

Nivedita

Mercantile & Financing Limited

25th ANNUAL REPORT

2009-2010

BOARD OF DIRECTORS

Shri Kamal Khetan

Shri Kamalkishor Vyas

Shri Pankaj Jain

AUDITORS

Bagaria & Co.

Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank Ltd.

Axis Bank Ltd.

R & T AGENT

M/s Adroit Corporate Services Private Limited

1st Floor, 19/20, Jafferbhoy 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 25th Annual General Meeting of the Members of Nivedita Mercantile & Financing Limited will be held at 5th Floor , Sunteck Centre , 37-40 Subhash Road, Vile-Parle (East), Mumbai 400057 on Saturday 4th day, of September, 2010 at 5.00 p.m. to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 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.

SPECIAL BUSINESS:

3. Appointment of Mr. Kamal Khetan

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

“RESOLVED THAT Mr. Kamal Khetan, who is appointed as an Additional Directors of the Company with effect from December 28, 2009 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.”

4. Appointment of Mr. Kamal Kishor Vyas

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

“RESOLVED THAT Mr. Kamalkishor Vyas, who is appointed as an Additional Directors of the Company with effect from December 28, 2009 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. Pankaj Jain

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

“RESOLVED THAT Mr. Pankaj Jain, who is appointed as an Additional Directors of the Company with effect from December 28, 2009 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. Authority to Board for Borrowings

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

“RESOLVED THAT the consent of the Company be and is hereby accorded pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 and other applicable provisions if any, to the Board of Directors of the Company to borrow all such sums of money including money raised by issue of debentures as they may deem necessary for the purpose of business of the Company, from time to time with or without security and upon such terms and condition as they may think fit, provided that the total borrowing apart from the temporary loans taken from the Company’s Bankers or any other Banks, Financial Institutions or any Lending Institutions shall not exceed a sum of Rs. 2000 Crores (Rupees Two Thousand Crores Only) outstanding at any one time excluding interest thereon.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and are hereby authorised to finalise, settle and execute such documents/ deeds/writings/papers/ agreements and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable in this regard.

7. To Keep Register of Members, Index of Members at a place other than Registered Office of the Company: To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to section 163 and all other applicable provisions, if any, of the Companies Act, 1956 of the Companies Act, 1956, the Company hereby approves that the register of members, indices, returns and copies of certificates and documents, instead of being kept at the Registered Office of the Company, be kept at the Company’s Registrar’s and Transfer Agents office at Adroit Corporate Services Private Limited, 19/20, Jafferboy Industrial Estate, 1st Floor, Makwana Road, Marol, Andheri (East), Mumbai-400059”

Registered Office:

5th Floor, Sunteck Centre,
37-40, Subhash Road, Vile Parle (E),
Mumbai - 400 057.

By Order of the Board of Directors of

Kamalkishor Vyas
Director

Place: Mumbai
Date: 9th August, 2010

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 Wednesday, 1st September 2010 to Saturday, 4th September 2010 (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 correspondence 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. 3, 4 & 5

The Board of Directors of the Company had appointed Mr. Kamal Khetan, Mr. Kamal Kishor Vyas and Mr. Pankaj Jain as additional Directors, u/s 260 of the Companies Act, 1956 (the Act), on 28th December, 2009, 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. Kamal Khetan, Mr. Kamal Kishor Vyas and Mr. Pankaj Jain to be appointed as a Director of the Company.

Mr. Kamal Khetan is the Founder & Managing Director of "Sunteck Group", whose achievements in the field of Property and Capital market business has been illustrious enough to inspire others. His idea and practice(s) of only the best in human relations symbolize the Group Philosophy 'Promise to deliver the best'.

Mr. Kamal Khetan (Director), after completing his B.E. (Electronics and Communications) from MIT-Manipal in 1990, joined in his family business and gained experience in various fields like capital market, finance, service industry, construction, etc.

In 1994, he entered in the business of Securities and Shares by taking the membership of National Stock Exchange of India Ltd. (NSE) and after making it a big success, also acquired the membership of the Stock Exchange Mumbai (BSE). In 2005, he entered in the Commodity Market by acquiring the memberships of National Commodity & Derivatives Exchange Limited (NCDEX).

To give value addition to his Real Estate business, he started world class corporate centers at Bandra Kurla Complex in Mumbai, which are considered one of the best business centers with top multinationals (Fortune 500 Companies) as its clients.

