

**NIVEDITA**

**MERCANTILE & FINANCING LIMITED**

**24<sup>th</sup> ANNUAL REPORT 2008-2009**

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**NIVEDITA MERCANTILE AND FINANCING LIMITED**

**NIVEDITA MERCANTILE AND FINANCING LIMITED**

- BOARD OF DIRECTORS** : Shri Lav Bajaj  
Shri Monal Malji  
Shri Dilip Dharwal
- AUDITORS** : Bankim V. Shah  
Chartered Accountants, Mumbai
- BANKERS** : Bank of Maharashtra  
Axis Bank Ltd.,
- R & T AGENT** : M/s Adroit Corporate Services Private Limited  
1<sup>st</sup> Floor, 19/20, Jaferbhoy Industrial Estate  
Makwana Road, Marol Naka  
Mumbai- 400 059
- REGISTERED OFFICE** : Imambada Road,  
NAGPUR 440 018
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**NIVEDITA MERCANTILE & FINANCING LIMITED**

**NOTICE**

NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting of the Members of Nivedita Mercantile & Financing Limited will be held on Wednesday, the 30<sup>th</sup> September, 2009 at 10.30 A.M. at the Registered Office at Imambada Road, Nagpur - 440 018, to transact the following business:

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2009, and the Balance Sheet as at that date and Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri Monal Malji, who retires by rotation and being eligible offers himself for reappointment.

**Special Business :**

To consider and if thought fit, to pass with or without modification(s), the following resolution (s) :

3. **"RESOLVED THAT** Shri Dilip Dhariwal who was appointed on 31.12.2008 as a Director appointed in Casual Vacancy in terms of Section 262 of the Companies Act, 1956 be and hereby appointed as an Independent Director of the Company."
4. Appointment of M/s Bagaria & Co. Chartered Accountants as a Statutory Auditors of the Company :

**"RESOLVED THAT**, pursuant to Section 224 of the Companies Act, 1956, M/s Bagaria & Co., Chartered Accountants 101, "Tripta Sadan", Shantawadi, J.P.Road, Andheri West, Mumbai-400058 be and hereby appointed as Statutory Auditors of the Company to fill the vacancy caused by the resignation of M/s Bankim Shah & Co., Chartered Accountants, Sailor Building, 1<sup>st</sup> Floor, 373 Dr. D.N. Road, Fort Mumbai-440001, present Statutory Auditors of the company, to hold the office from the date of this annual general meeting until the conclusion of next annual general meeting of the company on a remuneration as may be decided by the Board of Directors."

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things and to execute all such documents, forms and writings as it may consider necessary, for the purpose of giving effect to this resolution."

**BY ORDER OF THE BOARD**

**Registered Office :**  
Imambada Road,  
NAGPUR – 440 018.  
Dated : 04.09.2009

**LAV BAJAJ**  
**DIRECTOR**

**NOTES**

1. Relevant Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolution set under Item No.4 is appended below.
2. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETINGS IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE A MEMBER.
3. The Register of Members of the Company will remain closed on 30<sup>th</sup> September, 2009

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)**  
**OF THE COMPANIES ACT, 1956**

**ITEM NO. 4:**

The Company had appointed M/S Bankim Shah & Co. as Statutory Auditor of the company for the financial year 2008-09 in Annual General meeting held on 30th September, 2008 which was duly accepted. However the Company had received letter. from M/s Bankim Shah & Co, Chartered Accountants, Mumbai tendering their resignation as a statutory auditor of the Company.

Proviso to the Section 224(6)(a) of the Companies Act, 1956, lays down that where vacancy in the office of an auditor is caused by the resignation of the existing auditor, the vacancy shall be filled only by the company in general meeting. Hence this resolution for approval by the members

M/s Bagarai & Co. has offered themselves to act as Statutory Auditors and furnished necessary certificates, under Section 224 (IB) of the Companies Act, of their eligibility for their appointment. Members are requested to consider their appointment.

The letter of resignation of M/s Bankim Shah & Co Chartered Accountants, may be inspected at the registered office of the company during the business hours on any working day. None of the directors is interested or concerned in the proposed resolution.

