



# **ANNUAL REPORT**

## **2014 – 15**

Mercantile Ventures Limited

## Board of Directors

AL. Chandramouli	Director (DIN: 02299091)
M.Rajamani	Director (DIN: 00195006)
Sashikala Srikanth	Director (DIN: 01678374)
E.N. Rangaswami	Whole-time Director (DIN: 06463753)

## Audit Committee

AL. Chandramouli	Chairman
M.Rajamani	Member
Sashikala Srikanth	Member

## Chief Financial Officer

V Padmanabha Sarma

## Company Secretary & Compliance Officer

S Aarthi

## Registered Office

88, Mount Road,  
Guindy,  
Chennai – 600 032.  
CIN: L6519TN1985PLC037309  
E-mail: admin@mercantileventures.co.in  
Website: www.mercantileventures.co.in

## Auditors

M/s.DPV & Associates  
“Sri Ranga”, First Floor,  
New No.151, Mambalam High Road,  
T.Nagar,  
Chennai – 600 017.

## Registrars and Share Transfer Agent

Cameo Corporate Services Limited  
Subramanian Building,  
1, Club House Road,  
Chennai – 600 002.

## CONTENTS

Notice to Shareholders .....	1
Boards' Report and Annexures .....	6
<b>Standalone Financial Statements (27-31)</b>	
Independent Auditors' Report .....	27
Balance Sheet .....	28
Statement of Profit and Loss .....	29
Cash Flow Statement .....	30
Notes annexed to and forming part of Financial Statements .....	31
<b>Consolidated Financial Statements (33-37)</b>	
Independent Auditors' Report .....	33
Balance Sheet .....	34
Statement of Profit and Loss .....	35
Cash Flow Statement .....	36
Notes annexed to and forming part of Financial Statements .....	37
<b>Subsidiaries</b>	
Financial Highlights of Subsidiaries Companies .....	38

# MERCANTILE VENTURES LIMITED

CIN: L6519TN1985PLC037309

Registered Office: 88, Mount Road, Guindy, Chennai – 600 032.

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Fourteenth Annual General Meeting of **MERCANTILE VENTURES LIMITED** will be held on **Friday the 25<sup>th</sup> day of September 2015 at 2.30 PM at Rajah Annamalai Mandram, 5, Esplanade Road (Near High Court), Chennai-600 108** to transact the following businesses.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements for the year ended 31 March 2015 and the Reports of Directors and Auditors thereon.  
“**RESOLVED THAT** Pursuant to Section 129 and other applicable provisions, if any, of the Companies Act, 2013, the financial statements of the Company, together with the Reports of the Directors, Auditors thereon and the report of Secretarial Auditor as circulated to the members and presented to the meeting be and are hereby considered and adopted”.
2. To appoint a Director in place of Mr. E N Rangaswami (DIN: 06463753), who retires at this meeting and being eligible, offers himself for re-appointment, by passing the following as an Ordinary Resolution:  
“**RESOLVED THAT** Pursuant to Section 152 and other applicable provisions, if any of the Companies Act, 2013, Mr. E N Rangaswami (DIN: 06463753 ), Whole-time Director who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company.”
3. To ratify the appointment of Auditors by passing the following as an Ordinary Resolution:  
“**RESOLVED THAT** Pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the re-appointment of M/s. DPV & Associates, Chennai (Registration No.011688S), Chartered Accountants as the Auditors of the Company to hold office, from the conclusion of this annual general meeting till the conclusion of the next annual general meeting, for the fourth year in the first term of five years as recommended by the board of directors of the Company is ratified at a remuneration of ₹ 275000.”

### SPECIAL BUSINESS

4. To Consider and if thought fit, to pass with or without modification the following resolutions as ordinary resolution.  
“**RESOLVED THAT** pursuant to the Section 160, 161 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force Ms. Sashikala Srikanth (DIN: 01678374) is appointed as a director of the Company, not liable to retire by rotation”.  
**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the appointment of Ms. Sashikala Srikanth (DIN: 01678374) as an Independent Director of the Company for a period of five years from 25 March 2015, be and is hereby approved”.
5. To Consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution.  
“**RESOLVED THAT** pursuant to the provisions of Section 149, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the appointment of Mr. M Rajamani (DIN: 00195006) as an Independent Director of the Company for a period of five years from 25 March 2015, be and is hereby approved”.
6. To Consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution.  
“**RESOLVED THAT** pursuant to the provisions of Section 149, 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the appointment of Mr. A L Chandramouli (DIN: 02299091) as an Independent Director of the Company for a period of five years from 25 March 2015, be and is hereby approved”.
7. To Consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution.  
“**RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), and the Rules framed thereunder including any statutory modification or re-enactment thereof for the time being in force, and such other approvals as may be required in that behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to:

- make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by any body corporate; and
- acquire by way of subscription, purchase or otherwise the securities of any other body corporate up to an aggregate sum of ₹ 200 crore, notwithstanding that the aggregate of loans and investments so far made, or proposed to be made or given by the Board may exceed sixty per cent of the company's paid-up share capital, free reserves and securities premium account or one hundred per cent of the company's free reserves and securities premium account, whichever is more.

By Order of the Board  
For **MERCANTILE VENTURES LIMITED**  
**E N RANGASWAMI**  
(DIN: 06463753)  
Whole-time Director

Place : Chennai

Date : 30 July 2015

**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. A blank form of proxy is enclosed, which, if used, should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
2. The Register of Members and the Transfer Books will remain closed from 19 September 2015 to 25 September 2015 both days inclusive.
3. All the shareholders are requested to convert the physical shares to demat and to effect change of address, if any.
4. Members are requested to bring their copies of Annual Report.
5. Pursuant to the stipulations in Clause 35B of the Listing Agreement read with Section 108 of the Companies Act, 2013, and the relevant Rules, the Company has entered into an arrangement with Central Depository Services Limited (CDSL) to facilitate the Members to exercise their right to vote at the Annual General Meeting by electronic means. The detailed process for participating in e-voting is furnished in the Annexure to the Notice in Page No 4. The Company has appointed Mr. R Kannan, Practising Company Secretary as the scrutinizer for E-voting
6. A person who has participated in e-voting is not debarred from participating in the meeting physically though he shall not be able to vote in the meeting again and his earlier vote cast electronically shall be treated as final. In terms of the provisions of Section 107 read with Section 109, there will be no voting by show of hands at the meeting and hence the provisions relating to demand for poll by the Members is irrelevant. The Chairman of the meeting will regulate the meeting and voting on the resolutions in accordance with the provisions of the Act and the applicable Rules.
7. The share holding of the Members will be reckoned as on the date of 18 September 2015 for the purpose of E-voting
8. As per SEBI directive, submission of self attested PAN copy of transferee/ legal heir including joint holders, if any is mandatory for registration of transfer/transmission/transposition of shares. Hence the respective transferee/ legal heir including joint holders are requested to attach their self attested PAN copy to Company/RTA while lodging the documents for registration
9. Members those who hold share(s) in physical form are requested to notify immediately any change in their address to the Company/ RTA and those who hold share(s) in demat to concerned depository participants.
10. Shareholders are aware that, the Ministry of Corporate Affairs has allowed Companies to send Notices for meetings and other shareholders correspondences in electronic form. Hence the Shareholders are requested to register their E-mail ID's with the Registrars of the Company by submitting EARF( E-mail address Registration Form).
11. The related Explanatory statement pursuant to sec 102 of the Companies Act, 2013, in respect of item No.4 to 7 is annexed hereto.

## ANNEXURE TO NOTICE

Explanatory Statement required in pursuance of section 102 of the Companies Act, 2013.

### ITEM No. 4

The Board of Directors at their meeting held on 25 March 2015, on the recommendation of Nomination and Remuneration Committee, appointed Ms. Sashikala Srikanth as an Additional Director under Section 161(1) of the Companies Act, 2013 of the Company and as an Independent Non-executive Director of the Company for five consecutive years under Section 149 of the Companies Act, 2013. The appointment as Independent director requires the approval of the members

Ms. Sashikala Srikanth has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Ms. Sashikala Srikanth fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement for her appointment as an Independent Director of the Company

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Sashikala Srikanth as an Independent Director.

Except the respective appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolutions.

### ITEM No. 5 & 6

Mr. M Rajamani and Mr. AL Chandramouli were appointed as Directors of the Company liable to retire by rotation and categorized as Independent Directors under the Listing Agreement. In terms of the relevant provisions of the Companies Act, 2013 (the Act) at the Meeting held on 25 March 2015, these Directors have been appointed by the Board as Independent Directors under Section 149 of the Act read with the other provisions, rules and Schedule IV to the Act, for a period of five years w.e.f. the said date. As per Section 150 their appointment is to be approved by the shareholders and hence the same is placed for consideration and approval at the AGM. In terms of the relevant provisions of the Act, the above directors will not be liable to retirement by rotation. Both the appointees comply with the criteria for independent directors specified in Section 149(6) of the Act. Considering their qualification, experience, stature and standing, they are qualified to be appointed as the Independent Directors of the Company. Their appointment and guidance as the Independent Directors will be of great value to the Company.

The Board recommends the resolutions for the consideration of the Members.

Except the respective appointees, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolutions.

### ITEM No. 7

As per Section 186 of the Companies Act, 2013 aggregate of investments/ securities/loans and advances/ guarantees should not exceed 60% of the paid up capital and free reserves or 100% of the free reserves whichever is more without the approval of the shareholders. Considering the existing investments/ loans & advances and taking into account the future plans of the Company, it is deemed necessary to obtain the approval of the shareholders to invest in shares/ securities or provide loans and advances, provide guarantees upto ₹ 200 crore

The Board recommends the resolutions for the consideration of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolutions.