Mr. Kamalkishor Vyas is a Chartered Accountant. He has 12 years of experience in Securities Market and Capital Market. He was appointed as director of Satguru Capital and Finance Private Limited on 7th January, 2008. He has implemented modern methods, technical policies in the company such as launching online trading facility, purchasing of new software and many more. The company has achieved very good growth after joining directorship of the company by Mr. Kamalkishor Vyas.

Pankaj Jain is an Engineer in Electronics. He has 15 years of experience in Securities Market and Capital Market. He was appointed as director of the Satguru Capital and Finance Private Limited on 30th May, 2005. He is managing its Delhi branch.

None of Your Directors are interested in the said resolutions except to the extent of their individual appointment.

Item No. 6

As per the provisions of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting, borrow monies in excess of the aggregate of the paid-up capital of the Company and its free reserves. The increasing business operations and future growth plans of the Company would necessitate need for raising of funds. These funds may be raised by borrowing which in turn needs authorization to Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs.2000 Crores.

Hence it is necessary to obtain approval for the same from the Shareholders

Your Directors recommend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No. 7

Under the provisions of the Companies Act, 1956, (the "Act") certain documents such as the Register and Index of Members, Register and Index of Debenture holders, other related books and papers etc., are required to be kept at the Registered Office of the Company. However, these documents can be kept at any other place within the city, town or village in which the Registered Office of the Company is situated, with the approval of the Members by a Special Resolution.

The Company has appointed Adroit Corporate Services Private Limited, Mumbai as its Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares held in Demat mode and also acting as the Share Transfer Agent for the shares held in physical segment. Hence, the approval of the Members is sought in terms of Section 163(1) of the Act, for keeping the aforementioned Registers and documents at the premises of the RTA as stated in the resolution. The Board of Directors recommends the resolution as set out in the Notice for your approval.

None of the Directors of your Company is, in any way, concerned or interested in the said resolution.

Registered Office:

5th Floor, Sunteck Centre,
37-40, Subhash Road, Vile Parle (E),
Mumbai - 400 057.

By Order of the Board of Directors of

Kamalkishor Vyas
Director

Place: Mumbai
Date: 9th August, 2010

DIRECTORS' REPORT

The Directors submit the Annual Report of the Company together with the Audited Statement of Accounts for the year ended on 31st March 2010.

FINANCIAL RESULTS:

(In Rs.)

Particulars	For the Year ended on 31.03.2010	For the Year ended on 31.03.2009
Total Income	1,197,464	1,817,335
Expenditure	442,637	249,984
Profit before Interest and Depreciation	754,827	1,567,351
Less: Depreciation	000	000
Profit before Interest	754,827	1,567,351
Less: Interest	000	000
Profit before Tax	754,827	1,567,351
Less: Provision for Current Taxation	193,741	521,780
Deferred Taxation	000	000
Profit after Taxation	561,086	1,045,571

PERFORMANCE

During the year under review the Company has earned Total Income of Rs 1,197,464 and earned Net Profit of Rs.561,086 compared to total income of Rs1,817,335 and Net Profit of Rs. 1,045,571 in the previous year. Barring unforeseen circumstances, the Board is confident of better performance for the current 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, 2010.

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.

TAKEOVER OF THE COMPANY

During the year the Company was taken over by Eskay Infrastructure Development Private Limited by purchase of Equity Shares, after complying with the relevant rules and regulations of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, in this regard.

DIRECTORS

During the year under review, Mr. Kamal Khetan, Mr. Kamalkishore Vyas and Mr. Pankaj Jain, 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. Lav Bajaj and Ms. Monal Malji, Directors had resigned during the year. The Board places on record its appreciation of the valuable guidance and contribution to the Board made by them during their tenure as Directors of the Company.

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 M/s Bagaria & Co, Chartered Accountants, 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.

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.

PREFERENTIAL ALLOTMENT

During the current year the Company had allotted 7, 55,000 Equity Shares on preferential basis, to promoter groups and others, pursuant to the approval given by the shareholders in the Extra Ordinary General Meeting held on 25.03.2010.

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, 2010 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 during the year under review.