**BY ORDER OF THE BOARD**

**LAV BAJAJ**

**DIRECTOR**

**REGISTERED OFFICE :**

**IMAMBADA ROAD**  
**NAGPUR – 440018**

**NIVEDITA MERCANTILE & FINANCING LIMITED**  
**DIRECTORS' REPORT**

The Directors present their Twenty Fourth Annual Report and Audited Statement of Accounts for the year ended 31st March 2009.

**FINANCIAL RESULTS:**

The accounts for the year under review reflect Profit of Rs. 1,567,351. The Directors propose to appropriate the same as under:

Profit / (Loss) for the year			Rs.	1,567,351
Add: Balance brought forward			Rs.	11,911,585
Excess Provision for Income Tax			Rs.	NIL
Less: Provision for Taxation				
- Current Tax	Rs	520,600		
- Deferred Tax	Rs.	NIL		
- Fringe benefit Tax	Rs.	500		
- Short Provisions for FBT	Rs.	680	Rs.	521,780
				<hr/>
Balance carried to Balance Sheet			Rs.	<u>12,957,156</u>

**WORKING:**

During the year under review the performance of the Company was not satisfactory. The Board of Directors are trying their best to improve the performance of the Company and are hopeful of better working results in the coming year.

**DIVIDEND:**

Directors regret their inability to recommend any dividend for the year under review.

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

Your Directors are of the opinion that particulars with respect to conservation of energy and technology absorption as per Section 217(1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not relevant in view of the nature of business activities of the Company and hence, are not required to be given. There has been no foreign exchange earnings or outgo during the year under review.

**DIRECTORS RESPONSIBILITY STATEMENT:**

The Directors confirm that:

- a. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The accounting policies have been consistently applied and reasonable and prudent judgement and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2009 and the Profit and Loss Account of the Company for the period.
- c. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 has been taken for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts have been prepared on a going concern basis.

**SECRETARIAL COMPLIANCE CERTIFICATE:**

M/s. V. Ramachandran, Company Secretary, Nagpur has issued a Secretarial Compliance Certificate in terms of Proviso of Sub-Section (1) of Section 383(A) of the Companies Act, 1956. The same has been received and attached to the Board Report.

**PARTICULARS OF EMPLOYEES:**

There is no employee in respect of whom particulars pursuant to section 217(2A) of the Companies Act, 1956 are required to be given

**DIRECTORS:**

Shri Monal Malji, retires by rotation and being eligibly offers himself for re-appointment,

**PUBLIC DEPOSITS:**

During the period under review, the Company has not accepted any public deposits under Section 58A of the Companies Act, 1956.

**LISTING OF SHARES:**

The Equity Shares of the Company are listed on The Stock Exchange Mumbai and Madhya Pradesh Stock Exchange, Indore and the Company has paid the annual listing fee for the financial year 2008-2009

**AUDITORS:**

M/s. Bankim V. Shah, Chartered Accountants, Mumbai auditors of the Company retire at the conclusion of the ensuing meeting. However the Company had received letter. from M/s Bankim Shah & Co, Chartered Accountants, Mumbai tendering his resignation as a statutory auditor of the Company.

M/s Bagaria & Co, Chartered Accountants, Mumbai were being appointed as an statutory auditors of the Company and to hold the office from the the date of this annual general meeting until the conclusion of next annual general meeting of the company on a remuneration as may be decided by the Board of Directors

**ACKNOWLEDGEMENTS:**

The Directors are grateful to the Bankers for their continued co-operation and assistance during the year.

The Directors express their thanks for the sincere and dedicated efforts put in by all the employees during the year.