Place : Chennai  
Date : 30 July 2015

By Order of the Board  
For **MERCANTILE VENTURES LIMITED**  
**E N RANGASWAMI**  
(DIN: 06463753)  
Whole-time Director

## INSTRUCTIONS FOR EXERCISE OF VOTING RIGHT BY ELECTRONIC MEANS

1. The voting period begins on 22 September 2015 and ends on 24 September 2015. E-Voting system will be available at all time except between 00:00 hrs to 01:00 hrs. (IST). During this period shareholders of the Company to whom notice of the AGM have been despatched electronically or physically by registered post or courier, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to register themselves as Corporates by logging on to <https://www.evotingindia.co.in>. A scanned copy of the Registration Form duly signed and seal affixed should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). The login details will be sent by CDSL by reply mail. After receiving the login details they have to create a compliance user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they can cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
3. The following are the instructions for participating in the e-voting on the resolutions contained in the notice of the Annual General Meeting. These apply to all the Members of the Company and who receive the notice either by e-mail or physical copy.
  - a) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
  - b) Click on "Shareholders" tab.
  - c) Select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - d) Enter your User ID as shown below

Members holding shares in demat form with CDSL	Sixteen digits beneficiary ID
Members holding shares in demat form with NSDL	Eight Character DP ID followed by eight digits client ID
Members holding shares in physical form	Folio No.

- e) Enter the image verification as displayed and click on "Login"
- f) Enter the password:
  - Members holding shares in Demat form and who have already exercised e-voting on an earlier occasion through [www.evotingindia.com](http://www.evotingindia.com) in respect of their holding in any other company shall use their existing password. If the password has been forgotten they will have to enter the User ID and Image Verification Code and then click on "Forgot Password" to enter the details as prompted by the system for retrieving the password.
  - Password entry for Members who are holding shares in demat form and are exercising e-voting for the first time and for Members holding shares in Physical form shall be as below:

PAN	10 digit PAN issued by the Income Tax Department, if the same has been registered with the DP or as the case may be with the Company. For Members who have not registered their PAN, the first two letters of their name followed by the eight digits Serial Number printed on the address slip shall be entered in the PAN Field.
*Date of Birth	Date of Birth as registered with the DP or as the case may be with the Company in DD/MM/YYYY format.
*Bank Details	Enter the Bank details as recorded in your demat account are in the Company records for the said demat account are folio

\* Enter any one of the details in order to login.

- g) Click Submit for further processing. If the password entered is incorrect, system will not allow the login and you will have to repeat the process under (e) above until the proper password is entered.
- h) Members holding shares in physical form will be directed to the "Company Selection" menu.
- i) Members holding shares in demat form and participating in e-voting through [www.evotingindia.com](http://www.evotingindia.com) for the first time will be required mandatorily to create their own password to proceed with the e-voting process. The new password shall be used by them for any future e-voting on CDSL Platform. After completion of the new password creation, they will be directed to the Company Selection Menu.
- j) Click on the EVSN for Mercantile Ventures Limited and you will be directed to the E-Voting Screen.
- k) The Description of the Resolutions as set out in the Notice of the Meeting and the voting options "YES/NO" will be displayed for each of the resolutions on this Screen for voting.
- l) Click on the "Resolutions File Link" if you wish to view the full description of the resolutions.
- m) Select the option YES or NO for each of the item as desired by you. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- n) After selection, click on SUBMIT and a confirmation box will be displayed. If you wish to confirm and complete the voting press OK, else press CANCEL to change your vote.
  - o) Once you CONFIRM your vote on the resolution, you will not be allowed to modify your vote.
  - p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
4. Voting through electronic means would be on the basis of proportion of shares held by the member viz., on "one-share one-vote" basis.
  5. For any queries or issues regarding e-voting, please refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

#### **BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT**

**Mr. AL Chandramouli**, aged about 69 years, holds Master degree in Geology. He has 4 decades of rich experience in Planning, Risk Management, Credit, Estate Department, Human Resources, Forex trading, Public issues and many other important areas of Banking Sector. He has headed the International division of a bank. He has also served in many important committees of Indian Banks Association.

#### **Other Directorships held**

Aishwaryam Corporate Services Private Limited - Director

**Other Committee Membership held** - Nil

**Mr. M Rajamani**, aged about 70 years, holds a Bachelor degree in Chemical Engineering and a Post Graduate Diploma from IIT Madras. He is also a fellow member of National Institute of Personnel Management. He has 4 decades of valuable experience in Fertilizers, Chemicals and Engineering Industries. He is also well experienced in Project Implementation, Materials Management, Operation Management, Human Resource Management and Financial Management.

#### **Other Directorships held**

South India House Estates & Properties Limited - Director

Trinity Auto Points Limited - Managing Director

Corn Industries and General Enterprises Limited - Director

Golden Star Assets Consultatnts Private Limited - Director

Renowned Engineers Private Limited - Whole Time Director

Twinsheid Consultants Private Limited - Director

Dynamic Fertilizers Trading Private Limited - Director

**Other Committee Membership held** - Nil

**Ms. Sashikala Srikanth**, aged 59 years is a graduate in economics and a chartered accountant. At present, she is providing consultancy to various corporates including the areas of CSR. She was Senior General Manager- Resources of IAL Group and Group Financial Controller of Shattaff Group, Dubai from 2003 to 2005 and held various other senior management level positions in leading Companies from 1996 to 2005. She was also associated with AF Ferguson & Co Chartered Accountants.

#### **Other Directorships held**

Trust Properties Development Co Private Limited - Director

Sicagen India Limited - Director

Tamilnadu Petroproducts Limited - Director

Manali Petrochemicals Limited - Director

Southern Petrochemical Industries Corporation Limited - Director

Greenstar Fertilizers Limited - Director

Edac Engineering Limited - Director

#### **Other Committee Membership Held**

Southern Petrochemical Industries Corporation Limited- Audit Committee Member

Greenstar Fertilizers Limited- Audit Committee Chairman

Greenstar Fertilizers Limited- Corporate Social Responsibility Committee Member

Edac Engineering Limited- Audit Committee Member

Sicagen India Limited - Audit Committee Member

## BOARDS' REPORT

Your Directors are pleased to present the Annual Report and the Audited Financial Statements of the Company for the year ended 31 March 2015.

## REVIEW OF OPERATIONS

During the year the company has reported a profit after tax of ₹ 2121.35 lakhs as against ₹ 259.12 lakhs in the previous year

## FINANCIAL RESULTS

(₹ Lakhs)

Description	2014-15	2013-14
Profit Before Interest & Depreciation	638.21	889.72
Interest	11.72	-
Depreciation	32.55	8.84
Profit Before Tax & Exceptional items	593.94	880.88
Exceptional items	2045.21	(508.03)
Profit Before Tax	2639.15	372.85
Provision for Taxation		
Current Tax	695.22	228.40
Deferred tax	(11.89)	(114.67)
Provision for tax reversed	(165.53)	-
Profit After Tax	2121.35	259.12

## DIVIDEND

The Board of Directors has not recommended any dividend for the year as the profits are conserved to fund the future plans of the Company.

## FIXED DEPOSIT

The Company has neither accepted nor renewed any deposits during the year under review.

## MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

## DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The said provisions of Corporate Social Responsibility are not applicable to the Company for the current financial year

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments covered under section 186 of the Companies Act, 2013 are provided in notes to the financial statements.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions entered by the Company with related parties were in the ordinary course of business and at arm's length pricing basis. There were no materially significant transactions with related parties during the financial year 2014-15 which were in conflict with the interest of the Company.



The Board has approved policies on Related Party Transactions. The policy have been uploaded on the Company's website, under the web link: <http://mercantileventures.co.in/files/Related%20Party.pdf>

#### **EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There was no qualification, reservations or adverse remarks in the reports of M/s DPV & Associates, Statutory Auditors and Mr. R. Kannan, Practicing Company Secretary.

#### **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company's Policies relating to appointment of directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 are uploaded in the website of the Company in the links

<http://mercantileventures.co.in/files/CRITERIA%20FOR%20APPOINTMENT%20OF%20INDEPENDENT%20DIRECTORS.pdf>

<http://mercantileventures.co.in/files/Remuneration%20Policy.pdf>

The Remuneration Policy also forms part of the Corporate Governance Report

#### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company had six Board meetings during the financial year under review. Details of the same are given in the Corporate Governance Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

##### **INDUSTRY SCENARIO**

The real estate market has slowed down in India's large cities with prices falling by 7 to 18% year-on-year. The trend is expected to continue in the immediate future.

##### **FUTURE OUTLOOK**

The main business of the Company is investment in immovable properties for leasing. The revenue from operations are expected to remain at the existing level.

##### **OPPORTUNITIES AND THREATS**

The real estate sector continued to face a challenging environment due to tepid demand scenario, continued high borrowing costs for both industry and the consumer. A down trend in the interest rate cycle remains crucial for the revival of the sector. The residential segment too continues to witness a lacklustre demand scenario. The demand for office space continues to be subdued, with the vacancy rates of about 17% for Pan India. There exists a negative trend in the real estate market which is supported by the falling prices and reduced volumes in the registration offices across the country. The trend of sluggish demand, consumer resistance to high prices, is expected to continue in the current financial year.

##### **RISKS & CONCERNS**

As per the amended Listing Agreement, the Risk Management Committee has to be set up to constantly review the technical and commercial risks the Company has to face so that the interests of the shareholders are protected. This Committee has to be constituted with the majority of the members of the Board of Directors. The senior executives of the Company may be members of the said Committee but the Chairman of the Committee shall be a member of the Board of Directors. Accordingly, a Risk Management Committee is formed comprising Ms. Sashikala Srikanth, as chairman of the committee, and the other members are Mr. E N Rangaswami, Whole-time Director and Mr. Padmanabha Sarma, Chief Financial officer

The Committee will meet periodically to study the risks, threats & concerns and submit a report to the Board of Directors to mitigate the risk.

Risk Management Committee ensures that the Company has an appropriate and effective Risk Management system which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals

## **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

Company's Internal Control System has been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable Accounting Standards and Policies.
- Compliance with applicable statutes, management policies and procedures.
- Effective use of resources and safeguarding of assets.

The Internal audit was carried out periodically through a Practicing Chartered Accountant. The observations arising out of the audit are periodically reviewed and compliance ensured. The summary of the Internal Audit observations and management responses are submitted to the Board after review by the Audit Committee.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

**In accordance with the provisions of section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:-**

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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 the financial year and of the profit and loss of the company for the year ended 31 March 2015;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively. Internal financial control means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **SUBSIDIARIES**

The Company monitors performance of subsidiary companies inter-alia, by the following means:

- a) The Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary.
- b) The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- c) Your Company formulated a Policy on Material Subsidiary as required under Clause 49(V)(D) and the policy is uploaded on the website of the Company under the web link:  
<http://www.mercantileventures.co.in/files/Material%20Subsidiaries-%20Policy.pdf>  
Rayce Electronic Intelligence India private Limited became a wholly owned subsidiary of Oasis Ventures Private Limited, wholly owned subsidiary with effect from 13 February 2015.