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

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Kamal Khetan
Chairman

Place: Mumbai

Date: 29th May, 2010

AUDITOR'S REPORT

To The Members of Nivedita Mercantile & Financing Limited

- 1) We have audited the attached Balance Sheet of Nivedita Mercantile & Financing Limited as at March 31, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of books of accounts and other records as we considered appropriate and as per the information and explanation provided to us by the Company Management, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in Annexure referred to in paragraph 3 above, we report as under:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit;
 - b. In our opinion proper books of account as required by law, have been kept by the Company, so far as it appears from our examination of these books;
 - c. The balance sheet and the profit and loss account dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 and Accounting Standards Rules, 2006;
 - e. On the basis of written representation received from the directors of the Company as at March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as at March 31, 2010 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the Significant Accounting Policies and Notes to Accounts, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

NIVEDITA MERCANTILE AND FINANCING LIMITED

- I. In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
- II. In case of Profit and Loss Account, of the profit for the year ended on that date ; and
- III. In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Bagaria & Co.
Chartered Accountants
(Firm Registration No. 113447W)

N.T. Ranka
Partner
Membership No. 120454

Place: Mumbai

Date: 29th May 2010

ANNEXURE TO THE AUDITOR'S REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NIVEDITA MERCANTILE & FINANCING LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2010

- i. There are no fixed assets and therefore clause 4(i) of the order is not applicable.
- ii. There is no inventory and therefore clause 4(ii) of the order is not applicable.
- iii. The Company has not granted/taken any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore clause 4(iii) of the order is not applicable.
- iv. There are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the providing services. During the course of our audit, no major weakness has been noticed in the internal control system.
- v. In our opinion particulars of all contracts or arrangement referred to in Section 301 of the Companies Act, 1956 that are required to be entered in the register maintained under Section 301 the Companies Act, 1956, were so entered.
- vi. There are no public deposit accepted by the Company within the meaning of Section 58A and 58AA of the Companies Act, 1956 and therefore clause 4(vi) of the order is not applicable.
- vii. In our opinion, the Company has an internal audit system commensurate with size and nature of its business.
- viii. The Company does not belongs to list of Companies as prescribed under Section 209(1)(d) of the Companies Act, 1956 and therefore clause 4(viii) of the order is not applicable.
- ix. a. The Company has been regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, value added tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, as applicable to it, with the appropriate authorities.

The Company has no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, income tax, value added tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, as applicable to it, as at March 31, 2010 for the period of more than six months from the date they become payable.
- b. The Company has no disputed amount payable in respect of income tax, value added tax, wealth tax, service tax, custom duty, excise duty cess and other statutory dues, as applicable to it, which have not been deposited on account of any dispute.
- x. The Company has no accumulated losses as at March 31, 2010 and it has not incurred any cash losses during the financial year or immediately preceding financial year.
- xi. The Company has not borrowed any fund from financial institutions, banks or debenture holders and therefore clause 4(xi) of the order is not applicable.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore clause 4(xii) of the order is not applicable.

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- xiii. The Company is not a chit fund or a nidhi / mutual benefit fund/ society and therefore clause 4(xiii) of the order is not applicable.
- xiv. The Company has maintained proper records of the transactions and contracts of the investments dealt in by the Company and timely entries have been made therein. The investments made by the Company are held in its own name.
- xv. The Company has not given any guarantee for loans taken by others from banks or financial institutions and therefore clause 4(xv) of the order is not applicable.
- xvi. The Company not obtained any term loans and therefore clause 4(xvi) of the order is not applicable.
- xvii. The Company has not raised any fund on short-term basis and therefore clause 4(xvii) of the order is not applicable.
- xviii. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 and therefore clause 4(xviii) of the order is not applicable.
- xix. The Company has not issued any debentures and therefore clause 4(xix) of the order is not applicable.
- xx. The Company has not raised any money by way of public issue and therefore clause 4(xx) of the order is not applicable.
- xxi. During the year no fraud on or by the Company has been noticed or reported and therefore clause 4(xxi) of the order is not applicable.

For Bagaria & Co.

