

# **Annual Report**

A decorative wavy line in white and light gray curves across the top of the page, separating the header from the main content area.

**VISISTH MERCANTILE LIMITED**

**2011 - 2012**

A decorative footer bar at the bottom of the page, composed of several rectangular segments in various shades of gray.

**Board of Directors:**

1. MR. RAHUL DILIP SHAH - CHAIRMAN
2. MR. HAREN DEVIDAS PAREKH- DIRECTOR
3. MR. RAJESH VIRENDRA SHAH- DIRECTOR
4. MR. JAYESH DESAI- DIRECTOR
5. MR. CHANDRASHEKHAR SHANTARAM KORDE -DIRECTOR

**Auditors:**

DMKH & CO.  
CHARTERED ACCOUNTANTS  
C-9, Sanjay Apartments,  
Near Gokul Hotel, SVP Road,  
Borivali (W), Mumbai –400 092

**Share Transfer Agents:**

Bigshare Services Pvt Ltd  
E-2/3, Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka,  
Andheri, East,  
Mumbai 400072  
E-mail : investor@bigshareonline.com

**CONTENTS**

**PAGE NO.**

Notice .....	3
Directors' Report .....	6
Compliance Certificate .....	8
Auditors' Report .....	12
Balance Sheet .....	15
Profit & Loss Account .....	16
Cash Flow Statement .....	17
Notes Forming Part of Financial Statements.....	18
Attendance Slip/ Proxy Form .....	28

## **NOTICE**

**NOTICE** is hereby given that the 27th Annual General Meeting of VISISTH MERCANTILE LIMITED will be held on 21st Day of September, 2012 at Courtyard Mumbai International Airport, CTS 215, Opposite Sangam BIG Cinemas, Andheri Kurla Road, Andheri (East), Mumbai - 400059 at 3.00 PM to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss account for the year ended on that date together with the Schedules thereon, the Cash Flow Statements along with the reports of the Director and Auditor thereon.
2. To re-appoint as a Director in place of Mr. Chandrashekhar Shantaram Korde who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint DMKH & Co, Chartered Accountants as Statutory Auditors of the Company for the financial year 2012-2013 and to fix their remuneration.

### **SPECIAL BUSINESS :**

#### **4. Appointment of Mr. Rahul Shah as the Director of the Company:**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Rahul Shah a Director who was appointed as Additional Director in the meeting of the Board of Directors held on 14th November, 2011 and who holds office only upto the date of Annual General Meeting and in respect of whom notices under Section 257 of The Companies Act, 1956 have been received from some members signifying their intention to propose Mr. Rahul Shah as a candidate for the office of Director of the Company be and is hereby appointed as Director of the Company."

#### **5. Appointment of Mr. Haren Parekh as the Director of the Company:**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Haren Parekh a Director who was appointed as Additional Director in the meeting of the Board of Directors held on 14th November, 2011 and who holds office only upto the date of Annual General Meeting and in respect of whom notices under Section 257 of The Companies Act, 1956 have been received from some members signifying their intention to propose Mr. Haren Parekh as a candidate for the office of Director of the Company be and is hereby appointed as Director of the Company."

#### **6. Appointment of Mr. Rajesh Shah as the Director of the Company:**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Rajesh Shah a Director who was appointed as Additional Director in the meeting of the Board of Directors held on 3rd December, 2011 and who holds office only upto the date of Annual General Meeting and in respect of whom notices under Section 257 of The Companies Act, 1956 have been received from some members signifying their intention to propose Mr. Rajesh Shah as a candidate for the office of Director of the Company be and is hereby appointed as Director of the Company."

#### **7. Appointment of Mr. Jayesh Desai as the Director of the Company:**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Jayesh Desai a Director who was appointed as Additional Director in the meeting of the Board of Directors held on 14th February, 2012 and who holds office only upto the date of Annual General Meeting and in respect of whom notices under Section 257 of The Companies Act, 1956 have been received from some members signifying their intention to propose Mr. Jayesh Desai as a candidate for the office of Director of the Company be and is hereby appointed as Director of the Company."