**For and on behalf of the Board**

**Place: NAGPUR**

**LAV BAJAJ  
DIRECTOR**

**MONAL MALJI  
DIRECTOR**

**Dated: 04.09.2009**

**SECRETARIAL COMPLIANCE CERTIFICATE TO THE MEMBERS**

I have examined the registers, records, books and papers of **M/s. NIVEDITA MERCANTILE & FINANCING LIMITED**, (the Company) as required to be maintained under the Companies Act, 1956,( the Act ) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2009( financial year ). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns , as stated in **Annexure 'B'** to this Certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited company, comments are not required.
4. The Board of Directors duly met **twelve** times respectively on 30.04.2008, 15.05.2008,29.07.2008, 31.07.2008, 31.08.2008, 29.09.2008, 15.10.2008,31.10.2008, 12.12.2008.31.12.2008, 30.01.2009 and 15.03.2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members or Debenture holders on 30.09.2008 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March 2008 was held on 30<sup>th</sup> September 2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. One Extraordinary General Meeting was held on 05-01.2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minuters Book maintained for the purpose.
8. The Company has not advanced any loans to its directors, or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Member or Central Government.

## **NIVEDITA MERCANTILE AND FINANCING LIMITED**

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12. The Board of Directors has approved the issue of duplicate share certificates.
13. The Company:
  - (i) has delivered all the certificates on lodgement thereof for transfer of shares in accordance with the provisions of the Act : but not made any allotment / transmission of securities during the financial year.
  - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - (iii) was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - (iv) was not required to transfer any amount to investor education and protection fund as there were no outstanding balances in unpaid dividend account or application money due for refund or matured deposits or matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and the appointment of Directors to fill casual vacancy was duly made the financial year.
15. The Company has not appointed any Managing director / Whole-time director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and / or such other authorities as prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.



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**NIVEDITA MERCANTILE AND FINANCING LIMITED**

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23. The Company has not invited / accepted any deposits including unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ending 31<sup>st</sup> March 2009.
25. The Company has made investments in other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. But it has not made any loans or given guarantees to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the period under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the company during the period under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the period under scrutiny.
29. The Company has altered the provisions of the Memorandum with respect to share capital of the company during the period under scrutiny after complying with the provisions of the Act.
30. The Company has altered its Articles of Association after obtaining approval of members in the general meeting held on 05.01.2009 and the amendments to the Articles of Associations has been daly filed with the Registrar of Companies.
31. There was no prosecution initiated against or show cause notice(s) received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. It was informed that the provisions of Provident Fund Act are not applicable to the company.

**PLACE : NAGPUR**  
**DATE : 02.07.2009**

**NAME OF COMPANY SECRETARY : V.RAMACHANDRAN**  
**MEMBERSHIP NO. : FCS-5255 & C.P. NO. 3773**

**NIVEDITA MERCANTILE AND FINANCING LIMITED****Annexure 'A'**

Registers as maintained by the Company

1. Register of Members u/s 150 of the Act.
2. Copies of Annual Return u/s 163 of the Act.
3. Minutes Book u/s 193 / 196 of the Act in respect of proceedings of General and Board Meetings.
4. Books of Accounts u/s 209 of the Act.
5. Register of Directors u/s 303 of the Act.
6. Register of contracts, Companies and firms in which Directors etc. are interested u/s 301 / 302 of the Act.
7. Register of Directors' shareholdings, etc u/s 307 of the Act.
8. Register of disclosure of interest u/s 301 of the Act.
9. Register of Transfer.
10. Register of Allotment.

**Annexure 'B'****1. FORMS / RETURNS ETC FILED WITH REGISTRAR OF COMPANIES, MUMBAI**

SL. No	Form No./ Return	Filed Under Section	For	Date of Filing	Whether filed within prescribed time Yes / No	If delay Infilling whether Requisite Additional fee paid Yes / No
1	Form 23 AC & 23 ACA	220(1)	Accounts for 2007-2008	03.04.2009	No	Yes
2	Form 20 - B	159	Annual Return for 2007-2008	29.11.2008	Yes	N.A.
3	Form - 66	383A	Compliance Certificate for 2007-08.	26.10.2008	Yes	N.A.
4	Form No - 5	95/97	Increase in Capital	09.01.2009	Yes	N.A.
5	Form No -23	192	Regn. of Special Resolution	06.01.2009	Yes	N.A.
6	Form No - 32	303(2)	Appointment of Director in casual Vacancy	14.04.2009	No	Yes

**2. REGIONAL DIRECTOR, CENTRAL GOVERNMENT ETC. : NIL**Place : Nagpur  
Date : 02.07.2009Name of Company Secretary : V.Ramachandran  
Membership No. : FCS - 5255 & C.P. No. 3773

