

NIVEDITA MERCANTILE AND FINANCING LIMITED

BOARD OF DIRECTORS

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 OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Nivedita Mercantile & Financing Limited will be held on Tuesday 18th September 2012 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 2012 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. Manoj Agarwal who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND ALTERATION OF CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION:

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

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from Rs. 3,50,00,000 (Rupees Three Crores Fifty only) divided into 35,00,000 (Thirty Five Lacs only) Equity Shares of Rs. 10/- (Rupees Ten only) to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lacs only) equity shares of Rs. 10/- (Rupees Ten) each

"RESOLVED FURTHER THAT pursuant to the provisions of section 16 and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof for the time being in force), the existing **Clause V** of the Memorandum of Association of the Company be and is hereby substituted by the following:

V. The Authorized Share Capital of the Company is **15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lacs only) Equity Shares of Rs. 10/- (Rupees Ten only)** each with the rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE MEETING PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956:

Item No. 4

In view of the increased business activities and with the view of meeting the long term working capital needs of the Company, the Board proposes to increase the Capital of the Company by further issue of shares. Simultaneously the Authorised Capital of the Company needs to be increased. The Board of Directors at their meeting held on 30th May 2012 subject to the approval of the shareholders, and receipt of such other statutory/regulatory approvals, as may be required, has accordingly proposed to increase the authorized share capital of the Company. Pursuant to such increase the existing Capital Clause no. V of the Memorandum of Association of the company needs to be altered.

The Proposed resolution under this item No. 1 seeks to obtain Members' approval to alter Capital Clause as mentioned above in the Memorandum of Association of the Company. Pursuant to section 16 & 94 of the Companies Act, 1956 if the Memorandum is to be altered, an Ordinary Resolution is required to be passed by the Members of the Company.

Your Board of Directors recommends the Ordinary Resolution for your approval as set out under item No. 1 of the Notice.

None of your Directors are interested in the above resolutions except to the extent of their shareholding in the Company.

Registered Office:

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

By Order of the Board of

Directors

Place: Mumbai

Sd/-

Date: 30th May 2012

Director

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.

1. Register of members and share transfer books will be closed from 14th September, 2012 to 18th September 2012 (both days inclusive).

2. 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.

BRIEF PROFILE OF DIRECTORS SEEKING APPPOINTMENT /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. Manoj Agarwal
Age	36 Years
Date of Appointment	04/02/2011
Qualification	Chartered Accountant, Company Secretary
Expertise in Specific Financial Area	Accounts and Finance
Directorship in other Companies	Bygging India Limited
Chairman/ Member of the Audit Committee as on March 31, 2012	NIL
Chairman/ Member of the Shareholders/Investors/ Grievance Committee as on March 31, 2012	N/A
Shareholding in Nivedita Mercantile and Financing Limited	NIL

NIVEDITA MERCANTILE & FINANCING LIMITED

DIRECTORS' REPORT

Your Directors submit the 27th Annual Report of the Company together with the Audited Statement of Accounts for the year ended on 31st March 2012.

FINANCIAL RESULTS

Particulars	(Rupees In Lacs)	
	For the Year ended on 31.03.2012	For the Year ended on 31.03.2011
Total Income	1551.17	926.55
Expenditure	1385.75	853.09
Profit before Tax	165.42	73.46
Less: Provision for Tax	53.48	21.21
Profit after Taxation	111.93	52.25

PERFORMANCE

During the year under review the Company has earned Total Income of Rs. **1551.17 Lacs** and earned Net Profit of Rs. **111.93 Lacs** compared to total income of Rs. **926.55 Lacs** and Net Profit of Rs. **52.25 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, 2012.

FIXED DEPOSITS

During the year under review, the Company has neither invited nor 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 and Mr. Asim Santara were regularised at the 26th Annual General Meeting held on 28th September 2011.

Mr. Pankaj Jain, Director has resigned during the year at the Board Meeting held on 14th November 2012, the Board places on record its sincere appreciation for the contribution made by Mr. Pankaj Jain.