## **ASSOCIATES**

Navia Markets Limited became an associate of the Company during the year ended March 2015.

The following Companies ceased to be Associates with effect from March 2015.

Armenian Investments Limited  
Elliot Investments Limited  
Pantheon Investments Limited  
Ripon Investments Limited  
Success Investments Limited  
Windsor Investments Limited

## CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were prepared in accordance with accounting standard AS 21 in respect of Oasis Ventures Private Limited and i3 Security Services Private Limited, subsidiaries and AS 23 in respect of Navia Markets Limited, associate.

## PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES AND ASSOCIATES

The Financial highlights of the Subsidiary and Associate Companies as on 31 March 2015 is as below:

(₹ Lakhs)

Particulars	Oasis Ventures Private Limited -Subsidiary	i3 Security Private Limited -Subsidiary	Navia Markets Limited -Associate
Total Income	118.54	827.21	1037.62
Profit before tax	14.51	48.61	190.52
Provision for IT	4.58	12.87	56.30
Deferred tax	(0.10)	(0.11)	2.80
Profit after tax	10.03	35.85	131.42
% of shareholding Held by	100 Mercantile Ventures Limited	70.66 Oasis Ventures Private Limited	47.30 Mercantile Ventures Limited

## DIRECTORS

The Company's Board comprises of the following directors at present:

Mr. AL Chandramouli  
Mr. M Rajamani  
Ms. Sashikala Srikanth  
Mr. E N Rangaswami

Ms. Sashikala Srikanth was appointed as an Additional Director and as an independent director for a period of five years with effect from 25 March 2015. The appointment is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Mr. K Gopalakrishnan who was appointed as a Director in the Board on 7 November 2013 resigned from the Board with effect from 10 March 2015. The company places on record the invaluable contributions made by the outgoing Director.

At the Board Meeting held on 25 March 2015 Mr. M Rajamani and Mr. AL Chandramouli have been appointed as Independent Directors of the Company for a period of five years under Section 149 of the Companies Act, 2013 (the new Act). As per the provisions of the new Act, their appointment is to be approved by the shareholders in the general meeting and hence the same is proposed to be considered at the ensuing AGM

## KEY MANAGERIAL PERSONNEL

The Key Managerial personnel of the Company are:

Mr. EN Rangaswami- Whole-time Director  
Mr. V Padmanabha Sarma- Chief Financial Officer  
Ms. S Aarthi- Company Secretary

In the Meeting of the Board held on 28 May 2014 Mr. Padmanabha Sarma, was appointed as Chief Financial Officer and Ms. S Aarthi who was initially appointed as Company Secretary & Chief Financial Officer was re-designated as Company Secretary

## DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves for the continuance / appointment as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, Performance of the Non-independent Director.

They also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that are necessary for the Board to effectively and reasonably perform their duties.

The Board also evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors

## **AUDITORS**

M/s. DPV & Associates, Chartered Accountants appointed as the Auditors of the Company at the 13 Annual General Meeting held on 22 September 2014 to hold office till the conclusion of the 16<sup>th</sup> AGM to be held in the year 2017 as per Section 139 of the Companies Act, 2013. Their re-appointment will have to be ratified by the Members at every AGM. In compliance with the requirements of the Companies Act, 2013, it is proposed to seek the ratification of the members for the appointment of the Auditors.

## **SECRETARIAL AUDIT REPORT**

The Company has appointed Mr. R Kannan, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report - Form - MR- 3 is annexed to this report

## **CORPORATE GOVERNANCE**

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of this Annual Report. The requisite certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to this Report.

## **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND WHISTLE BLOWER POLICY**

The Audit Committee consists of three Independent Directors.

Mr. AL Chandramouli

Mr. M Rajamani

Ms. Sashikala Srikanth

As required under Section 177 of the Companies Act, 2013, the Company has established Whistle Blower Policy and the same has been uploaded in the following web link

<http://mercantileventures.co.in/files/Whistle%20blower%20policy.pdf>

## **SHARES**

The Company has not bought back any of its shares during the year under review. The Company also has not issued any Sweat Equity Shares, Bonus Shares or Stock Option Scheme during the year under review.

## **ANNUAL RETURN**

The extracts of Annual Return in Form MGT 9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed to this report.

## **TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The business of the Company is leasing of immovable properties. The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are not applicable to the business operations of the Company

## **PARTICULARS OF EMPLOYEES**

The Company has no Employees whose salary exceeds the limits as prescribed under Rule(5)(2) of Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014

**INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year – 2014-15	Mr. E N Rangaswami, Whole-time Director	5.42:1	
The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year – 2014-15.	Mr. E N Rangaswami, Whole-time Director	29.20	
	Mr. V Padmanabha Sarma, Chief Financial Officer	8.60	
	Ms. S Aarthi, Company Secretary	2.50	
The Percentage Increase in the median Remuneration of Employees In the financial Year – 2014-15		1.82	
The number of permanent employees on the rolls of Company – As on 31.03.2015		6	
The explanation on the relationship between average increase in remuneration and Company performance.	Profit After Tax (₹ in lakhs)	2121.35	
	Average increase in Remuneration	16.96%	
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Profit After Tax (₹ in lakhs)	2121.35	
	Remuneration of Key Managerial Personnel	37.75	
*Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and percentage increase over decrease in the market quotations of the shares of the company	Month	Share Price ₹	Market Capitalisation ₹ in lakhs
	March 2015	24.64	27576.64
Price Earnings Ratio		12.97	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification there of	Average percentile increase already made in the salaries of employees other than the managerial personnel in the FY 2014-15	2.14%	
	Average percentile increase already made in the salaries of the managerial personnel in the FY 2014-15	20.38%	

\*The Company's shares was listed only with effect from 9 February 2015 and the shares was quoted in BSE only from March 2015

**AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY.**

Company is adopting remuneration guidelines for fixing the remuneration as per the Remuneration policy.

**ACKNOWLEDGEMENT**

Your Directors express their grateful thanks for the assistance, co-operation and support extended to the Company by Promoters, shareholders and the bankers for their continued support. The Directors also place on record their appreciation of the good work put in by the employees of the company.

Place : Chennai  
Date : 30 July 2015

By Order of the Board  
For **MERCANTILE VENTURES LIMITED**  
**E N RANGASWAMI**  
(DIN: 06463753)  
Whole-time Director

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L65191TN1985PLC037309
2	Registration Date	23-Dec-85
3	Name of the Company	Mercantile Ventures Limited
4	Category/Sub-category of the Company	Public Company
		Listed by Shares
5	Address of the Registered office & contact details	88, Mount Road, Guindy, Chennai Ph- 044- 40432205/09
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Limited Subramanian Building #1, Club house road Chennai- 600 002 Ph- 044-28460390/95

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Leasing of immovable properties	77	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Oasis Ventures Private Limited	U70102TN2013PTC093554	Subsidiary	100%	2(87)
2	i3 Security Private Limited	U74120TN2011PTC082965	Subsidiary	77% Held by Oasis Ventures Pvt Ltd	2(87)
3	Rayce Electronic Intelligence India Private Limited	U74900TN2015PTC099223	Subsidiary	100% Held by Oasis Ventures Pvt Ltd	2(87)
4	Navia Markets Limited	U65993TN1994PLC010167	Associate	47.30%	2(6)

**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 [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	3603066	3603066	3.21	-	41482	41482	0.04	3.17
b) Central Govt	-	-	-	0.00	-	-	-	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt(s)	-	-	-	0.00	-	-	-	0.00	0.00
d) Bodies Corp.	57012500	6883777	63896277	57.09	57012500	2548555	59561055	53.21	3.88
e) Banks / FI	-	-	-	0.00	-	-	-	0.00	0.00
f) Any other	-	-	-	0.00	-	-	-	0.00	0.00
<b>Sub Total (A) (1)</b>	57012500	10486843	67499343	60.31	57012500	2590037	59602537	53.25	7.06
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00	-	-	-	0.00	0.00
b) Other Individuals	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corp.	-	14244955	14244955	12.73	-	14244955	14244955	12.73	0.00
d) Any other	-	-	-	0.00	-	-	-	0.00	0.00
<b>Sub Total (A) (2)</b>	-	14244955	14244955	12.73	-	14244955	14244955	12.73	0.00
<b>TOTAL (A)</b>	57012500	24731798	81744298	73.04	57012500	16834992	73847492	65.98	7.06
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	0.00	-	-	-	0.00	0.00
b) Banks / FI	-	100	100	0.00	-	100	100	0.00	0.00
c) Central Govt	-	-	-	0.00	-	-	-	0.00	0.00
d) State Govt(s)	-	-	-	0.00	-	-	-	0.00	0.00
e) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
f) Insurance Companies	-	-	-	0.00	-	-	-	0.00	0.00
g) FIs	-	-	-	0.00	-	-	-	0.00	0.00
h) Foreign Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
i) Others (specify)	-	-	-	0.00	-	-	-	0.00	0.00
<b>Sub-total (B)(1):-</b>	-	100	100	0.00	-	100	100	0.00	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corp.	18941900	231903	19173803	17.13	18939110	4722575	23661685	21.14	-4.01
i) Indian	-	-	-	0.00	-	-	-	0.00	0.00
ii) Overseas	-	-	-	0.00	-	-	-	0.00	0.00
b) Individuals	-	-	-	0.00	-	-	-	0.00	0.00
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	24561	10649179	10673740	9.54	79758	10625364	10705122	9.57	-0.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	15435	299000	314435	0.28	15513	3676364	3691877	3.30	-3.02
c) Others - HUF	587	300	887	0.00	687	300	987	0.00	0.00
Non Resident Indians	-	10932	10932	0.01	-	10932	10932	0.00	0.00
<b>Sub-total (B)(2):-</b>	18982483	11191314	30173797	26.96	-	19035535	38070603	34.02	-7.06
<b>Total Public (B)</b>	18982483	11191414	30173897	26.96	-	19035635	38070703	34.02	-7.06