**By Order of the Board of Directors of  
VISISTH MERCANTILE LIMITED**

Date: 14th August, 2012  
Place : Mumbai

**Rahul Dilip Shah  
Director**

**NOTES:**

1. A Member entitled to attend and vote on a poll is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. The Register of Members and Share Transfer Books will remain closed from 17th September, 2012 to 21st September, 2012 (both the days inclusive).
2. Members are requested to address all communication regarding transfer of shares, change of address etc. directly to the Share Transfer Agent of the Company, M/s Bigshare Services Pvt Ltd at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai - 400072 and in case their shares are held in the dematerialised form, this information should be passed on to their respective Depository Participants without any delay.
3. Members desirous of availing nomination facility may send their nomination in the prescribed form. Nomination forms can be obtained from the Registrars/ Company.
4. Members desirous of obtaining any information concerning the account and operations of the Company are requested to address their queries to the Chairman, so as to reach the Registered Office of the Company at least seven days before the date of the Meeting, to enable the Company to make available the required information at the Meeting, to the extent possible.
5. On dematerialisation of shares, the nomination registered by the Company automatically stands cancelled. In the case of shares held in electronic (dematerialised) form, the Members are given an option of nomination at the time of opening a demat account. If no nomination is made at the time of opening of the demat account, they should approach their respective Depository Participant.
6. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs ("MCA"), through its Circular nos. 17/2011 and 18/2011, dated 21st April, 2011 and 29th April, 2011 respectively, has allowed Companies to send official documents through electronic mode.  
In the spirit of the above circulars and as part of the Company's Green Initiative, we henceforth propose to send documents like Notice convening the General Meetings, Financial Statements, Directors Report, etc. to the e-mail address provided by the members.  
We therefore appeal to the members to register their name in getting the documents in electronic mode by sending an e mail giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e-mail address visisthmercantile@gmail.com.
7. Members/Proxies are requested to bring the Attendance Slip sent with this Notice duly filled in for attending the meeting.
8. The relative Explanatory Statement pursuant to Sections 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
9. Members are requested to bring their copy of Annual Report to the meeting.
10. In terms of circular no.MRD/DoP/Cir-05/2010 dated 20th May, 2009 issued by Securities and Exchange Board of India (SEBI) it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its RTA for registration of transfer of shares. Shareholder are requested to furnish copy of PAN card at the time of transferring their physical shares.

**Explanatory Statement pursuant to Sections 173(2) of the Companies Act, 1956****Item No. 4**

Mr. Rahul Shah was appointed by the Board of Directors in their meeting held on 14th November, 2011. Pursuant to provisions of Section 260 of the Companies Act, 1956, he holds office only up to the date of forthcoming Annual General Meeting. Further, Company has received notice from some of the shareholders pursuant to provisions of Section 257 of the Act. Also the Company has received a sum of Rs. 500 towards the deposit along with the notice. Hence shareholders are requested to appoint Mr. Rahul Shah as a Director of the Company.

Mr. Rahul Shah is having Bachelors degree in Chemical Engineering from BYU, UT having experience of more than a decade. He is founder and CEO of DSR Management Inc., USA. DSR Management Inc. is having world

class team of technology experts with a core focus on software quality assurance, testing, Business Intelligence and Engineering Services. As the Company is planning to foray into the field of Information Technology, his experience and expertise will benefit the Company and its shareholders immensely.

Mr. Rahul Shah is deemed to be interested in the proposed resolution.

**Item No. 5**

Mr. Haren Parekh was appointed by the Board of Directors in their meeting held on 14th November, 2011. Pursuant to provisions of Section 260 of the Companies Act, 1956, he holds office only up to the date of forthcoming Annual General Meeting. Further, Company has received notice from some of the shareholders pursuant to provisions of Section 257 of the Act. Also the Company has received a sum of Rs. 500 towards the deposit along with the notice. Hence shareholders are requested to appoint Mr. Haren Parekh as a Director of the Company.

Mr. Haren Parekh is a Chartered Accountant by profession and presently working as CFO at HDB Financial Services Limited, subsidiary of HDFC Bank. He has also worked with Credit Information Bureau (India) Limited as CFO and Hindustan Oil Exploration Company as Dy. General Manager. He has overall experience of 27 years at senior position & in the corporate environment. He has vast and varied knowledge in the field of Taxation, Legal, Accounting, and Finance. His vast experience and expertise will benefit the Company and its shareholders immensely.

Mr. Haren Parekh is deemed to be interested in the proposed resolution.

**Item No. 6**

Mr. Rajesh Shah was appointed by the Board of Directors in their meeting held on 3rd December, 2011. Pursuant to provisions of Section 260 of the Companies Act, 1956, he holds office only up to the date of forthcoming Annual General Meeting. Further, Company has received notice from some of the shareholders pursuant to provisions of Section 257 of the Act. Also the Company has received a sum of Rs. 500 towards the deposit along with the notice. Hence shareholders are requested to appoint Mr. Rajesh Shah as a Director of the Company.

Mr. Rajesh Shah is a Chartered Accountant by profession and is a Senior Partner with M/s. A.J. Shah & Co., Chartered Accountants, since 1979. The said firm is established in the year 1949. He has vast and varied experience in the field of Taxation, Accounting, Finance, and Arbitration. His experience and expertise will benefit the Company and its shareholders immensely.

Mr. Rajesh Shah is deemed to be interested in the proposed resolution.

**Item No. 7**

Mr. Jayesh Desai was appointed by the Board of Directors in their meeting held on 14th February, 2012. Pursuant to provisions of Section 260 of the Companies Act, 1956, he holds office only up to the date of forthcoming Annual General Meeting. Further, Company has received notice from some of the shareholders pursuant to provisions of Section 257 of the Act. Also the Company has received a sum of Rs. 500 towards the deposit along with the notice. Hence shareholders are requested to appoint Mr. Jayesh Desai as a Director of the Company.

Mr. Jayesh Desai is having Bachelors Degree in Arts and LLB. He is enrolled with Bar since 1984 and is practicing as a Lawyer since 1984. He has vast experience of more than 28 years. His experience and expertise will benefit the Company and its shareholders immensely.