**AUDITORS' REPORT**

**To the Shareholders of  
NIVEDITA MARCANTILE AND FINANCE LIMITED**

We have audited the attached Balance Sheet of Nivedita Mercantile & Financing Limited as on 31st March, 2009 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting, the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Manufacturing and other Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 issued under the Companies Act, 1956, and on the basis of the such checks as we consider appropriate we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that;
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law has been kept by the Company so far as appears from our examination of books.
  - c) The Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - d) In our opinion, the Balance Sheet and the Profit & Loss Account comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable and
  - e) On the basis of the written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March, 2009 from being appointed as Directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said account together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:
    - I. In case of the Balance Sheet, of the state of the Company's affairs as at 31st March, 2009 and,
    - II. In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.
    - III. In the case of Cash Flow Statements of the Cash Flows for the year ended on that date

**For BANKIM V. SHAH**  
Chartered Accountants

**(BANKIM SHAH)**  
Proprietor.  
Membership No. 31800

NAGPUR  
Dated: 04.09.2009

**ANNEXURE TO THE AUDITORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009**

(Referred to in Paragraph 1 of our report of even date)

1. The Company has not granted or taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
Accordingly sub-clauses (b), (c), (d), (f) and (g) of para 4 (iii) are not applicable.
2. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of the business with regards to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
3. Based upon the audit procedures, performed and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956.  
Accordingly Sub-clause (b) of para 4(v) of the Order is not applicable.
4. The Company has not accepted any deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
5. During the year the Company has no internal audit system, as in the opinion of management, considering the size and nature of its business and personal supervision by the Directors, the same is considered to be adequate and commensurate with its size and nature of its business.
6. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
7. (a) According to the information and explanations given to us and on the basis of records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise-Duty, cess and other statutory dues applicable to it.  
(b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.

8. The Company does not have any accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
9. The Company has not defaulted in repayment of dues to Financial Institutions or Banks or Debenture holders.
10. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of Shares, Debentures and other Securities.
11. The Company is not a chit fund or a nidhi /mutual benefit fund/society.
12. As per the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investment. The investments have been held in its own name.
13. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
14. According to the information and explanations given to us, there are no term loans raised by the Company during the year.
15. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, no funds raised on short-term basis have been used for long-term investment.
16. According to the information and explanations given to us, during the year the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
17. According to the information and explanations given to us, the Company has not issued any debentures during the year.
18. According to the information and explanations given to us, the Company has not raised any money through public issues during the year.
19. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Looking to the nature of activities being carried on, at present, by the Company and also considering the nature of matters referred to in the various clauses of the Companies (Auditor's Report) Order, 2003, and the Companies (Auditor's Report) (Amendment) Order, 2004, clauses (ii) of paragraph 4 of the aforesaid order is in our opinion, not applicable to the Company.

NAGPUR  
Dated: 04.09.2009

**For BANKIM V. SHAH**  
Chartered Accountants

**(BANKIM SHAH)**  
Proprietor  
Membership No. 31800

**BALANCE SHEET AS AT 31st MARCH 2009**

SCHEDULE		31.03.2009	31.03.2008
	Rs.	Rs.	Rs.
<b>SOURCES OF FUNDS:</b>			
Shareholders' Fund :			
Share Capital	'1'	2,450,000	2,450,000
Reserves & Surplus	'2'	12,999,756	11,954,185
	TOTAL	<u>15,449,756</u>	<u>14,404,185</u>
<b>APPLICATION OF FUNDS:</b>			
Current Assets, Loans & Advances	'3'	17,505,602	15,954,626
Less: Current Liabilities & Provisions	'4'	<u>2,055,846</u>	<u>1,550,441</u>
Net Current Assets		15,449,756	14,404,185
	TOTAL	<u>15,449,756</u>	<u>14,404,185</u>

**NOTES ON ACCOUNTS**

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As per our report attached  
**FOR BANKIM V. SHAH**  
 CHARTERED ACCOUNTANTS

