

NIVEDITA MERCANTILE AND FINANCING LIMITED

26TH ANNUAL REPORT

2010-2011

NIVEDITA MERCANTILE AND FINANCING LIMITED

BOARD OF DIRECTORS

Shri Pankaj Jain

Shri Manoj Agarwal

Shri Hiten Shah

Shri Asim Santara

AUDITORS

Bagaria & Co.
Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank Ltd.

R & T AGENT

M/s Adroit Corporate Services Private Limited

1st Floor, 19/20, Jaferbhoy Industrial Estate

Makwana Road, Marol Naka

Mumbai- 400 059

REGISTERED OFFICE

5th Floor, Sunteck Centre, 37-40, Subhash Road,

Vile Parle (East), Mumbai-400057.

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of Nivedita Mercantile & Financing Limited will be held on 28th day of September 2011 at 4.00 p.m. at MIG Club, M.I.G Colony, Bandra (East), Mumbai 400051 to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit and Loss account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To re-appoint M/s Bagaria & Co., Chartered Accountants, as the Statutory Auditors of the Company and to fix their remuneration.
3. To appoint a Director in place of Mr. Pankaj Jain who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Hiten Shah

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

“RESOLVED THAT Mr. Hiten Shah, who is appointed as an Additional Directors of the Company with effect from 4th February 2011 and holds office up to the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 (“the Act”) and is eligible for appointment, and in respect of whom the Company has received a Notice in writing from a member under the provisions of Section 257 of the Act, proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Directors of the Company liable to retire by rotation.”

5. Appointment of Mr. Manoj Agarwal

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

“RESOLVED THAT Mr. Manoj Agarwal , who is appointed as an Additional Directors of the Company with effect from 4th February 2011 and holds office up to the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 (“the Act”) and is eligible for appointment, and in respect of whom the Company has received a Notice in writing from a member under the provisions of Section 257 of the Act, proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Directors of the Company liable to retire by rotation.”

6. Appointment of Mr. Asim Santara

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

“RESOLVED THAT Mr. Asim Santara, who is appointed as an Additional Directors of the Company with effect from 28th May 2011 and holds office up to the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956(“the Act”) and is eligible for appointment, and in respect of whom the Company has received a Notice in writing from a member under the provisions of Section 257 of the Act, proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Directors of the Company liable to retire by rotation.”

Registered Office:

5th Floor, Sunteck Centre, 37-40
Subhash Road, Vile Parle (East),
Mumbai – 400057

By Order of the Board of Directors

Sd/-

Place: Mumbai

Director

Date: 12th August, 2011

Notes:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

Register of members and share transfer books will be closed from 26th September. 2011 to 28th September 2011 (both days inclusive).

Members are requested to

(a) Notify immediately any change in their addresses to the Registrars, Adroit Corporate Services Private Limited,

(b) Quote your folio number in all correspondences with the Company.

Explanatory Statement Pursuant to section 173 of the companies Act, 1956, in respect of Special business set out in Notice.

Item No. 4& 5

The Board of Directors of the Company had appointed Mr. Hiten Shah and Mr. Manoj Agarwal as an additional Directors, u/s 260 of the Companies Act, 1956 (the Act), on 4th February, 2011, to hold office till the ensuing Annual General Meeting. The Company has received a notice u/s 257 of the Act from a member proposing Mr. Hiten Shah and Mr. Manoj Agarwal to be appointed as a Director of the Company. Mr. Hiten Shah is a Practising Chartered Accountant having experience of 23 years in the field of Audit and Finance. He is partner in S. S Jhunjhunwala & Co., Chartered Accountants. Mr. Manoj Agarwal is a Chartered Accountant and a Company Secretary, having a enriched experience in Accounts and Finance.

None of the Directors, except Mr. Hiten Shah and Mr. Manoj Agarwal are interested in the resolutions in item No. 4 and 5 respectively except to their appointment.

Your Directors recommend the Ordinary Resolution in item No. 4 and 5 for your approval.

Item No. 6

The Board of Directors of the Company had appointed Mr. Asim Santara as an additional Directors, u/s 260 of the Companies Act, 1956 (the Act), on 28th May, 2011, to hold office till the ensuing Annual General Meeting. The Company has received a notice u/s 257 of the Act from a member proposing Mr. Asim Santara to be appointed as a Director of the Company. Mr. Asim Santara is a Practicing Chartered Accountant having experience of 21 years in the field of Taxation and Finance.

None of the Directors, except Mr. Asim Santara is interested in the resolutions in item No. 5 except to their appointment.

Your Directors recommend the Ordinary Resolution in item No. 5 for your approval.

Registered Office:

5th Floor, Sunteck Centre,
Subhash Road, Vile Parle (East)
Mumbai- 400057.