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00	-	-	-	0.00	0.00
<b>Grand Total (A+B+C)</b>	75994983	35923212	111918195	100.00	57012500	35870627	111918195	100.00	0.00

(ii) Shareholding of Promoter

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Ranford Investments Limited	5580000	4.99%	0.00	5580000	4.99%	0.00	0.00%
2	Darnolly Investments Limited	5580000	4.99%	0.00	5580000	4.99%	0.00	0.00%
3	Ranford Investments Ltd	1370705	1.22%	0.00	1370705	1.22%	0.00	0.00%
4	South India Corporation (A) Ltd	1125000	1.01%	0.00	1125000	1.01%	0.00	0.00%
5	Ranford Investments	857250	0.77%	0.00	857250	0.77%	0.00	0.00%
6	Darlolly Investments	857000	0.77%	0.00	857000	0.77%	0.00	0.00%
7	South India Corpn (Agencies) Ltd	573542	0.51%	0.00	573542	0.51%	0.00	0.00%
8	South India Corporation (A) Ltd	331898	0.30%	0.00	331898	0.30%	0.00	0.00%
9	Sical	318365	0.28%	0.00	318365	0.28%	0.00	0.00%
10	First Leasing Co Of India Ltd	177250	0.16%	0.00	177250	0.16%	0.00	0.00%
11	Jawahar Vadivelu	24800	0.02%	0.00	24800	0.02%	0.00	0.00%
12	South India Corpn (Agencies) Ltd	11400	0.01%	0.00	11400	0.01%	0.00	0.00%
13	Navia Markets Limited	11100	0.01%	0.00	11100	0.01%	0.00	0.00%
14	Vadivelu AI	5494	0.00%	0.00	5494	0.00%	0.00	0.00%
15	Muthiah A C	4000	0.00%	0.00	4000	0.00%	0.00	0.00%
16	Vadivelu AI	2550	0.00%	0.00	2550	0.00%	0.00	0.00%
17	Jawahar Vadivelu	2300	0.00%	0.00	2300	0.00%	0.00	0.00%
18	Chidambaram M A	1858	0.00%	0.00	1858	0.00%	0.00	0.00%
19	Ashwin C Muthia	200	0.00%	0.00	200	0.00%	0.00	0.00%
20	Chidambaram M A	150	0.00%	0.00	150	0.00%	0.00	0.00%
21	Vadivelu AI	100	0.00%	0.00	100	0.00%	0.00	0.00%
22	Ashwin C Muthiah	30	0.00%	0.00	30	0.00%	0.00	0.00%
23	South India Travels Pvt Ltd	15852500	14.16%	0.00	15852500	14.16%	0.00	0.00%
24	Trinity Auto Points Ltd	20956000	18.72%	0.00	20956000	18.72%	0.00	0.00%
25	Golden Star Assets Consultants	14396000	12.86%	0.00	14396000	12.86%	0.00	0.00%
26	Gold Nest Trading Company Ltd	5808000	5.19%	0.00	5808000	5.19%	0.00	0.00%



(iii) Change in Promoters' Shareholding (Not Applicable - There is no change in Promoters Shareholding)

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S.No	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>DICK FINANCIAL SERVICES LTD</b>						
	At the beginning of the year			958350	0.86%	958350	0.86%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			958350	0.86%	958350	0.86%
2	<b>COROMANDEL GROWTH FUND LTD</b>						
	At the beginning of the year			631550	0.56%	631550	0.56%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			631550	0.56%	631550	0.56%
3	<b>SUBRAMANIAN N</b>						
	At the beginning of the year			550000	0.49%	550000	0.49%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			550000	0.49%	550000	0.49%
4	<b>WINDSOR INVESTMENTS LTD</b>						
	At the beginning of the year			484400	0.43%	484400	0.43%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			484400	0.43%	484400	0.43%
5	<b>PANTHEON INVESTMENTS LTD</b>						
	At the beginning of the year			425980	0.38%	425980	0.38%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			425980	0.38%	425980	0.38%
6	<b>ARMENIAN INVESTMENTS LTD</b>						
	At the beginning of the year			419000	0.37%	419000	0.37%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			419000	0.37%	419000	0.37%
7	<b>ELLIOT INVESTMENTS LTD</b>						
	At the beginning of the year			337600	0.30%	337600	0.30%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			337600	0.30%	337600	0.30%
8	<b>DICK FINANCIAL SERVICES P LTD</b>						
	At the beginning of the year			331272	0.30%	331272	0.30%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			331272	0.30%	331272	0.30%
9	<b>MERCANTILE CREDIT COMPANY</b>						
	At the beginning of the year			314448	0.28%	314448	0.28%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			314448	0.28%	314448	0.28%
10	<b>COROMANDEL GROWTH FUND LTD</b>						
	At the beginning of the year			234450	0.21%	314448	0.28%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			234450	0.21%	314448	0.28%

## V. SHAREHOLDING OF EACH DIRECTORS AND EACH KEY MANAGERIAL PERSONNEL

S.No	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. A L Chandramouli						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
2	Mr. M Rajamani						
	At the beginning of the year			900	0.00%	900	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			900	0.00%	900	0.00%
3	Ms. Sashikala Srikanth						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
4	Mr. E N Rangaswami						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
5	Mr. V Padmanabha Sarma						
	At the beginning of the year			10	0.00%	10	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			10	0.00%	10	0.00%
6	Ms. S Aarthi						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%

## VI. INDEBTEDNESS

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

(Amt. ₹ /Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	224.80		224.80
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
<b>Total (i+ii+iii)</b>	-	224.80	-	224.80
<b>Change in Indebtedness during the financial year</b>				
* Addition	1100.00	-		1100.00
* Reduction		-		-
Net Change	1100.00	-	-	1100.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1100.00	224.80		1324.80
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	1100.00	224.80	-	1324.80

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ /Lacs)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	E N Rangaswami	
	Designation	Whole-time Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25.00	25.00
	(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		-
	<b>Total (A)</b>	25.00	25.00
	Ceiling as per the Act	30.00	

### B. Remuneration to other Directors

The Details of Sitting fees paid to directors during the year forms part of Corporate Governance Report

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ /Lacs)

SN.	Particulars of Remuneration			Total Amount
	Name	V Padamanabha Sarma	S Aarthi	
	Designation	CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.83	4.92	12.75
	(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			-
	<b>Total</b>	7.83	4.92	12.75

### VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

*FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015*

*[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,  
Mercantile Ventures Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Mercantile Ventures Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s Mercantile Ventures Limited'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Mercantile Ventures Limited** ("the Company") for the financial year ended on March 31, 2015 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 thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) 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;
- (v) The other laws as may be applicable specifically to the company i.e. Transfer of Property Act, 1882 and Indian Contracts Act, 1872

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Madras Stock Exchange Limited and BSE Limited

I report that there were no actions / events in pursuance of

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring Compliance thereof by the Company during the year under review and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

As per the minutes duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded

I 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.

I further report that during the audit period the company had the following events / actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred above

- (a) *The Equity Shares of **M/s Mercantile Ventures Limited** are listed and admitted to dealings on BSE Limited in the list of "T" Group of Securities w.e.f. February 9, 2015*
- (b) *The Company has allotted 750000 Zero % 5 years Preference Shares of ₹ 10 each to M/s South India Travels Private Limited.*

**Place : Chennai**  
**Date : 30 July 2015**

**Signature: R Kannan**  
**Practicing Company Secretary**  
**FCS No: 6718**  
**C P No: 3363**

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY

Your Company strives to conduct business with sound Corporate Governance practices which reflect fairness, integrity, accountability and transparency in our dealings with stakeholders and regulatory authorities

The report covers the corporate governance aspects in your company relating to the year ended 31 March 2015.

### 2. BOARD OF DIRECTORS

#### a. Composition and membership in other Boards

As on 31 March 2015, the Board of Directors of the Company comprised of 4 Directors. All information as required under Annexure 1A to Clause 49 are being made available to the Board.

No Director of the Company is a Chairman of more than five Board-Committees or a Member of more than ten Board-Committees as stipulated under the Corporate Governance Code.

Number of other Directorships held and Board-Committee Memberships of the Company's Directors, as 31 March 2015 are given below:

Sl. No.	Director	Category	No. of Other Directorship	No. of other Board – Committee positions held	
				As Chairman	As Member
1.	Mr.M.Rajamani	Non- Executive, Independent	7	-	-
2.	Mr.AL. Chandramouli	Non- Executive, Independent	1	-	-
3.	Ms. Sashikala Srikanth	Non- Executive, Independent	7	1	3
4.	Mr. E.N. Rangaswami	Executive, Non-independent	6	1	-

#### b) Number of Board of Directors meetings and the dates on which held during the year ended 31 March 2015

The Board of Directors met 6 times during the year ended 31 March 2015 viz., on 28 May 2014, 13 August 2014, 12 November 2014, 23 January 2015, 6 February 2015 & 25 March 2015

Attendance of Directors at the Board of Directors Meetings held during 2014-15

Name	Period of office held during the year ended	No. of meetings held during the period of office	No. of meetings attended
Mr.M.Rajamani	Full Year	6	5
*Mr .K Gopalakrishnan	01-04-2014 - 10.03.2015	5	5
Mr. AL. Chandramouli	Full Year	6	6
Mr. E.N. Rangaswami	Full Year	6	6
**Ms. Sashikala Srikanth	25.03.2015 – 31.03.2015	1	1

\*Mr. K Gopalakrishnan resigned from the Board of Directors with effect from 10 March 2015

\*\*Ms. Sashikala Srikanth was appointed as additional/independent director with effect from 25 March 2015

#### Committees of Board of Directors

The Board has constituted various Committees to discuss, deal with the matters in detail and to monitor the activities falling within the terms of reference and discharge the roles and responsibilities as prescribed under Listing Agreement and/or the Companies Act, 2013 from time to time.

### 3. AUDIT COMMITTEE

#### Terms of reference

The role of the Audit Committee shall include the following:

1. Oversee the Company's financial reporting process and review its financial statements.
2. In addition to the normal overall review of the financial performance, Audit Committee will also recommend the quarterly results, appointment of auditors, recommendation of dividend, application of Accounting Standards, discussion on financial audit reports, etc.

