

# Annual Report

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**VISISTH MERCANTILE LIMITED**

**2011 - 2012**

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**Board of Directors:**

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

**Auditors:**

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

**Share Transfer Agents:**

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

**CONTENTS**

**PAGE NO.**

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

**NOTICE**

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

**ORDINARY BUSINESS :**

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

**SPECIAL BUSINESS :**

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

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

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

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

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

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

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

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

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

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

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

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

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

**Rahul Dilip Shah  
Director**

Date: 14th August, 2012  
Place : Mumbai

**NOTES:**

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

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

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

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

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

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

**Item No. 5**

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

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

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

**Item No. 6**

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

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

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

**Item No. 7**

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

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

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

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

Date: 14th August, 2012

Place : Mumbai

**Rahul Dilip Shah  
Director**

## DIRECTORS' REPORT

To  
The Members,

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

### Financial Results:

(Amount in ₹.)

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

### Dividend:

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

### Directors:

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

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

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

### Directors Responsibility Statement:

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

1. In preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit or loss of the Company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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

**Listing of shares:**

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

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

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

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

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

**Particulars of Employees:**

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

**Auditor:**

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

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

**Auditors' Report:**

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

**Compliance Certificate:**

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

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

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

**Acknowledgements:**

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

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

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

Place: Mumbai  
Date: 14th August, 2012

**Director**

**Director**

**COMPLIANCE CERTIFICATE**

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

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

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

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

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



13. The Company:
  - i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
  - ii) There was no transfer of shares during the financial year.
  - iii) The Company has not declared any dividend hence not transferred any amount in a separate Bank Account during the financial year.
  - iv) The Company was not required to post warrants to its members during the financial year.
  - v) Was not required to comply with the provisions regarding transferring the amounts in unpaid dividend account which remain unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
  - vi) Has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and appointment of Directors has been duly made.
15. The Company has not appointed Managing Director / Whole Time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such 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 rules made there under.
19. The Company has not issued equity shares, debentures or other securities during the financial year.
20. The Company has not bought back shares during the financial year.
21. As the Company has not issued any preference shares hence their redemption does not arise.
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 made any borrowings during the financial year under review.
25. The Company has advanced share application money to other bodies corporate which is within the limits specified by the Section 372A of the Companies Act 1956 and has made necessary entries in the register kept for the purpose.
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 other states 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 was / 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 offenses under the Act.

32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not set up Provident Fund Scheme hence provisions of Section 418 of the Act are not applicable.

Place: Navi Mumbai  
Date: 14th August, 2012

**Divya Momaya**  
For D.S.MOMAYA & CO.  
Company Secretaries  
ACS: 17325 CP: 7885

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Annexure to the Compliance Certificate of **Visisth Mercantile Ltd. (31st March, 2012)**

**ANNEXURE – "A"**

Registers / Reports as maintained by the Company.

Sr. No.	Particulars
1.	Register of members under Section 150
2.	Register of Transfers
3.	Register and returns under Section 163
4.	Register of Directors, Managing Director and Company Secretary u/s.303
5.	Register of Contracts with Companies & Firms in which Directors are interested u/s 301
6.	Register of Directors' shareholding u/s.307
7.	Records pertaining to members attendance attending their meetings
8.	Register of Directors Attendance for Board Meetings

## ANNEXURE - "B"

No.	Form No. / Return	Filed under relevant section of the Act	Particulars	Date of filing	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional fees paid Yes / No
1.	Form 23ACA XBRL	220	Balance Sheet for the year end 31st March, 2011.	31st December, 2011	Yes	No
2.	Form 23AC XBRL	220	Profit & Loss account for the year end 31st March, 2011.	31st December, 2011	Yes	No
3.	Form 20B	160	Annual Return as on the date of AGM held on 30th September, 2011.	12th December, 2011	No	Yes
4.	Form 66	383 (A)	Compliance certificate for the year end 31st March, 2011.	28th December, 2011	No	Yes
5.	Form 18	146	Shifting of registered Office within the local limits of the Mumbai.	14th December, 2011	Yes	No
6.	Form 32	303(3)	Appointment of Additional Directors: 1) Mr. Rahul Shah 2) Mr. Haren Parekh	6th December, 2011	Yes	No
7.	Form 32	303(3)	Cessation of Four Directors: 1) Mr. Vinay Sarawgi 2) Mr. Ajit Sarwagi 3) Mrs. Rekha Sarawgi 4) Mr. Vasantlal Savla  Appointment of Additional Director 1) Mr. Rajesh Shah	14th December, 2011	Yes	No
8.	Form 32	303(3)	Appointment of Additional Director 1) Mr. Jayesh Desai	24th February, 2012	Yes	No