FOR NIVEDITA MERCANTILE & FINANCING LIMITED

(BANKIM SHAH)  
 PROPRIETOR.  
 Membership No. 31800

Place : NAGPUR  
 Dated : 04.09.2009

**LAV BAJAJ**

**MONAL MALJI**  
 DIRECTOR

**NIVEDITA MERCANTILE AND FINANCING LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2009**

	Rs.	31.03.2009 Rs.	31.03.2008 Rs.
<b>INCOME:</b>			
Interest (TDS Rs.,3,79,241/-)		1,817,335	1,465,375
Vehicle Hire-charges		-	528,000
Profit on Sale of Assets		-	108,541
Misc. Income		-	1,605
Profit on Sale of Investments		-	3,127,021
		-	-
<b>TOTAL</b>		<u>1,817,335</u>	<u>5,230,542</u>
<b>EXPENDITURE:</b>			
Salary		-	161,226
Remuneration to Auditors :			
Audit Fees		13,788	12,500
Tax Audit		-	5,000
For Certifications		-	4,500
Legal & Professional Fees		34,048	15,363
Advertisement		21,511	13,606
Insurance		-	5,724
Registrar Filing Fees		118,126	918
Profession Tax		1,700	5,000
Listing Fees		24,481	10,000
Amount written off		6,713	3,199
Security Transaction Tax		-	1,083
General Expenses		29,617	21,961
Depreciation		-	29,490
		-	-
<b>TOTAL</b>		<u>249,984</u>	<u>289,570</u>
<b>Profit/(Loss) for the year</b>		1,567,351	4,940,972
Balance of last year		11,911,585	7,991,781
Excess Provision of Income Tax		-	69
		13,478,936	12,932,822
<b>Less: Provision for Taxation</b>			
Current Tax		520,600	957,000
Deferred Tax		-	63,636
Fringe Benefit Tax		500	600
Short Provision for FBT		680	-
<b>Balance Carried to Balance Sheet</b>		<u>12,957,156</u>	<u>11,911,586</u>
<b>NOTES ON ACCOUNTS</b>			
<b>Earning per Share</b>			
Basic and Diluted earning per share		4.27	16.00
Face Value per Share		10.00	10.00

As per our report attached  
**FOR BANKIM V. SHAH**  
**CHARTERED ACCOUNTANTS**

**FOR NIVEDITA MERCANTILE & FINANCING LIMITED**

**(BANKIM SHAH)**  
**PROPRIETOR.**  
 Membership No. 31800

**LAV BAJAJ**

Place : **NAGPUR**  
 Dated : **04.09.2009**

**MONAL MALJI**  
**DIRECTOR**



**NIVEDITA MERCANTILE AND FINANCING LIMITED****SCHEDULES AS AT 31ST MARCH, 2009**

	31.03.2009	31.03.2008
Rs.	Rs.	Rs.
<b>SCHEDULE - '1'</b>		
<b>SHARE CAPITAL</b>		
Authorised Capital		
10,00,000 (Previous Year 2,45,000) Equity Shares of Rs.10/- each		
	<u>10,00,000</u>	<u>2,450,000</u>
Issued, Subscribed & Paid Up Capital		
2,45,000 Equity Shares of Rs.10/- each		
Fully paid up	<u>2,450,000</u>	<u>2,450,000</u>
<b>SCHEDULE - '2'</b>		
Reserves & Surplus :		
Statutory Reserve Fund:		
As per last Balance Sheet	42,600	42,600
Surplus in Profit & Loss Account:		
As per Account Annexed	<u>12,957,156</u>	<u>11,911,585</u>
	<u>12,999,756</u>	<u>11,954,185</u>

**SCHEDULE '3' : - FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As On 01.04.2008	Addition During The Year	Deductions	As on 31.03.2009	Up to 01.04.2008	For the Year	Deductions	Upto 31.03.2009	As On 31.03.2009	As On 31.03.2008
VEHICLES	-	-	-	-	-	-	-	-	-	-
COMPUTERS	59,000	-	-	59,000	59,000	-	-	59,000	-	-
FURNITURE & FIXTURES	8,145	-	-	8,145	8,145	-	-	8,145	-	-
TOTAL	67,145	-	-	67,145	67,145	-	-	67,145	-	-
PREVIOUS YEAR	2,337,142	-	672,114	1665,028	2,144,237	54,728	614,886	1,584,079	80,949	192,905