3. Recommend the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of their fees.
4. Review of internal control and internal audit system.
5. Review of risk management policies and practices and also include the following:
  - a) To investigate any activity within its terms of reference.
  - b) To seek information from any employee, if needed.
  - c) To obtain outside legal or other professional advice.
  - d) To secure attendance of outsiders with relevant expertise.

#### Meetings held

The Committee met 4 times during the year ended 31.03.2015 viz., on 28 May 2014, 13 August 2014, 12 November 2014 & 6 February 2015.

#### Committee Composition and attendance

Attendance of Committee members at the Meetings held during 2014-15

Name	Period of office held during the period	No. of meetings held during the period of office	No. of meetings attended
Mr. AL. Chandramouli, Chairman	Full year	4	4
Mr.M.Rajamani, Member	Full year	4	4
*Mr.K Gopalakrishnan, Member	01.04.2014- 10.03.2015	4	4
**Ms.Sashikala Srikanth, Member	25.03.2015- 31.03.2015	-	-

\*Mr. K Gopalakrishnan resigned from the Board of Directors with effect from 10 March 2015

\*\*Ms. Sashikala Srikanth was appointed as additional/independent director with effect from 25 March 2015

The composition of the Committee is in conformity with Clause 49 (II) (A) of the Listing Agreement.

#### 4. NOMINATION & REMUNERATION COMMITTEE

##### Terms of reference and composition

The Remuneration Committee of the Company was renamed as Nomination & Remuneration Committee in the Board Meeting of the Company held on 12 November 2014 in compliance with Companies Act, 2013 and clause 49 of the Listing Agreement. The Remuneration committee shall recommend to the Board on Nomination and appointment of Directors & Key Managerial Personnel of the company and matters relating to fixation and payment of remuneration to them.

##### Committee Composition & Attendance

Attendance of Committee members at the Meetings held during 2014-15

Name	Period of office held during the period	No. of meetings held during the period of office	No. of meetings attended
Mr.M.Rajamani, Chairman	Full year	3	3
Mr. AL. Chandramouli, Member	Full year	3	3
*Mr.K Gopalakrishnan, Member	01.04.2014- 10.03.2015	2	2
**Ms.Sashikala Srikanth, Member	25.03.2015- 31.03.2015	-	-

\*Mr. K Gopalakrishnan resigned from the Board of Directors with effect from 10 March 2015

\*\*Ms. Sashikala Srikanth was appointed as additional/independent director with effect from 25 March 2015

#### REMUNERATION POLICY

##### Purpose

The Remuneration Policy is applicable to all employees of the Company, including Executives, Non-Executives and Board of Directors of the Company. The Policy is primarily focused on the employees of the Company other than Directors and Senior Executives to provide a competitive attractive remuneration to retain, protect and develop competent personnel. The pay package shall be based on the roles and responsibilities and shall consist in addition to the substantial fixed salary portion, motivating pays like Performance Pay etc. The Pay Package shall comply with general industrial practices and shall reflect the cost of living and also should take into account ability of the Company to sustain and pay such packages.

### Executive Pay Package

The Executive Pay Packages shall also follow the above guidelines. However, since they are primarily responsible for taking the Company forward and improving its business ability, deviations as necessary can be made to provide substantial motivating pays apart from the fixed salary.

The Non-Executive Board of Directors would be paid Sitting Fees as decided by the Board from time to time depending on the ability of the Company, but to be within the statutory maximum.

### Deviations

Deviations wherever necessary from the approved policy, can be made for individual cases and later ratified by the Board.

### Other General Issues

Notice pay, Gratuity, etc., will be as per the various statutory regulations/ Company's approved policy from time to time.

### Procedures

The Remuneration Committee of the Board will meet from time to time, discuss, review and approve the pay packages suggested by the executives of the Company for implementation. The pay packages/sitting fees of the Whole-time Director, other members of the Board and the Key Managerial Personnel would be fixed by the Nomination and Remuneration Committee and recommend to the Board for implementation.

### Disclosures

The Policy permits publication of the gross pay of the Executives and key Managerial Personnel, as statutorily required in the Company's Annual Report.

### Notice

The Company's Remuneration Policy will be uploaded in the Web Site of the Company.

### DETAILS OF REMUNERATION PAID

a) Sitting fees to Non-executive Directors:

S.No	Name of the Director	Sitting fee paid (in ₹ )
1	Mr. A L Chandramouli	65000
2	Mr. K. Gopalakrishnan	79000
3	Mr. M. Rajamani	82000
4	Ms. Sashikala Srikanth	5000
	<b>Total</b>	<b>231000</b>

b) Remuneration paid/payable to Executive Director of the Company during the year ended 31 March 2015, are as follows:

(₹ in lakhs)

Name	Salary & Special Allowances	Perquisites	Total
Mr.E N Rangaswami Whole Time Director	25.00	-	25.00

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

### Terms of reference

Investor grievance Committee was renamed as Stakeholders Relationship Committee in compliance with Companies Act, 2013 & Clause 49 of the Listing Agreement. The terms of reference to the Shareholders/Investors Grievance Committee are related to transfer, transmission, demat, remat, split/consolidation of shares and issue of duplicate share certificates, etc and also to oversee the redressal of investors' complaints.

### Composition

1. Mr.M.Rajamani, Chairman
2. Mr.E.N Rangaswami, Member

Details of the Compliance Officer

S. Aarthi- Company Secretary & Compliance Officer



#### Details of Shareholders Complaints

Number of complaints received during the year: 3

Number of complaints solved during the year : 3

#### 6. GENERAL BODY MEETINGS

Year	Location	Date and Time
12 <sup>th</sup> AGM – 2013	Rajah Annamalai Mandram, 5, Esplanade Road (Near High Court), Chennai-600 108	30 September 2013 3 PM
13 <sup>th</sup> AGM – 2014	Rajah Annamalai Mandram, 5, Esplanade Road (Near High Court), Chennai-600 108.	22 September 2014 3 PM

#### 7. DISCLOSURES

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors, subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large:-

- There are no transactions with the related party viz. Promoters, Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.
- There are no pecuniary relationships or transactions with the Non-executive Directors of the Company except the payment of sitting fees made for attending the Board Meetings of the Company.
- The Company has complied with various rules and regulations prescribed by stock exchanges, SEBI or any other statutory authority relating to capital markets and no penalties or strictures have been imposed by them on the Company.
- Statutory and Secretarial Audit reports do not contain any qualifications.
- Management Discussion Analysis Report forms part of the Directors' Report.

#### 8. WHISTLE BLOWER POLICY

The Company has adopted whistle blower policy, the details of the same is provided in the directors' Report. The policy is also available at the Company's website in the following link:

<http://www.mercantileventures.co.in/files/Whistle%20blower%20policy.pdf>

It is hereby affirmed that, no personnel has been denied access to the Audit Committee

#### 9. COMMUNICATION WITH SHAREHOLDERS

As stipulated under Clause 41 of the Listing Agreement, the quarterly results are published in English (News today) and Tamil (Makkal Kural/Maalai Sudar) newspapers within 48 hours of the conclusion of the Board Meeting at which the results are approved. The results will also be displayed in the website of the company viz. [www.mercantileventures.co.in](http://www.mercantileventures.co.in). The information stipulated in Clause 54 of the Listing Agreement will be made available in the website of the company.

#### 10. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company who have affirmed compliance with the Code of Conduct. A declaration signed by the Whole-time Director to this effect is enclosed at the end of this Report.

#### 11. INSIDER TRADING

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has prescribed a Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

#### 12. SECRETARIAL AUDIT

A secretarial audit was carried out by a qualified Practising Company Secretary for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The audit confirms that the total issued/paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Secretarial Audit was conducted Mr. R. Kannan, Practising Company Secretary for the year ended 31 March 2015. Secretarial Audit Report forms part of the Annual Report.

### 13. GENERAL SHAREHOLDERS INFORMATION

#### a). Ensuing AGM

Date : 25 September 2015

Time : 2.30 PM

Venue : Rajah Annamalai Mandram, 5, Esplanade Road (Near High Court) Chennai- 600 108

#### b). Financial Calendar for 2015-16 (Tentative)

The financial year of the Company is April to March of every year and the tentative financial calendar for publication of quarterly/ annual results is as under.

1.	1 <sup>st</sup> quarter ending 30 June 2015	Before 14 August, 2015
2.	2 <sup>nd</sup> quarter ending 30 September 2015	Before 14 November, 2015
3.	3 <sup>rd</sup> quarter ending 31 December 2015	Before 14 February, 2016
4.	Last quarter & year ending 31 March 2016	Before 30 May, 2016

#### c). Book Closure Date: 19 September 2015 to 25 September 2015

#### d). Dividend Payment Date: Not Applicable

#### e). Registrar and Share Transfer Agents (RTA)

The Company has appointed M/s. Cameo Corporate Services Limited, as its Registrar and Share Transfer Agent both for electronic and physical transactions of the shares. The shareholders are therefore requested to send all documents, correspondences, queries, intimations on any matters relating to transfer/transmission/demat/remat of shares, issue of duplicate share certificates, change of address etc., to the following address.

M/s.Cameo Corporate Services Limited

Unit: Mercantile Ventures Limited

No.:1, Club House Road, "Subramanian Building", 5 Floor

Chennai - 600 002

Tel: 044-28460390 Fax: 044-28460129 e-mail: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)

Company Secretary has been appointed as the Compliance Officer of the Company for redressal of investors' grievances. The shareholders may correspond to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) for redressal of grievances if any.

#### f) Share Transfer & Depository System

The physical share transfers, transmissions, transpositions etc., are processed on number of requests received and the documents duly completed in all respects are registered within the time limit as specified by the listing agreement.

The ISIN number allotted to the Company by Central Depository Services (India) Ltd (CDSL) and National Securities Depository Limited (NSDL) is INE689o01013. Since trading in equity shares of the Company shall be permitted only in dematerialized form, the shareholders those who are holding shares in physical form, are advised to dematerialize their shares to avoid the risks associated with holding the share certificates in physical form.

The shareholders may also kindly note that as directed by SEBI, the Company/RTA is in the process of sending reminders to the shareholders, who are holding the shares in physical form and who have not claimed their share certificates from the Company so far, to retrieve their share certificates.