Mr. Jayesh Desai is deemed to be interested in the proposed resolution.

**By Order of the Board of Directors of  
VISISTH MERCANTILE LIMITED**

Date: 14th August, 2012

Place : Mumbai

**Rahul Dilip Shah  
Director**

## DIRECTORS' REPORT

To  
The Members,

Your Directors' are pleased to present the 27th Annual Report of your Company together with the Audited Statement of Accounts and the Auditor's Report of your Company for the financial year ended, 31st March, 2012. The summarized financial results for the year ended 31st March, 2012 are as under:

### Financial Results:

(Amount in ₹.)

Particular	For the financial year ended 31st March, 2012	For the financial year ended, 31st March, 2011
Gross Receipt/other Income	23,47,463	(41,03,947)
Profit / (Loss) before Tax & Depreciation	15,82,097	(55,55,090)
Less: Depreciation	3,82,864	5,19,948
Profit / (Loss) before Tax	11,99,233	(60,75,038)
Provision for Tax	(20,485)	51,599
Profit / (Loss) After Tax	12,19,718	(61,26,637)
Balance Carried over to Balance Sheet	12,19,718	(61,26,637)

### Dividend:

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2012.

### Directors:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. Chandrashekhar Shantaram Korde, Director of the Company who is liable to retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

During the year, Mr. Rahul Shah, Mr. Haren Parekh, Mr. Jayesh Desai and Mr. Rajesh Shah were inducted as Additional Directors of the Company under Section 260 of the Companies Act, 1956 and they hold office only upto the date of forthcoming Annual General Meeting. The Company has received notices from some of the shareholders of the Company proposing their candidature for the post of Directors. Your Directors propose their re-appointment as the Directors of the Company liable to retire by rotation.

Further, during the year, Mr. Vinay Kumar Sarawgi, Mr. Ajit Kumar Sarawgi, Ms. Rekha Rani Sarawgi, Mr. Vasantlal Savla resigned from the post of Directorship w.e.f. 3rd December, 2011. Your Directors extend their sincere gratitude for the valuable services provided by them during their tenure to the Board.

### Directors Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of the Company confirms that-

1. In preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. That the Directors have 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 as at 31st March, 2012 and of the profit or loss of the Company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

4. That the Directors had prepared the Annual Accounts for the year ended 31st March, 2012 on a going concern basis.

**Listing of shares:**

The Company's share continues to remain listed with BSE Limited, Mumbai, where the share is actively traded.

**Disclosures under Section 217(1)(d) of the Companies Act, 1956:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company which have occurred between the end of the financial year 31st March, 2012 and the date of this report.

**Transfer to Reserves in terms of Section 217 (1)(b) of the Companies Act, 1956:**

For the financial year ended 31st March, 2012, the Company did not transfer any sum to Reserves. Therefore, your Company proposes to retain the entire amount of profit in the Profit and Loss Account of the Company.

**Particulars of Employees:**

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

**Auditor:**

M/s DMKH & Co., Chartered Accountants, having their office at C-9, Sanjay Apartment, Near Gokul Hotel, SVP Road, Borivali(W), Mumbai- 400092, will retire at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

Your Directors recommend their re-appointment as Statutory Auditors of the Company.

**Auditors' Report:**

The Auditors of the Company have not qualified their report and there are no observations and suggestions made by the Auditors in their report and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

**Compliance Certificate:**

As required under provisions of Section 383A of the Companies Act, 1956, Compliance certificate dated 14th August, 2012 from M/s D.S. Momaya & Co., Company Secretaries is annexed.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

**Acknowledgements:**

Your Director's place on record their gratitude for the continuing support of Shareholders, bankers, regulatory bodies and other Business associates at all levels.

Your Directors also wish to place on record their deep sense of appreciation for the contribution and commitment displayed by the employees.

**For and on behalf of the Board  
VISISTH MERCANTILE LIMITED**

Place: Mumbai  
Date: 14th August, 2012

**Director**

**Director**

**COMPLIANCE CERTIFICATE**

(Under sub section (1) of Section 383A of the Companies Act, 1956)

Co Regd no : L51900MH1985PLC035215  
Auth Cap : Rs. 5,50,00,000/-  
Paid Up : Rs. 2,80,00,000/-

The Members,  
Visisth Mercantile Ltd.  
Unit No. 402, Center Point,  
J.B Nagar,  
Andheri (east),  
Mumbai – 400059.

We have examined the registers, records, books and papers of Visisth Mercantile Ltd as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries there in have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities prescribed under the Act and the rules made there under.
3. The Company being Public Limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly meets for Six times on 13/05/2011, 11/08/2011, 01/09/2011, 14/11/2011, 03/12/2011, 14/02/2012, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 29th September, 2011 to 30th September, 2011 (both days inclusive) for the purpose of Annual General Meeting (AGM).
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 30th September, 2011 after giving notice to the members and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and /or persons or firms or companies referred in the Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the year under review.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. The Company was not required to obtain any approvals from the Board of Directors, Members and previous approval of the Central Government pursuant to Section 314 of the Act.
12. The Company has not issued duplicate share certificates.