Chartered Accountants
(Firm Registration No. 113447W)

N.T. Ranka

Partner
Membership No. 120454

Place: Mumbai

Date: 29th May 2010

COMPLIANCE CERTIFICATE

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@rediffmail.com

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, 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 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 Nine times on 15th April, 2009, 30th April, 2009, 31st July, 2009, 4th September, 2009, 30th October, 2009, 28th December, 2009, 30th January, 2010, 16th February, 2010, 20th February, 2010 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 30th September 2009 .
- 6 The Annual General Meeting for the Financial year ended 31st March 2009 was held on 30th September 2009 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 convened an Extra Ordinary General Meeting on 25th March, 2010.
- 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 transfer of Shares.
 - 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. Kamal Khetan, Mr. Kamal Kishor Vyas and Mr. Pankaj Jain were appointed as directors on the Board and Mr. Lav Bajaj and Mr. Monal Malji 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.
- 24 The Company has complied with, the provisions of Section 293(1) (d) of the Act.
- 25 The Company has complied with, the provisions of Section 372 A 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.
- 27 The Company has not altered the provisions of the Memorandum with respect to Objects of the Company.
- 28 The Company has not altered the provisions of the Memorandum with respect to the name of the Company.
- 29 The Company has not altered the provisions of the Memorandum with respect to share capital.
- 30 The Company has not altered the provisions of the Articles of association.
- 31 As explained to me by the Company and its officers, there was no prosecution initiated or show cause notices received by the Company for the offences under the Act.

- 32 The Company has not received any money as security deposit from its employees.
 33 The Provisions of Employees' Provident Fund Act are not applicable to the Company.

Veeraraghvan N.

C.P.No . 4334

Date: 29/05/2010

Place: Mumbai

ANNEXURE – A

Registers maintained by the Company:

- a) Register of Members u/s 150
- b) Minutes book u/s 193
- c) Register of Particulars of Contracts in which directors are interested u/s 301
- d) Register of Directors, Managing Directors, Manager and Secretary u/s 303
- e) Register of Directors Shareholding u/s 307
- f) Register of Transfer
- g) Register of Charges

ANNEXURE – B

Forms and returns filed by the Company with the Registrar of companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2010

Document Type	Date of Filing	Whether filed on prescribed time	If Delayed whether Requisite Additional fee paid
Form23 AC(FY 07-08)	03/04/2009	NO	YES
Form23ACA(FY 07-08)	03/04/2009	NO	YES
Form 20B (FY 08-09)	25/02/2010	NO	YES
Form 66	02/11/2009	NO	YES
Form 23	08/02/2010	YES	NO
Form 18	08/02/2010	YES	NO
Form 32	11/01/2010	YES	NO
Form 32	26/02/2010	YES	NO

Veeraraghvan N.

C.P.No . 4334

Date: 29/05/2010

Place: Mumbai

BALANCE SHEET AS AT 31ST MARCH 2010

Particulars	Schedule No.	As At 31st March 2010 (Rs)	As At 31st March 2009 (Rs)
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	I	2,450,000	2,450,000
Reserves & Surplus	II	13,560,842	12,999,756
Share Application		48,320,000	-
Total		<u>64,330,842</u>	<u>15,449,756</u>
Current Assets, Loans & Advances			
Cash & Bank Balances	III	52,226,330	78,626
Loans & Advances	IV	13,157,788	17,426,976
	A	<u>65,384,118</u>	<u>17,505,602</u>
Less : Current Liabilities & Provisions			
Current Liabilities	V	293,229	34,046
Provisions	VI	<u>760,047</u>	<u>2,021,800</u>
	B	1,053,276	2,055,846
Net Current Assets	(A-B)	64,330,842	15,449,756
Total		<u>64,330,842</u>	<u>15,449,756</u>
The Schedules referred to above and Significant Accounting Policies & Notes to Accounts form an integral part of the Financial Statements	VIII		

As per our report of even date attached

For SARA & Associates
Chartered Accountants
(Firm Registration No.120927 W)

N.T. Ranka
Partner
Membership No. 120454

Place: Mumbai
Date: 29th May, 2010

For and on behalf of the Board of Director
of Nivedita Mercantile & Financing Limited