#### g). Listing of Equity Shares on Stock Exchanges

The equity shares of the Company got listed with BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001 with effect from 9 February 2015

Stock Code: Mercantile

#### h). Market / Share Price Data

The Company's Shares were listed in BSE with effect from 9 February 2015 and trading in BSE started from March 2015

	HIGH	LOW
PRICE(₹)	24.64	12.50
SENSEX	27694.41	29162.47

**i) Distribution of shareholding as on 31 March 2015:**

Range of shares	Holders		Shares	
	No.	%	No.	%
10 – 5000	52153	94.25	7455933	6.66
5001-10000	2330	4.21	1786261	1.60
10001-20000	561	1.01	798953	0.71
20001-30000	100	0.18	253255	0.23
30001-40000	39	0.07	147899	0.13
40001-50000	34	0.06	160312	0.14
50001-100000	36	0.06	262457	0.23
100001 and above	87	0.16	101053125	90.30
<b>Total</b>	<b>55340</b>	<b>100.00</b>	<b>111918195</b>	<b>100.00</b>

**j) Shareholding Pattern as on 31 March 2015**

Category	No. of holders	No. of shares held	% of holding
Promoters Holding			
Promoters & Associates	26	73847492	65.98
Non-Promoters Holding			
(a) Institutional Investors			
Financial Institutions / Banks	1	100	0.00
(b) Others			
Bodies Corporate	230	23661685	21.15
NRIs & Foreign Nationals	17	10932	0.00
HUF	4	987	0.00
Public	55062	14396999	12.87
<b>Total</b>	<b>55340</b>	<b>111918195</b>	<b>100.00</b>

**k). Dematerialisation of Equity Shares**

As on 31 March 2015, **67.95%** of the paid up capital of the Company has been dematerialized.

**l) Registered Office**

The Registered office of the Company is located at 88, Mount Road, Guindy, Chennai- 600 032.

**m) Communication through electronic mode**

As per the earlier circular issued by the Ministry of Corporate Affairs, all the companies have been allowed / permitted to send its annual report comprising of Notice, Directors' Report, Auditors' Report, Balance Sheet, Profit & Loss account etc. by email to its members after giving an advance opportunity to register their Email address with the Company or with the concerned depository. In order to implement the above practice, the shareholders are hereby requested to register your email ID with the Company/RTA by submitting EARF (Email Address Registration Form), a copy of which is available with the RTA/Company.

**n) Nomination of physical shares**

Members holding shares in physical form are encouraged to nominate a person to whom the shares in the Company shall vest in the event of death. Nomination forms will be sent to the Members on request.

**o) CEO / CFO Certification**

As required by Clause 49 (V) of the Listing Agreement, certificate from CEO/CFO was submitted to the Board.

**p) Certificate on Corporate Governance**

The Company has obtained a certificate from a Practising Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement and the same has been annexed at the end of this report.

## **Compliance Certificate on Corporate Governance Report**

Practising Company Secretary's Certificate  
(Under Clause 49 of the Listing Agreement)

To

The shareholders of Mercantile Ventures Limited

We have examined the compliance of the conditions of Corporate Governance by Mercantile Ventures Limited for the period ended 31 March 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

We 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.

**Mr.R.Kannan**

Practising Company Secretary  
C.P No: F3363

Place : Chennai  
Date : 30 July 2015

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## **Declaration from CEO on Code of Conduct**

To

The shareholders of Mercantile Ventures Limited,

As provided under Clause 49 (D) of the Listing Agreement with the Stock Exchanges, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31 March 2015.

**Mercantile Ventures Limited**

**E N Rangaswami**  
Whole-time Director

Place : Chennai  
Date : 30 July 2015

# INDEPENDENT AUDITORS' REPORT

## To the Members of Mercantile Ventures Limited

### Report on the abridged financial statements

1. The accompanying abridged financial statements of Mercantile Ventures Limited (the "Company") comprise the abridged balance sheet as at March, 31 2015, the abridged statement of profit and loss and abridged cash flow statement for the year then ended together with the related notes, which we have signed under reference to this report.
2. These abridged financial statements are derived from the statutory audited financial statements of the Company for the year ended March 31 2015 prepared by the Company's Management in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 ("the Act"), covered by our attached report of even date to the Members of the Company pursuant to section 143 of the Act, in which we have expressed an unmodified audit opinion.
3. The abridged financial statements do not contain all the disclosures required by the Accounting Standards referred to in section 133 of the Act and Schedule III to the Act, applied in the preparation and presentation of the audited financial statements of the Company. Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Company.

### Management's Responsibility for the Abridged Financial Statements

4. The Company's Management is responsible for the preparation of the abridged financial statements in accordance with sub-clause (1) of section 136. The Company's Management (including Directors) are ultimately responsible for the designing, implementing and maintaining internal control relevant to the preparation and presentation of the abridged financial statements that are consistent with the audited financial statements and are free from material misstatement, whether due to fraud or error; and also includes appropriate interpretation and application of the relevant provisions of the Rules and the Act.
5. The Company's Management (including Directors) are also responsible for ensuring that the Company complies with the requirements of the Rules.

### Auditors' Responsibility

6. Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, 'Engagements to Report on Summary Financial Statements', issued by the Institute of Chartered Accountants of India.

### Opinion

7. In our opinion, the accompanying abridged financial statements, are consistent, in all material respects, with the audited statutory financial statements of the Company as at and for the year ended March 31, 2015 prepared in accordance with Schedule III to the Act, covered by our attached report of even date to the Members of the Company pursuant to section 143 of the Act, in accordance with the Rules.

Place : Chennai  
Date : 18 May 2015

For **DPV & Associates.**,  
Chartered Accountants  
FRN 011688S  
**CA Vaira Mutthu K**  
M.No. 218791  
Partner

## ABRIDGED BALANCE SHEET AS AT 31 MARCH 2015

(₹ in Lakhs)

S. No.	Particulars	As at 31 March 2015	As at 31 March 2014
A	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' Funds</b>		
	(a) Share Capital	11269.67	11194.67
	(b) Reserves & Surplus	14969.15	12847.80
		<b>26238.82</b>	24042.47
2	<b>Non-Current Liabilities</b>		
	(a) Long-Term Borrowings	1324.80	224.80
	(b) Deferred Tax Liabilities	33.81	45.70
	(c) Other Long-Term Liabilities	290.68	
		<b>1649.29</b>	270.50
3	<b>Current Liabilities</b>		
	(a) Other Current Liabilities	10.78	2623.54
	(b) Short-Term Provisions	1186.21	656.52
		<b>1196.99</b>	3280.06
	<b>Total - Equity &amp; Liabilities</b>	<b>29085.10</b>	27593.03
B	<b>ASSETS</b>		
1	<b>Non-Current Assets</b>		
	(a) Fixed Assets - Tangible Assets	4269.27	1852.41
	(b) Non Current Investments	4266.93	3567.51
	(c) Long Term Loans and Advances	3013.17	4383.91
	(d) Other Non-Current Assets	11544.57	13544.80
		<b>23093.94</b>	23348.63
2	<b>Current Assets</b>		
	(a) Cash and cash equivalents	492.51	229.81
	(b) Other Loans and Advances	4780.85	3565.97
	(c) Other Current Assets	717.80	448.62
		<b>5991.16</b>	4244.40
	<b>Total - Assets</b>	<b>29085.10</b>	27593.03
<p>Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of schedule III of the Companies Act, 2013 are available at the Company's website at the link <a href="http://www.mercantileventures.co.in">www.mercantileventures.co.in</a></p>			

This is the Abridged Balance Sheet referred to in our Report of even date.

**For DPV & Associates**

For and on behalf of the Board

Chartered Accountants

**CA K.Vairamuthu**

**E N Rangaswami**

**AL Chandramouli**

Partner

Whole-time Director

Director

Place : Chennai

**V.Padmanabha Sarma**

**S.Arthi**

Date : 18 May 2015

Chief Financial Officer

Company Secretary

## ABRIDGED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015

(₹ in Lakhs)

S.No.	Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
I	<b>Revenue:</b>				
	Revenue from rental services		360.75		90.12
	Dividend received	180.95		28.82	
	Interest received	373.75		337.42	
	Surplus on write back of credit balance	-		419.46	
	Other Income	5.57	560.27	135.89	921.59
	<b>Total Revenue (A)</b>		<b>921.02</b>		1011.71
II	<b>Expenses:</b>				
	Employee Benefit Expense		49.61		39.24
	Finance Costs		11.72		-
	Depreciation and Amortization Expense		32.55		8.84
	Repairs and maintenance	83.98		6.79	
	Other Expenses	149.22	233.20	75.96	82.75
	<b>Total Expenses (B)</b>		<b>327.08</b>		130.83
III	Profit before exceptional and extraordinary items and tax <b>(A - B)</b>		<b>593.94</b>		880.88
IV	Exceptional items:				
	Profit on sale of Fixed Assets	2045.21		5627.93	
	Investments written off	-		(17.34)	
	Bad Debts and advances written off	-	2045.21	(6118.62)	(508.03)
V	Profit before tax		<b>2639.15</b>		372.85
VI	<b>Tax Expense:</b>				
	Current Income Tax		695.22		228.40
	Provision for Tax reversed		(165.53)		-
	Deferred tax liability / (Asset)		(11.89)		(114.67)
VII	Profit/(Loss) for the year from continuing operations		<b>2121.35</b>		259.12
VIII	Profit/(Loss) for the year		<b>2121.35</b>		259.12
IX	Earning per equity share(in Rs)				
	Basic		1.90		0.23
	Diluted		1.85		0.23

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of schedule III of the Companies Act, 2013 are available at the Company's website at the link [www.mercantileventures.co.in](http://www.mercantileventures.co.in)

This is the Abridged Statement of Profit & Loss referred to in our Report of even date.