**NIVEDITA MERCANTILE AND FINANCING LIMITED****NIVEDITA MERCANTILE & FINANCING LIMITED**

	Rs.	31.03.2009 Rs.	31.03.2008 Rs.
<b>SCHEDULE - '3'</b>			
Current Assets Loans & Advances			
Cash & Bank Balances			
Cash in hand	235		11,775
Balance with Scheduled Banks in			
Current Account	67,408		212,650
Deposit Account	<u>10,983</u>		<u>10,983</u>
		78,626	235,408
Loans & Advances (Unsecured, Good)			
Loans and Advances	15,394,825		14,484,881
Other receivable	15,620		55,614
Advance Income Tax	<u>2,016,531</u>		<u>1,178,723</u>
		17,426,976	15,719,218
		<u>17,426,976</u>	<u>15,719,218</u>
	<b>TOTAL</b>	<b><u>17,505,602</u></b>	<b><u>15,954,626</u></b>
<b>SCHEDULE - '4'</b>			
Current Liabilities & Provisions			
Other Liabilities		34,046	42,241
Provision for Taxation		2,021,800	1,508,200
		<u>2,055,846</u>	<u>1,550,441</u>
	<b>TOTAL</b>	<b><u>2,055,846</u></b>	<b><u>1,550,441</u></b>

**SCHEDULE 5**

**ACCOUNTING POLICIES AND NOTES TO ACCOUNT**

**I- ACCOUNTING POLICIES**

**Revenue and Expenditure Recognition :**

Revenue is recognised and expenditure is accounted for on accrual basis, however the amounts, which are not materially significant, is accounted on cash basis.

**II- NOTES ON ACCOUNTS :**

1. No other information under clause 4-D of Part II to the Schedule VI has been furnished since the same is not applicable for the year.
2. Segment Reporting : The company operates in a single geographical and business segment (*Finance and related activities*).
3. Transactions with Related Parties : (As identified by the Management)
  - i) Related Party Relationships
    - a) Where control exists None
    - b) Other Related Parties Prosperous Finance Services Limited,  
Tashi India Limited,

**NOTES :**

1. The parties listed under (b) above are not "related parties" as per the requirements of Accounting Standard 18. However, as a matter of abundant caution, they are being included for making the Financial Statements more transparent.
- i. Transactions with Related Parties

(Rs. in lacs)

Type of Related Party	Description of the nature of the transactions	2008-09			2007-08		
		Volume of transactions	Outstanding as on 31.03.2009		Volume of transactions	Outstanding as on 31.03.2008	
			Receivable	Payable		Receivable	Payable
Other Related Parties	Interest received	15.76	-	-	14.59	-	-
	Loan received	143.60	-	-	0.78	-	-
	Loan given	-	13.44	-	60.09	144.85	-
	Income from hire charges	-	-	-	5.28	-	-
	Expenditure on other service	0.06	-	-	0.06	-	-
	Sale of Investment	-	-	-	29.50	-	-

**4. Earning per Share (EPS)**

Net Profit after tax attributable to equity share holders	10,45,571	39,19,805
Weighted average no. of equity shares	245000	245000
Basic EPS Rs.	4.27	16.00

7. Figures for previous year have been regrouped and rearranged wherever necessary.

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**NIVEDITA MERCANTILE AND FINANCING LIMITED**

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**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

<b>I. Registration Details :</b>	
Registration No.	37039
State Code	11
Balance Sheet Date	31 <sup>st</sup> March, 2009
<b>II. Capital Raised during the Year :</b>	<b>(Rs.in '000)</b>
Public Issue	-
Right Issue	-
Bonus Issue	-
Private Placement	-
<b>III. Position of Mobilisation and Deployment of Funds</b>	
Total Liabilities	17506
Total Assets	17506
<b>Sources of Funds</b>	
Paid-Up Capital	2450
Reserves & Surplus	13000
Secured Loans	Nil
Unsecured Loans	Nil
<b>Application of Funds</b>	
Net Fixed Assets	-
Investments	-
Net Current Assets	15450
Deferred Tax Assets	I
Misc. Expenditure	Nil
Accumulated Losses	Nil
<b>IV. Performance of Company</b>	
Turnover	1817
Total Expenditure	250
Profit/Loss before Tax	1567
Profit/Loss after Tax	1046
Earning Per Share in Rs.	4.27
Dividend rate %	Nil
<b>V. Generic Names of Three Principal Products. (as per monetary terms)</b>	
Item Code No.(ITC Code)	Not Applicable
Product Description	Not Applicable

