:	Nil
Number of pending share transfer applications on 31 st March, 2015:	Nil

Name and designation of Compliance Officer;

Shri. Tushan S. Dave is the Compliance Officer of the company.

E) Corporate Social Responsibility Committee: N.A.

4. General Body Meetings

The details of date, location and time of the last three Annual General Meetings held are as under;

Year	Location	Date	Time	Special Resolution
2014-15	113 Park Street Poddar Point Kolkata-16	28 th September, 2015	11:00A. M	Nil
2013-14	113 Park Street Poddar Point Kolkata-16	21 st August, 2014	3 :30 P.M	Nil
2012-13	113 Park Street Poddar Point Kolkata-16	29 th August, 2013	3 :30 P.M	Nil

For PH TRADING LTD

Himatsingka
Director



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5. Postal ballot

No Resolution was passed by way of postal ballot, by the Company during 2015-16.

6. Compliance with non-mandatory requirements of Clause 49 of the Listing agreement

The Company obtained a certificate from the Practising Company Secretary, regarding compliance to the conditions of Corporate Governance; given as an annexure to the Directors' Report.

7. Other non-mandatory requirements

The Board

Independent Directors have a tenure not exceeding, in the aggregate, a period of nine years, on our Board. None of the Independent Directors on our Board have served, for a tenure exceeding nine years from the date when the new Clause 49 became effective.

Audit qualification

There are no Audit qualifications in the accounts.

Whistle-blower policy

The Company promotes ethical behaviour in all the business activities and has put in place a mechanism for reporting illegal and unethical behaviour. Employees are free to report violations of law, rules, regulations or unethical conduct to their immediate superior/notified person. The Directors and senior management are obligated to maintain confidentiality of such reporting and ensure that the whistle-blowers are not subjected to any discriminatory practices.

Disclosures

Related-party transactions:

Materially-significant related party transactions with the Promoters, the Directors, the management or their relatives that may have potential conflict with the interest of the Company at large, are disclosed in the Notes to the Accounts.

There have been no penalties or strictures imposed on the Company by the stock exchanges, SEBI or any statutory authority on any matter related to capital markets during the last three years.

Means of communication

The company shall intimate and publish the results, shareholding pattern etc. as per the Listing Agreement, subsequent to listing of the company.

Dematerialisation of shares

The shares held by Promoters and Promoter group are in dematerialised form. Subsequent to the IPO, all trading in equity shares is permitted only in dematerialised form, as per notification issued by SEBI.

Director certification

Certificate from Shri. Prakash Chandra Himatsingka, Promoter and Executive Director, of the company, as per Clause 49 (V) of the Listing Agreement (to be executed) for the year under review,



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was placed with the Board of Directors of the Company in their meeting held on 30th May, 2015. A copy of the certificate is given along with this report.

General Shareholders Information

- | | |
|---|--|
| i) Annual General Meeting | 28 th Day of September 2015. |
| ii) Financial calendar | 1 ST April 2015 to 31 ST March 2016. |
| iii) Dividend payment date | No dividend declared during the Financial Year |
| iv) Listing on stock exchanges and stock code | BSE: 512026
Kolkata Stock Exchange Ltd: 22046 |
| iv) ISIN No for CDSL | INE603D01017 |
| v) Share Transfer System | The Company has appointed Registrar and Shareholder Transfer Agents. |
| vi) Registrar and Share Transfer Agents | Niche Technologies Private Limited,
D-511, Bagree Market, 71 B.R.B.
Basu Road Kolkata – 700071,
Tel: +91-33-22357270/22357271
Fax: +91-33-22156823 |

vii) Pattern of Shareholding as on 31st March, 2016:

Category		No. of shares	Percentage of holding
A	Promoter & Promoter Group		
1	Indian		
	Individuals/HUF	290750	60.57
	Bodies Corporate	24200	5.04
2	Foreign Promoters	-	-
	Sub-total (A)	314950	65.61
B	Non-Promoter's Holdings		
1	Institutional Investors	-	-
	Mutual Funds/UTI	-	-
	Foreign Institutional Investors	-	-
	Subtotal (B)(1)	-	-
2	Non-Institutional Investors		

PH TRADING LTD
 Himatsingka
 Director

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	Bodies Corporate	-	-
	Individuals :		
	Holding nominal share capital up to Rs. 1 lakh	165050	34.39
	Holding nominal share capital in excess of Rs. 1 Lakh	-	-
3	Clearing Members	-	-
4	Directors & their relatives	-	-
5	Hindu undivided families	-	-
6	Non-resident Indians	-	-
	Sub-total (B)(2)	165050	34.39
	Sub -Total(B)=(B1)+(B2)	165050	34.39
	Grand Total (A)+(B)	480000	100.00

Place: Kolkata

Date: - 30/05/2016

For and on behalf of the Board of Directors

For PH Trading Limited

For PH TRADING LTD.

Himatsingka
Director