**For DPV & Associates**

Chartered Accountants

For and on behalf of the Board

**CA K.Vairamuthu**

Partner

**E N Rangaswami**

Whole-time Director

**AL Chandramouli**

Director

Place : Chennai

Date : 18 May 2015

**V.Padmanabha Sarma**

Chief Financial Officer

**S.Aarthi**

Company Secretary

## ABRIDGED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

(₹ in Lakhs)

	Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>A</b>	Cash Flow from Operating Activities	<b>851.50</b>	(21.37)
<b>B</b>	Cash Flow from Investing activities	<b>(1763.80)</b>	(1060.55)
<b>C</b>	Cash Flow from Financing activities	<b>1175.00</b>	-
	Net Increase(decrease) in cash and cash equivalents(A+B+C)	<b>262.70</b>	(1081.92)
	Cash & Cash Equivalents (Opening Balance) as at 31-3-2014	<b>229.81</b>	1311.73
	Cash & Cash Equivalents (closing Balance) as at 31-3-2015	<b>492.51</b>	229.81
	Net Increase(decrease) in cash and cash equivalents	<b>262.70</b>	(1081.92)
<b>14</b>	<b>Details of Cash and Cash equivalents shown below:</b>		
	Cash on Hand	<b>0.06</b>	0.09
	Balance with bank in current account	<b>492.45</b>	229.72
	<b>Total</b>	<b>492.51</b>	229.81

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of schedule III of the Companies Act, 2013 are available at the Company's website at the link [www.mercantileventures.co.in](http://www.mercantileventures.co.in)

This is the Abridged Cash Flow Statement referred to in our Report of even date.

**For DPV & Associates**

For and on behalf of the Board

Chartered Accountants

**CA K.Vairamuthu**

**E N Rangaswami**

**AL Chandramouli**

Partner

Whole-time Director

Director

Place : Chennai

**V.Padmanabha Sarma**

**S.Arthi**

Date : 18 May 2015

Chief Financial Officer

Company Secretary



## NOTES FORMING PART OF ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(₹ in Lakhs)

S No/ Note No	Particulars	Year ended 31 March 2015	Year ended 31 March 2014
i) 1.10	The company operates only in one segment, namely leasing of immovable properties		
i) 11	Book Value of quoted investments	470.17	81.83
	Market value of quoted Investments	904.59	9.83
ii) 26	<b>Contigent liabilities and commitments</b>		
	Commitments on capital account not provided for	1313.25	3558.38
iii) 27	Dividend receivable on preference Shares	260.00	88.13
iv) 25	<b>Related party disclosure as per accounting Standard 18</b>		
	<b>Related Parties:</b>		
	<b>Subsidiaries:</b>		
	Oasis Ventures Private Limited		
	i3 Security Private Limited		
	Rayce Electronic Intelligence India Private Limited		
	<b>Associate:</b>		
	Navia Markets Limited		
	<b>Key Managerial Personnel:</b>		
	Mr. E.N. Rangaswami, Whole-time Director		
	Mr. V.Padmanabha Sarma, Chief Financial Officer		
	Ms. S.Aarhi, Company Secretary		
The following are transactions and Closing Balances with the related parties during current year			
Particulars of transaction		Year ended 31 March 2015	Year ended 31 March 2014
<b>Transaction with related parties during the year 2014-15</b>			
1. Security charges paid to M/s. i3 Security Private Limited		17.75	3.67
2. Whole-time Director's remuneration - Mr. E. N. Rangaswami		25.00	19.35
<b>Closing Balances</b>			
<b>Investment in Subsidiary:</b>			
Oasis Ventures Private Limited		76.00	76.00
i3 Security Private Limited		-	-
Rayce Electronic Intelligence India Private Limited		-	-
<b>Investment in Associate:</b>			
Navia Markets Linlimited		145.06	-
<b>Loan to Associates:</b>			
Armenian Investments Limited		-	994.36
Elliot Investments Limited		-	895.93
Pantheon Investments Limited		-	300.08
Ripon Investments Limited		-	61.85
Success Investments Limited		-	1208.37
Windsor Investments Limited		-	871.75
The above said Investment companies ceased to be associates during the year			
<b>Key Managerial Personnel:</b>			
Mr. E.N. Rangaswami, Whole-time Director		-	3.94

**Consolidated Financial Statements**  
**2014-15**

## INDEPENDENT AUDITORS' REPORT

### To the Members of Mercantile Ventures Limited and Group Report on the Abridged Consolidated Financial Statements

1. The accompanying Abridged Financial Statements of Mercantile Ventures Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow statement for the year ended then together with the related notes, which we have signed under reference to this report.
2. These abridged financial statements are derived from the statutory audited consolidated financial statements of the Holding Company for the year ended March 31 2015 prepared by the Company's Management in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 ("the Act"), covered by our attached report of even date to the Members of the Holding Company pursuant to section 143 of the Act, in which we have expressed an unmodified audit opinion.
3. The abridged consolidated financial statements do not contain all the disclosures required by the Accounting Standards referred to in section 133 of the Act and Schedule III to the Act, applied in the preparation and presentation of the audited financial statements of the Company. Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Holding Company.

### Management's Responsibility for the Abridged Consolidated Financial Statements

4. The Holding Company's Management is responsible for the preparation of the abridged consolidated financial statements in accordance with sub-clause (1) of section 136. The Holding Company's Management (including Directors) are ultimately responsible for the designing, implementing and maintaining internal control relevant to the preparation and presentation of the abridged consolidated financial statements that are consistent with the audited consolidated financial statements and are free from material misstatement, whether due to fraud or error; and also includes appropriate interpretation and application of the relevant provisions of the Rules and the Act.
5. The Holding Company's Management (including Directors) are also responsible for ensuring that the Holding Company complies with the requirements of the Rules.

### Auditors' Responsibility

6. Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, 'Engagements to Report on Summary Financial Statements', issued by the Institute of Chartered Accountants of India.

### Opinion

7. In our opinion, the accompanying abridged consolidated financial statements, are consistent, in all material respects, with the audited consolidated statutory financial statements of the Holding Company as at and for the year ended March 31, 2015 prepared in accordance with Schedule III to the Act, covered by our attached report of even date to the Members of the Holding Company pursuant to section 143 of the Act, in accordance with the Rules.

Place : Chennai  
Date : 18 May 2015

For **DPV & Associates.**,  
Chartered Accountants  
FRN 011688S  
**CA Vaira Mutthu K**  
M.No. 218791  
Partner

## ABRIDGED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2015

(₹ in Lakhs)

S. No.	Particulars	As at 31 March 2015	As at 31 March 2014
A	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' Funds</b>		
	(a) Share Capital	11269.67	11194.67
	(b) Reserves & Surplus	15077.12	12859.96
		<b>26346.79</b>	24054.63
2	<b>Non-Current Liabilities</b>		
	(a) Long-Term Borrowings	1324.80	224.80
	(b) Deferred Tax Liabilities	33.71	45.81
	(b) Other Long Term Liabilities	331.44	30.45
		<b>1689.95</b>	301.06
3	<b>Current Liabilities</b>		
	(a) Other Current Liabilities	66.85	2707.40
	(b) Short-Term Provisions	1285.49	664.76
		<b>1352.34</b>	3372.16
	<b>Total - Equity &amp; Liabilities</b>	<b>29389.08</b>	27727.85
B	<b>ASSETS</b>		
1	<b>Non-Current Assets</b>		
	(a) Fixed Assets - Tangible Assets	4272.73	1854.52
	(b) Goodwill-Intangible Assets	3.67	4.90
	(c) Non Current Investments	4263.08	3491.51
	(d) Long Term Loans and Advances	3013.17	4383.91
	(e) Other Non-Current Assets	11545.47	13544.80
		<b>23098.12</b>	23279.64
2	<b>Current Assets</b>		
	(a) Cash and cash equivalents	590.14	318.33
	(b) Other Loans and Advances	4822.34	3589.48
	(c) Other Current Assets	878.48	540.40
		<b>6290.96</b>	4448.21
	<b>Total - Assets</b>	<b>29389.08</b>	27727.85

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of schedule III of the Companies Act, 2013 are available at the Company's website at the link [www.mercantileventures.co.in](http://www.mercantileventures.co.in)

This is the Abridged Consolidated Balance Sheet referred to in our Report of even date.

**For DPV & Associates**

Chartered Accountants

For and on behalf of the Board

**CA K.Vairamuthu**

Partner

**E N Rangaswami**

Whole-time Director

**AL Chandramouli**

Director

Place : Chennai

Date : 18 May 2015

**V.Padmanabha Sarma**

Chief Financial Officer

**S.Aarthi**

Company Secretary

## ABRIDGED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015

(₹ in Lakhs)

S. No.	Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
I	<b>Revenue:</b>				
	Revenue from rental services		1302.99		697.57
	Interest received	377.23		338.50	
	Surplus on write back of credit balances	-		419.46	
	Other Income	186.54	563.77	164.71	922.67
	<b>Total Revenue (A)</b>		<b>1866.76</b>		1620.24
II	<b>Expenses:</b>				
	Cost of Services		75.64		0.93
	Employee Benefit Expense		766.71		592.40
	Finance Costs		11.91		-
	Depreciation and Amortization Expense		33.68		9.53
	Repairs and Maintenance	117.69		7.72	
	Other Expenses	205.28	322.97	107.82	115.54
	<b>Total Expenses (B)</b>		<b>1210.91</b>		718.40
III	Profit before exceptional and extraordinary items and tax (A - B)		<b>655.85</b>		901.84
IV	Exceptional items (Net):				
	Profit on sale of Fixed Assets	2045.21		5627.93	
	Investments written off	-		(17.34)	
	Bad Debts and advances written off	-	2045.21	(6,118.62)	(508.03)
V	Profit before tax		<b>2701.06</b>		393.81
VI	<b>Tax Expense:</b>				
	Current Income Tax		712.67		233.66
	Provision for Tax reversed		(165.53)		-
	Deferred tax liability / (Asset)		(12.10)		(114.66)
VII	Profit/(Loss) for the year from continuing operations		<b>2166.02</b>		274.81
VIII	Profit/(Loss) for the year		<b>2166.02</b>		274.81
IX	Earning per equity share(in Rs)				
	Basic		1.94		0.25
	Diluted		1.88		0.24

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of schedule III of the Companies Act, 2013 are available at the Company's website at the link [www.mercantileventures.co.in](http://www.mercantileventures.co.in)

This is the Abridged Consolidated Statement of Profit and Loss referred to in our Report of even date.