Director

Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

Particulars	Schedule No.	As At 31st March 2010 (Rs)	As At 31st March 2009 (Rs)
Income			
Income from Operation		1,160,411	1,817,335
Other Income		37,053	-
Total		1,197,464	1,817,335
Expenditure			
Administration Expenses	VII	442,637	249,984
		442,637	249,984
Profit Before Tax			
		754,827	1,567,351
Less : Provision for Taxation			
Current tax		233,347	520,600
Fringe Benefit Tax		-	500
Short/(Excess) Provision of Income Tax		(39,606)	680
Profit After Tax			
		561,086	1,045,571
Less : Statutory Reserve Fund			
		112,217	-
Add : Balance Brought forward from previous year			
		12,957,156	11,911,585
Balance Carried forward to Balance Sheet			
		13,406,025	12,957,156
Basic Earning per share (Face Value Rs. 10/- each)		2.29	4.27
Diluted Earning per share (Face Value Rs. 10/- each)		2.16	4.27
The Schedules referred to above and Significant Accounting Policies & Notes to Accounts form an integral part of the Financial Statements	VIII		

As per our report of even date attached

For SARA & Associates
Chartered Accountants
(Firm Registration No.120927 W)

N.T. Ranka
Partner
Membership No. 120454

Place: Mumbai
Date: 29th May, 2010

For and on behalf of the Board of Director
of Nivedita Mercantile & Financing Limited

Director

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	Year Ended 31st March 2010		Year Ended 31st March 2009	
	Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities				
Profit Before Tax and Extraordinary items		754,827		1,567,351
Operating Profit before Working Capital Changes		754,827		1,567,351
Adjustment for:				
(Increase)/Decrease in Other Receivable	4,408,939		(1,194,158)	
Increase/(Decrease) in Sundry Creditors & Provisions	(1,196,311)	3,212,628	(8,195)	(1,202,353)
Cash Generated From Operations		3,967,455		364,998
Income Tax (Paid) Refund		(139,751)		521,780
Net Cash inflow /(used) from Operating Activities (A)		<u>3,827,704</u>		<u>(156,782)</u>
Cash Flow from Investing Activities		-		-
Net Cash inflow / (used) in Investing Activities (B)		-		-
Cash Flow from Financing Activities				
Share Application Money Received		<u>48,320,000</u>		-
Net Cash inflow / (used) in Financing Activities (C)		<u>48,320,000</u>		-
Net Increase in Cash and Cash Equivalents (A+B+C)		<u>52,147,704</u>		<u>(156,782)</u>
Cash and Cash Equivalents - Opening Balance		78,626		235,408
Cash and Cash Equivalents - Closing Balance		<u>52,226,330</u>		<u>78,626</u>
Componets of cash and cash equivalents as at 31st March 2010				
Cash and Cheques on hand		41		235
With Banks				
-On Current account		52,215,306		67,408
-On Deposit account		10,983		10,983
Cash and Cash Equivalents - Closing Balance		<u>52,226,330</u>		<u>78,626</u>

As per our report of even date attached

For SARA & Associates
Chartered Accountants
(Firm Registration No.120927 W)

N.T. Ranka
Partner
Membership No. 120454

Place: Mumbai
Date: 29th May, 2010

For and on behalf of the Board of Director
of Nivedita Mercantile & Financing Limited

Director Director

**SCHEDULE ANNEXED FORM AN INTEGRAL PART OF FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010**

Particulars	As At 31st March 2010 (Rs)	As At 31st March 2009 (Rs)
SCHEDULE - I		
SHARE CAPITAL		
Authorised		
1,000,000 (P.Y.1,000,000) Equity Shares of Rs.10/- each	10,000,000	10,000,000
Issued, Subscribed and Paid Up		
245,000 (P.Y. 245,000) Equity Shares of Rs. 10/- each fully paid up	2,450,000	2,450,000
Total	2,450,000	2,450,000
SCHEDULE - II		
RESERVES & SURPLUS		
Statutory Reserve Fund		
Opening Balance	42,600	-
Add: Transferred from Profit & Loss Account	112,217	-
	154,817	42,600
Profit & Loss Account	13,406,025	12,957,156
Total	13,560,842	12,999,756
SCHEDULE - III		
CASH & BANK BALANCES		
Cash on hand	41	235
Bank Balance with Scheduled Bank		
On Current Account	52,215,306	67,408
On Deposit Account (FDR)	10,983	10,983
Total	52,226,330	78,626