By Order of the Board of Directors

Place: Mumbai

Sd/-

Date: 12th August 2011

Director

**BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT
AT THE ENSUING ANNUAL GENERAL MEETING**

(As required under Clause 49IV (G) of the Listing Agreement entered into with the Stock Exchanges):-

Particulars	Mr. Pankaj Jain	Mr. Manoj Agarwal	Mr. Hiten Shah	Mr. Asim Santara
Age	42 Years	36 Years	47 Years	48 Years
Date of Appointment	04/09/2010	04/02/2011	04/02/2011	28/05/2011
Qualification	Engineer in Electronics	Chartered Accountant, Company Secretary	Practicing Chartered Accountant	Practicing Chartered Accountant
Expertise in Specific Financial Area	Expertise in Finance and Investment	Accounts and Finance	Accounts and Finance	Accounts and Finance
Directorship in other Companies	1) Satguru Derivatives & Commodities Pvt. Ltd 2) Satguru Capital and Finance Pvt Ltd	Bygging India Limited	Sunteck Wealthmax Investments Ltd	NIL
Chairman/ Member of the Audit Committee as on March 31, 2011	NIL	NIL	Member of Audit Committee- Sunteck Wealthmax Investments Limited	NIL
Chairman/ Member of the Shareholders/Investors/ Grievance Committee as on March 31, 2011			Chairman of Shareholders/Investors/ Grievance Committee – Sunteck Wealthmax Investments Limited	
Shareholding in Nivedita Mercantile and Financing Limited	NIL	NIL	NIL	NIL

NIVEDITA MERCANTILE & FINANCING LIMITED

DIRECTORS' REPORT

Your Directors submit the 26th Annual Report of the Company together with the Audited Statement of Accounts for the year ended on 31st March 2011.

FINANCIAL RESULTS (Rupees in Lacs)

Particulars	For the Year ended on 31.03.2011	For the Year ended on 31.03.2010
Total Income	926.55	11.60
Expenditure	853.09	4.43
Profit before Interest and Depreciation	73.47	7.56
Less: Depreciation	00	00
Profit before Interest	73.46	7.55
Less: Interest	00	00
Profit before Tax	73.46	7.55
Less: Provision for Current Taxation	22.74	2.33
Deferred Taxation	00	00
Profit after Taxation	52.25	5.61

PERFORMANCE

During the year under review the Company has earned Total Income of Rs. 926.55 Lacs and earned Net Profit of Rs. 52.25 Lacs compared to total income of Rs. 11.60 Lacs and Net Profit of Rs. 5.61 Lacs in the previous year. As it is evident from the data the Directors are pleased to inform the members that the performance of the Company has improved manifold and the Board is confident of better performance for the forthcoming year.

DIVIDEND

In order to augment the resources of the Company, the Directors do not recommend any dividend for the Financial Year ended on 31st March, 2011.

FIXED DEPOSITS

During the year under review, the Company has neither invited not accepted any fixed deposits from the public under Section 58A of the Companies Act, 1956.

DIRECTORS

During the year under review, Mr. Hiten Shah and Mr. Manoj Agarwal were appointed as Additional Directors pursuant to Section 260 of the Companies Act 1956 (the Act). These Directors hold office upto the date of the forthcoming Annual General Meeting of the Company and offers themselves for appointment as Director at the ensuing Annual General Meeting.

Mr. Kamal Khetan, Director has resigned during the year. The Board places on record its appreciation for the valuable guidance and contribution to the Board made by him during his tenure as Directors of the Company.

Mr. Pankaj Jain, Director is retiring by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

AUDITORS

M/s Bagaria & Co, Chartered Accountants, Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limit under section 224(1B) of the Companies Act, 1956 and they are not disqualified for such re-appointment within the meaning of section 226 of the said Act.

ALLOTMENTS

The Company in compliance with SEBI (ICDR) Regulation 2009 had allotted 7,55,000 Equity Shares on preferential basis to promoter group and others at a premium of Rs.54 per Share.

The Board of Directors has also allotted 15,00,000 Equity Shares and 10,00,000 Convertible Warrants to Promoters and others at a Premium of Rs.54 per Share during the year.

POSTAL BALLOT

During the year the Company has passed resolutions through Postal Ballot of which the result was declared on 18th January 2011.

SECRETARIAL COMPLIANCE REPORT

Compliance Certificate pursuant to section 383A (1) of the Companies Act, 1956 is attached.

STATUTORY DISCLOSURES

A. Particulars of the employees of the Company pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, is not given as none of the employees come under the purview of these provisions.

B. Particulars required to be furnished by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998:

(i) Part A and Part B relating to Conservation of Energy and Technology Absorption are not applicable to the Company as your Company is not a manufacturing Company.

(ii) Foreign Exchange Earning and Outgo:- The Company has neither spent nor earned any foreign exchange during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The accounting policies have been consistently applied and reasonable and prudent judgement and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and the Profit and Loss Account of the Company for the period.
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation and gratitude for the co-operation and assistance from its shareholders, bankers, regulatory bodies and other business constituents.

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

By Order of the Board of Directors

Place: Mumbai
Dated: 28th May 2011

Sd/-
Chairman