As per our report attache)  
**FOR BANKIM V. SHAH**  
Chartered Accountants

**For Nivedita Mercantile and Financing Limited**

(BANKIM SHAH)  
Proprietor  
Membership No. 31800  
Place : NAGPUR  
Dated : 04.09.2009

Lav Bajaj  
Monal Malji

**DIRECTORS**

**NIVEDITA MERCANTILE AND FINANCING LIMITED**

**NIVEDITA MERCANTILE & FINANCING LIMITED  
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009.**

	31.03.2009 Rs.	31.03.2008 Rs.
<b>A. CASHFLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEMS	1,567,351	4,940,972
ADJUSTED FOR		
DEPRECIATION	-	29,490
PROFIT ON SALE OF ASSETS	-	(108,541)
PROFIT ON SALE OF INVESTMENTS	-	(3,127,021)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES:	1,567,351	1,734,900
CHANGES IN:		
LOANS AND ADVANCES	(1,194,158)	(5,053,531)
TRADE PAYABLES	(8,195)	6,118
CASH GENERATED FROM OPERATIONS	364,998	(3,312,513)
DIRECT TAXES / PROVISION WRITTEN BACK	(521,780)	(957,531)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(156,782)</b>	<b>(4,270,044)</b>
<b>B. CASHFLOW FROM INVESTING ACTIVITIES</b>		
SALE PROCEEDS OF ASSETS	-	160,000
SALE PROCEEDS OF INVESTMENTS	-	3,959,626
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-</b>	<b>4,119,626</b>
<b>C. CASHFLOW FROM FINANCING ACTIVITIES</b>		
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(156,782)	(150,418)
CASH & CASH EQUIVALENTS-OPENING BALANCE	235,408	385,827
CASH & CASH EQUIVALENTS-CLOSING BALANCE	78,626	235,409
	<b>(156,782)</b>	<b>(150,418)</b>

Note: All figures in brackets are outflow.

CONSIDERING THE COMPANY'S ACTIVITIES, UNSECURED LOANS ARE CONSIDERED AS PART OF WORKING CAPITAL AND OPERATING ACTIVITY OF THE COMPANY.

Place : NAGPUR.

Date : 04.09.2009.

DIRECTOR

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**NIVEDITA MERCANTILE AND FINANCING LIMITED**

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**AUDITORS' REPORT**

We have examined the above cash flow statement of **Nivedita Mercantile & Financing Limited** for the year ended 31st March, 2009. The statement has been prepared by the Company and is based on and in agreement with the corresponding profit and loss account and the balance sheet of the Company covered by our report of even date to the members of the Company.

Place :NAGPUR.

Date :04.09.2009.

For BANKIM V. SHAH  
Chartered Accountants

(BANKIM SHAH)  
Proprietor.  
Membership No. 31800

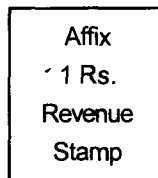
**NIVEDITA MERCANTILE AND FINANCING LIMITED**

Registered Office - Imambada Road,  
Nagpur - 440 001.

**PROXY FORM**

I/We \_\_\_\_\_ Folio No. \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_ being the member/members of  
the above-named Company hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_ or  
failing him \_\_\_\_\_ of \_\_\_\_\_ in the  
district of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our  
behalf at the Twenty-Fourth Annual General Meeting of the Company to be held on 30<sup>th</sup>  
September, 2009 at 10.30 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009  
Signature \_\_\_\_\_



- N. B. (i) The proxy need not be a Member.  
(ii) The proxy form duly completed should be deposited at the Company's registered office atleast 48 hours before the time of the meeting.