**SCHEDULE ANNEXED FORM AN INTEGRAL PART OF FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010**

Particulars	As At 31st March 2010 (Rs)	As At 31st March 2009 (Rs)
SCHEDULE - IV		
LOANS & ADVANCES		
(Unsecured, Considered good)		
Prepaid Expenses	19,854	14,606
Loans to Various Parties	12,121,314	15,394,825
Income Tax & TDS Receivable	801,569	2,016,531
Other Receivable	215,051	1,014
Total	<u>13,157,788</u>	<u>17,426,976</u>
SCHEDULE - V		
CURRENT LIABILITIES		
Sundry Creditors		
- Total Outstanding dues of micro enterprises and small enterprises	-	-
- Total Outstanding dues of Creditors other than micro enterprises and small enterprises	36,274	-
Other Liabilities	256,955	34,046
Total	<u>293,229</u>	<u>34,046</u>
SCHEDULE - VI		
PROVISIONS		
Provision for Income Tax & FBT	760,047	2,021,800
Total	<u>760,047</u>	<u>2,021,800</u>

**SCHEDULE ANNEXED FORM AN INTEGRAL PART OF FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010**

Particulars	Year Ended 31st March 2010 (Rs)	Year Ended 31st March 2009 (Rs)
SCHEDULE VII		
ADMINISTRATION EXPENSES		
Audit Fees	16,545	13,788
Advertisement Expenses	37,337	21,511
Bank Charges	6,746	-
Legal & Professional Charges	37,003	34,048
Listing Fees	68,834	24,481
Postage & Stamp Expenses	5,781	-
Printing & Stationery	12,512	-
Professional Tax	2,500	1,700
ROC Charges	8,030	118,126
Travelling Expenses	10,816	-
Salary & Wages	225,000	-
Miscellaneous Expenses	11,533	36,330
Total	442,637	249,984

SCHEDULE –VIII

Significant Accounting Policies and Notes on Accounts for the year ended 31st March 2010

A. SIGNIFICANT ACCOUNTING POLICIES:

1) Basis of preparation

The financial statements are prepared under the historical cost convention, on accrual basis, in compliance with all material aspects of the notified Accounting standards by Companies (Accounting Standards) Amendment Rules, 2008 and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

3) Revenue Recognition

- a) Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.
- b) Other Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

4) Fixed Assets & Depreciation

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of cenvat recoverable. Financing costs relating to construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not relating to construction of fixed assets are charged to the income statement.

5) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. Current investments are carried at lower of cost and market value whichever is less.

All other investments are classified as long-term investments. Long-term investments are carried at cost, less provision for diminution in value other than temporary.

6) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there are impairment indicators. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the WACC.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or decreased based on reassessment of recoverable amount, which is carried out if the change is significant. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

7) Employee benefits

Defined Contribution Plan

Contribution to defined contribution plans are recognized as expense in the Profit and Loss Account as they are incurred.

Defined Benefit Plan

Company's liabilities towards gratuity liability are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each balance sheet date. Actuarial gains/losses are immediately taken to P&L Account and are not deferred.

8) Borrowing Cost

Borrowing costs which are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred.

9) Taxation

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that

the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

10) Foreign Currency Transactions

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. The gain or loss arising out of settlement / translation of the assets and liabilities at the closing rates due to exchange fluctuations is recognized as income/expenditure in the profit and loss account.

11) Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with AS-20 "Earnings per Share". Basic earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of Equity Shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares.

12) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

13) Contingent Liabilities

Contingent Liabilities, if any, are disclosed in the Notes on Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

B. NOTES FORMING PART OF ACCOUNTS:

1) Nature of Business

The Company is Non-banking Financial Company registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in lending and related activities. The Company received the Certificate of Registration from the RBI on 20th April, 1998, enabling the Company to carry on business as a Non-banking Finance Company.

In accordance with the provisions of Section 45- IC of the RBI Act, 1934, the Company has created a Statutory Reserve Fund and as per the same, the Company has transferred an amount of Rs.112,217 /- to Statutory Reserve Fund, being 20% of the Profit After Tax.

2. Payment to Auditors (Including Services Tax)

(Rs.)

Particulars	Year ended 31st March 2010	Year ended 31st March 2009
Statutory Audit Fees	16,545	13,788
Total	16,545	13,788

3. Earnings Per Share

(Rs.)

