

VARUN MERCANTILE LIMITED
25TH ANNUAL REPORT AND ACCOUNTS
31ST MARCH, 2010

CERTIFIED TRUE COPY
For VARUN MERCANTILE LIMITED


Director/Authorised Signatory

VARUN MERCANTILE LIMITED

Regd. Office: 506, Chiranjiv Towers, 43, Nehru Place, New Delhi 110 019

Corporate Office: 84-A, Mittal Court, 8th Floor, 224, Nariman Point, Mumbai 400 021. Tel.: 22022364/65, Fax: 22871046

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF VARUN MERCANTILE LIMITED WILL BE HELD ON WEDNESDAY, THE 29TH DAY OF SEPTEMBER, 2010 AT 10.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 506, CHIRANJIV TOWERS, 43, NEHRU PLACE, NEW DELHI - 110 019 TO TRANSACT THE FOLLOWING ORDINARY BUSINESSES :

1. To consider and adopt the audited Balance Sheet as at 31st March, 2010, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors attached therewith.
2. To appoint a Director in place of Shri K. Varadarajan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and fix their remuneration.

Notes:

1. 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.
2. The Register of Members and Transfer Books of the Company will be closed from 22nd September, 2010 to 29th September, 2010 (both days inclusive).

By Order of the Board of Directors



K.VARADARAJAN
DIRECTOR

PLACE: MUMBAI

DATED: 2nd September, 2010

Registered Office:
506, Chiranjiv Towers,
43, Nehru Place,
New Delhi - 110 019

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Twenty Fifth Annual Report and the Audited Annual Accounts for the financial year ended 31st March, 2010.

WORKING:

During the year under report, your Company earned income of Rs. 7.47 lakhs. After incurring necessary expenses, the Company earned a net profit of Rs. 4.15 lakhs. Your Directors continue their efforts to improve the working of the Company.

DIVIDEND:

Your directors do not recommend any dividend for the year under report.

DIRECTOR:

Shri K. Varadarajan, retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors of your Company confirm:

- (i) that in the preparation of the accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that your Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 of the Company for the year under review;
- (iii) that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that your Directors have prepared the accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

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DEPOSITS:

The Company has not accepted any Public Deposits, during the year under review.

CERTIFICATE UNDER COMPANIES (COMPLIANCE CERTIFICATE) RULES, 2001:

Pursuant to the requirement under Section 383A of the Companies Act, 1956, the Company has obtained a Compliance Certificate from a Company Secretary in whole-time practice. Copy of the said certificate is attached to this report.

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

Particulars required to be furnished in this report under Section 217(1)(e) of the Companies Act, 1956, relating to conservation of energy and technology absorption are 'nil' in your Company

There are no foreign Exchange earnings and outgo, during the year under review.

PERSONNEL:

The Company has not paid any remuneration attracting the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence, no information is required to be appended to this report in this regard.

AUDITORS:

The Auditors, M/s A. T. Jain & Company, Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224 (1) of the Companies Act, 1956.

For and on behalf of the Board of Directors



K. VARADARAJAN
DIRECTOR



K. V. VED
DIRECTOR

PLACE: MUMBAI

DATED: 2nd September, 2010

Pratik M Shah

COMPANY SECRETARY

☎ : 9820055798

B-202, Shree Rajlaxmi Building NO.8,
Padma Nagar, Chikwadi,
Borivali - (W),
M U M B A I - 4 0 0 0 9 2.

COMPLIANCE CERTIFICATE

CIN No. : L51909DL1985PLC020108
Nominal Capital : Rs. 3,00,00,000/-

To,
The Members,
Varun Mercantile Limited

I have examined the registers, records, books and papers of **Varun Mercantile Limited** ("the Company") as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, New Delhi, during the financial year ending 31st March, 2010, within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited company, during the year under scrutiny, has the requisite paid-up capital.
4. The Board of Directors duly met 12 times on 15/04/2009, 30/04/2009, 19/06/2009, 31/07/2009, 07/08/2009, 02/09/2009, 09/10/2009, 30/10/2009, 21/11/2009, 30/01/2010, 18/02/2010 and 31/03/2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. There were no circular resolutions passed during the financial year ended on 31st March, 2010.
5. The Company closed its Register of Members from 22/09/2009 to 29/09/2009 (both days inclusive) and complied with the provisions of Section 154 of the Act.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was duly held on 29th September, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.



Pratik M Shah

COMPANY SECRETARY

☎ : 9820055798

B-202, Shree Rajlaxmi Building NO.8,
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7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced loans to its directors and/or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the Financial Year.
13. The Company has
 - (i) not issued any shares or securities during the financial year. There was no transfer/transmission of securities or allotment of other securities during the Financial Year.
 - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the Financial Year;
 - (iii) not posted any warrants for dividends to any member of the Company as no dividend was declared during the Financial Year;
 - (iv) no amounts in unpaid dividend account, no application money due for refund, no matured deposits, no matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to be transferred to Investor Education and Protection Fund, during the Financial Year;
 - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Directors, Additional Directors, Alternate Directors and Directors to fill casual vacancy, during the Financial Year.
15. The Company has not made any appointment of Managing Director / Whole-time Director / Manager during the Financial Year.
16. The Company has not appointed any sole-selling agents during the Financial Year.



Pratik M Shah

COMPANY SECRETARY

☎ : 9820055798

B-202, Shree Rajlaxmi Building NO.8,
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17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities prescribed under the various provisions of the Act during the Financial Year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares/debentures/other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. The Company has no Redeemable Preference Shares/debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial Year.
24. The Company has not borrowed any money from directors, members, public, financial institutions, banks or others during the financial year under certification.
25. The Company has complied with the provisions of Section 372A of the Act.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the Financial Year, for offences under the Act.