Mr. Manoj Agarwal being the longest in the office of the Directors is liable to retire by rotation.

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

During the current year Company had allotted 4,00,000 Equity Shares to Promoters and Promoter groups at the meeting held on 13th February, 2012 pursuant to conversion of 4,00,000 Warrants issued on the Preferential basis.

CONSTITUTION OF ALCO COMMITTEE

In accordance with Reserve Bank of India Guidelines an Asset Liability Management (ALM) Committee of the Board comprising Mr. Manoj Agarwal, Mr. Asim Santara and Mr. Darshan Gangolli has been constituted for the implementation of the ALM System and to review its functions periodically. The Committee also reviews the Risk Management Policy of the Company from time to time.

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, 2012 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

Mumbai: 30.05.2012

Sd/-
Chairman

Veeraraghavan.N
Practicing Company Secretary
B.Sc. LL.B. A.C.S.

B-7 & 8, Ground Floor
Satyam Commercial Complex
M.G Road, Ghatkopar (East)
Mumbai 400077
Ph: 25017805 Mob: 9821528844
Email : nvr54@ymail.com

COMPLIANCE CERTIFICATE

To
The Members of
Nivedita Mercantile and Financing Limited

I have examined the registers, records, books and papers of **Nivedita Mercantile and Financing Limited** as required 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 my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company and its officers and agents, I certify that in respect of the aforesaid financial year:

- 1 The Company has kept and maintained the registers as stated in **Annexure - A** to this Certificate, as per the provisions and the rules made there under and entries therein have been duly recorded.
- 2 The Company has filed the forms and returns as stated in **Annexure - B** to this Certificate, with the Registrar of companies.
- 3 The Company being a public limited company, comments are not required.
- 4 The Board of Directors duly met Four times [28th May, 2011, 12th August, 2011, 14th November, 2011 and 13th February, 2012] and in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose.
- 5 The Company has closed its Register of Members and Share Transfer Books on 26th September 2011 to 28th September 2011.
- 6 The Annual General Meeting for the Financial year ended 31st March 2011 was held on 28th September 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes book maintained for this purpose.
- 7 The Company has not convened any Extra Ordinary General Meeting.
- 8 The Company has complied with the provisions of Section 295 of the Act.
- 9 The Company has complied with the provision of Section 297 of the Act.
- 10 The Company has made entries in the Register maintained under Section 301 of the Act,

wherever required.

- 11 As there were no instances falling within the purview of Section 314 of the Act, the Company is not required to obtain any approvals from the Board of Directors, Members or Central Government, as the case may be.
- 12 The Company has not issued any duplicate certificates during the financial year.
- 13
 - i) The Company has not allotted any Shares and there were no transfers of Shares. However 4,00,000 warrants were converted into 4,00,000 equity shares on 13.02.2012
 - ii) As the Company did not declare any dividend, the need to deposit any amount of dividend in a separate bank account did not arise.
 - iii) The Company was not required to post warrants to any members of the Company as no dividend was declared.
 - iv) There were no instances where the Company had to transfer any amounts to Investor Education and Protection Fund.
 - v) The Company has duly complied with the requirements of Section 217 of the Act.
- 14 The Board of Directors of the Company is duly constituted. Mr. Kamalkishore Vyas and Mr. Pankaj Jain have resigned from the Board during the Financial Year.
- 15 The Company has not appointed any Managing Director / whole time director / Manager during the period under Report.
- 16 The Company has not appointed any sole selling agent.
- 17 The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such other authorities as prescribed under the various provisions of the Act.
- 18 The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules there under.
- 19 The Company has not issued any Bonus shares.
- 20 The Company has not bought back any shares.
- 21 There was no redemption of preference shares or debentures.
- 22 There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights share and bonus shares pending registration of transfer of shares.
- 23 The Company has not accepted deposits including unsecured loans falling within the purview of Section 58A of the Act.