Particulars	Year ended 31st March 2010	Year ended 31st March 2009
Net profit for the year attributable to equity shareholders (Rs.)	561,086	1,045,571
Weighted Average No. of Equity shares outstanding for Basic Earnings per share	245,000	245,000
Weighted Average No. of Equity shares outstanding for Diluted Earnings per share	259,479	245,000
Basic Earnings per share (face valued of Rs 10/-each)	2.29	4.27
Diluted Earnings per share (face valued of Rs 10/-each)	2.16	4.27

4. Related Party Disclosures**A) Related Parties**

- I) Enterprise holding control
 - Eskay Infrastructure Development Private Limited
- II) Entities having Significant Influence
 - a) Prosperous Finance Services Limited
 - b) Tashi India Limited
- III) Key Management Personnel
 - a) Kamal Khetan
 - b) Kamal Kishore Vyas
 - c) Anil Agarwal
 - d) Monal Malji

Particulars	Amount outstanding	Amount overdue
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
Total	-	-
(4) Break-up of Investments :		
Current Investments:		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
Long Term Investments :		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds		
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)		
2. Unquoted		
(i) Shares : (a) Equity		
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds		
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
Total	-	-

NIVEDITA MERCANTILE AND FINANCING LIMITED

Category	Secured / Unsecured	Total
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :		
1. Related parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties		
2. Other than related parties	-	121.21
Total	-	121.21
Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
1. Related parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	-	-
Total	-	-
(7) Other information		
(i) Gross Non-performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-
Total	-	-

7) Previous year's figures have been regrouped, rearranged, reclassified to the extent possible.

Signature to Schedule I to VIII

For SARA & Associates
Chartered Accountants
(Firm Registration No.120927 W)

N.T. Ranka

Partner
Membership No. 120454

Place: Mumbai
Date: 29th May, 2010

For and on behalf of the Board of Director
of Nivedita Mercantile & Financing Limited

Director

Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	L51900MH1985PLC037039	State Code	11
Balance Sheet Date	31/03/2010	Date of Incorporation	5/8/1985

II. Capital raised during the year (Amount in '000)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement /Promoter's Contribution	

III. Position of Mobilisation and Deployment of Funds (Amount in '000)

Total Liabilities (includes Current Liabilities & Provisions)	65,384	Total Assets (excludes Current Liabilities & Provisions)	65,384
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Source of Funds:

Paid-up Capital	2,450	Reserve and Surplus	13,561
Secured Loans	-	Unsecured Loans	-
Shares Application Money	48,320	Deferred Tax Liabilities	-

Application of Funds:

Net Fixed Assets	-	Investments	-
Net Current Assets	64,331	Misc. Expenditure	-
		Deferred Tax Assets	-

IV. Performance of Company. (Rs. in Thousands)

Turnover and Income	1,197	Total Expenditure	443
Profit/(Loss) Before Tax	755	Profit/(Loss) After Tax	561
EPS Basic (Rs.)	2.29	Dividend Rate %	-
EPS Diluted (Rs.)	2.16		

V. Generic Names of Three Principal Products/Services of Company (As Per Monetary Terms)

Item Code No. (ITC Code)	Not Applicable
Product Description	Not Applicable

For SARA & Associates
Chartered Accountants
(Firm Registration No.120927 W)

For and on behalf of the Board of Director
of Nivedita Mercantile & Financing Limited

N.T. Ranka

Partner

Membership No. 120454

Place: Mumbai

Date: 29th May, 2010

Director

Director

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NIVEDITA MERCANTILE & FINANCING LIMITED

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

ATTENDANCE SLIP

25th ANNUAL GENERAL MEETING

Mr./Mrs./Miss _____ Ref. Folio No. _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the company.

I hereby record my presence at the 25th ANNUAL GENERAL MEETING OF THE COMPANY held at 5th Floor, Sunteck Centre, Subhash Road, Vile Parle (East), Mumbai -400057

Proxy's name in Block Letters

Member's/Proxy's Signature



NIVEDITA MERCANTILE & FINANCING LIMITED

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

PROXY FORM

Mr./Mrs./Miss _____ Ref. Folio No. _____

I/We _____ in the district of _____
being member / members of the above mentioned Company hereby appoint _____ of
_____ in the district of _____ failing him
_____ of _____ in the district of _____
as my/our proxy to vote for me/us on my /our behalf at the TWENTY FIFTH ANNUAL GENERAL MEETING
of the Company to be held on 4th September, 2010 and any adjournment thereof.

Signed this _____ day of _____ 2010

Signature _____

Affix a
15 paise
Revenue
Stamp

N.B.: This proxy Form duly completed must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting.