**For DPV & Associates**  
Chartered Accountants

For and on behalf of the Board

**CA K.Vairamuthu**  
Partner

**E N Rangaswami**  
Whole-time Director

**AL Chandramouli**  
Director

Place : Chennai  
Date : 18 May 2015

**V.Padmanabha Sarma**  
Chief Financial Officer

**S.Aarthi**  
Company Secretary

## ABRIDGED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

(₹ in Lakhs)

	Particulars	Year ended 31 March 2015	Year ended 31 March 2014
A	Cash Flow from Operating Activities	<b>888.29</b>	22.66
B	Cash Flow from Investing activities	<b>(1791.48)</b>	(997.02)
C	Cash Flow from Financing activities	<b>1175.00</b>	(50.23)
	Net Increase(decrease )in cash and cash equivalents(A+B+C)	<b>271.81</b>	(1024.59)
	Cash & Cash Equivalents (Opening Balance) as at 31-3-2014	<b>318.33</b>	1342.92
	Cash & Cash Equivalents (closing Balance) as at 31-3-2015	<b>590.14</b>	318.33
	Net Increase(decrease) in cash and cash equivalents	<b>271.81</b>	(1024.59)
14	<b>Details of Cash and Cash equivalents shown below:</b>		
	Cash on Hand	<b>2.41</b>	0.66
	Balance with bank in current account	<b>587.73</b>	317.67
	<b>Total</b>	<b>590.14</b>	318.33
<p>Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes there to prepared as per the requirements of schedule III of the Companies Act, 2013 are available at the Company's website at the link <a href="http://www.mercantileventures.co.in">www.mercantileventures.co.in</a></p>			

This is the Abridged Consolidated Cash Flow Statement referred to in our Report of even date.

**For DPV & Associates**  
Chartered Accountants

For and on behalf of the Board

**CA K.Vairamuthu**  
Partner

**E N Rangaswami**  
Whole-time Director

**AL Chandramouli**  
Director

Place : Chennai  
Date : 18 May 2015

**V.Padmanabha Sarma**  
Chief Financial Officer

**S.Aarthi**  
Company Secretary

## NOTES FORMING PART OF ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

(₹ in Lakhs)

S No: Note No	Particulars	Year ended 31 March 2015	Year ended 31 March 2014
i) 1.10	The company operates only in one segment, namely leasing of immovable properties		
i) 11	Book Value of quoted investments	470.17	81.83
	Market value of quoted Investments	904.59	9.83
ii) 26	Contigent liabilities and commitments		
	Commitments on capital account not provided for	1313.25	3558.38
iii) 27	Dividend receivable on preference Shares	260.00	88.13
iv) 25	<b>Related party disclosure as per accounting Standard 18</b> <b>Related Parties:</b> <b>Subsidiaries:</b> Oasis Ventures Private Limited i3 Security Private Limited <b>Rayce Electronic Intelligence India Private Limited</b> <b>Associate:</b> Navia Markets Limited <b>Key Managerial Personnel:</b> Mr. E.N. Rangaswami, Whole-time Director Mr.V.Padmanabha Sarma, Chief Financial Officer Ms.S.Aarthi, Company Secretary		

The following are transactions and Closing Balances with the related parties during current year

Particulars of transaction	Year ended 31 March 2015	Year ended 31 March 2014
<b>Transaction with related parties during the year 2014-15</b>		
1. Security charges paid to M/s. i3 Security Private Limited	17.75	3.67
2. Whole-time Director's remuneration - Mr. E. N. Rangaswami	25.00	19.35
<b>Closing Balances</b>		
<b>Investment in Subsidiary:</b>		
Oasis Ventures Private Limited	76.00	76.00
i3 Security Private Limited	-	-
Rayce Electronic Intelligence India Private Limited	-	-
<b>Investment in Associate:</b>		
Navia Markets Limited	207.21	-
<b>Loans to Associates:</b>		
Armenian Investments Limited	-	994.36
Elliot Investments Limited	-	895.93
Pantheon Investments Limited	-	300.08
Ripon Investments Limited	-	61.85
Success Investments Limited	-	1208.37
Windsor Investments Limited	-	871.75
The abovesaid Investment companies ceased to be associates during the year	-	-
<b>Key Managerial Personnel:</b>		
Mr. E.N. Rangaswami, Whole-time Director	-	3.94

**Statement containing salient features of the financial statement of subsidiaries/associate companies  
Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of  
Companies (Accounts) Rules, 2014**

**Part "A:" Subsidiaries**

(₹ in Lakhs)

<b>Name of the Subsidiary</b>	<b>Oasis Ventures Private Limited</b>	<b>i3 Security Private Limited</b>
Reporting period for the subsidiary concerned,( if different from the holding company's reporting period)	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
Share capital	76.00	85.20
Reserves & surplus	10.32	53.70
Total assets	96.59	283.98
Total Liabilities( Excluding Share Capital & Reserves)	10.27	145.08
Investments	76.32	-
Turnover	118.54	827.21
Profit before taxation	14.51	48.61
Provision for taxation	4.58	12.87
Profit after taxation	10.03	35.85
Proposed Dividend	-	-
% of shareholding	100.00	70.66

**Part "B": Associates Statement**

<b>Name of the Associate</b>	<b>Navia Markets Limited</b>
Latest audited Balance Sheet Date	31 March 2015
Shares of Associate held by the company on the year end	
No.	1289410
Amount of Investment in Associates	145.06
Extent of Holding %	47.30
Description of how there is significant influence	by virtue of Shareholding
Reason why the associate is not consolidated	NA
Networth attributable to Shareholding as per latest audited Balance Sheet	575.43
Profit / Loss for the year	131.42
i. Considered in Consolidation	62.16
ii. Not Considered in Consolidation	69.26

For and on behalf of the Board

**E N Rangaswami**

Whole-time Director

**AL Chandramouli**

Director

Place : Chennai

Date : 18 May 2015

**V.Padmanabha Sarma**

Chief Financial Officer

**S.Aarthi**

Company Secretary





# MERCANTILE VENTURES LIMITED

CIN L65191TN1985PLC037309

Registered Office: 88, Mount Road, Guindy, Chennai - 600 032.

**ATTENDANCE  
SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL. ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING

Name of the attending Member(s):	Folio/DP-Client ID No. :
No. of Shares held:	

I hereby certify that I am a member / proxy appointed by the member\* of the Company and record my presence at the **14<sup>th</sup> Annual General Meeting** of the Company at **Rajah Annamalai Mandram, 5, Esplanade Road, Chennai - 600 108** on **Friday, the 25 September 2015** at **2.30 PM**.

NAME OF THE PROXY IN BLOCK LETTERS

SIGNATURE OF SHAREHOLDER/PROXY\*

\*Strikeout whichever is not applicable

**Note: No gifts or coupons would be given to the shareholders for attending the Annual General Meeting.**



# MERCANTILE VENTURES LIMITED

CIN L65191TN1985PLC037309

Registered Office: 88, Mount Road, Guindy, Chennai - 600 032.

**PROXY  
FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):  
Registered address:  
E-mail Id:  
Folio No/ Client Id:  
DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

- Name:....., Address:.....  
E-mail Id:.....,Signature:....., or failing him
- Name:....., Address:.....  
E-mail Id:.....,Signature:....., or failing him
- Name:....., Address:.....  
E-mail Id:.....,Signature:....., or failing him

as my/our proxy to attend and vote for me/us and on my/our behalf at the **14<sup>th</sup> Annual General Meeting** of the company, to be held on **Friday, the 25 September 2015** at **2.30 PM** at **Rajah Annamalai Mandram, 5, Esplanade Road, Chennai - 600 108** and at any adjournment thereof.

### SI.No.of Resolutions(as in the Notice annexed)

1	2	3	4	5	6	7
---	---	---	---	---	---	---

(Tick Mark the SI.No of Resolutions for which the proxy is appointed)

Signed this.....day of.....2015

Member's Folio/DP ID-Client ID No.....Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix  
₹ 1  
Revenue Stamp

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- In the case of a Corporation, the proxy form shall be either given under the Common Seal signed on its behalf by an Attorney or Officer of the Corporation.

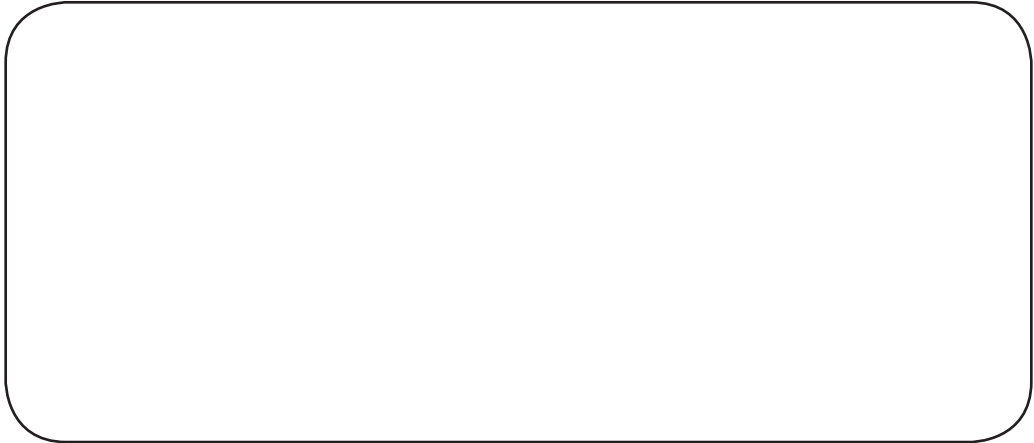
**Note: No gifts or coupons would be given to the shareholders for attending the Annual General Meeting.**



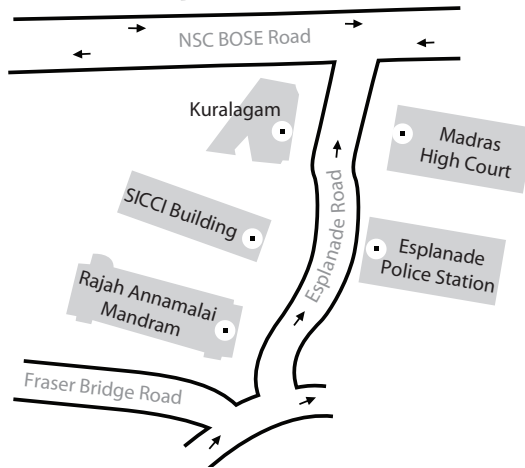


# REGISTERED BOOK POST

To:



## Route Map and Land Mark



*If undelivered, please return to:*

**MERCANTILE VENTURES LIMITED**

Registered Office: 88, Mount Road, Guindy, Chennai - 600 032