Place: Navi Mumbai  
Date: 14th August, 2012

**Divya Momaya**  
**For D.S.MOMAYA & CO.**  
Company Secretaries  
ACS: 17325 CP: 7885

**AUDITORS' REPORT**

To,  
The Members,  
Visisth Mercantile Limited

1. We have audited the attached Balance Sheet of M/S VISISTH MERCANTILE LIMITED as at 31st March 2012, the statement of Profit & Loss and also 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 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 misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosure 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 reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004, issued by Central Government of India in terms of sub Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we state that:
  - i. We have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - iii. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - iv. In our opinion, the Balance Sheet, Statement of Profit & Loss 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.
  - v. On the basis of written representation received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India.
    - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012,
    - (ii) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date, and
    - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **DMKH & Co.**  
**Chartered Accountants**  
FRN. No. 116886W

**CA. DURGESH KABRA**  
Partner  
M.No. 044075

Place: Mumbai  
Date: 30th May,2012

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 3 of Auditor's Report of even date on the financial statements as at and for the year ended 31st March,2012)

On the basis of such checks as were considered appropriate and according to the information and explanation given to us during the course of audit, we state that:-

- i.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The assets have been physically verified by the management in accordance with the phased programme of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of fixed assets, no material discrepancies have been noticed in respect of assets physically verified during the year.
  - c. No substantial part of the fixed assets has been disposed off during the year.
- ii. The Company is not having any inventory & hence the provision of Clause 4(ii) of the order is not applicable to the Company.
- iii.
  - a. The Company has not granted loans to any parties covered in register maintained under Section 301 of The Companies Act, 1956, hence Para (b),(c) & (d) is not applicable to the Company.
  - b. The Company has not taken loans from any parties covered in the register maintained under Section 301 of The Companies Act, 1956, hence Para (f) to (g) is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- v.
  - a. In respect of transaction covered under Section 301 of the Companies Act, 1956. In our opinion and according to the information given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under Section 301 of the companies Act, 1956 and that have been so entered.
  - b. In our opinion and according to the information and explanation given to us, where such transactions are in excess of Rupees five lakhs in respect of any party, the transaction have been made at prices which are prima facie reasonable having regard to the prevailing market at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- vii. The Company does not have a formal system of Internal Audit, but there are adequate checks & controls at all level established by the management.
- viii. According to the information and explanation given to us the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-Section (1) of Section 209 of the Companies Act, 1956 for any of the activities of the company.
- ix.
  - a. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to the company with the appropriate authorities. According to the information and explanation given to us, there are no undisputed amounts payable in respect of the aforesaid statutory

dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- b. According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute.
- x. The Company does not have any accumulated losses as at 31st March, 2012. The company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders as at the Balance sheet date.
- xii. Based on our examination of documents and records and according to the information and explanation given to us, we are of the opinion that the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, 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. In our Opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
- xvi. In our Opinion, and according to the information and explanations given to us, the Company did not have any term loans outstanding during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the cash flow statements and balance sheet of the company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
- xviii. During the year the Company has not made any preferential allotment of shares to the parties covered and recorded in the register maintained under Section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For DMKH & Co.**

Chartered Accountants,

FRN. No. 116886W

**CA. DURGESH KABRA**

Partner

M.No. 044075

Place: Mumbai

Date: 30th May, 2012

## BALANCE SHEET AS ON 31ST MARCH, 2012

(Amount in ₹.)

		As at 31st March, 2012	As at 31st March, 2011
<b>I Equity &amp; Liabilities</b>			
<b>1 Shareholders' Funds</b>			
Share Capital	2	28,000,000	28,000,000
Reserves and Surplus	3	34,549,541	33,329,824
<b>2 Non Current Liabilities</b>			
(a) Long Term Borrowings	4	250,000	250,000
(b) Deffered Tax Liability (Net)		236,941	257,426
(c ) Other long term liabilities		-	-
(d) Long term Provisions		-	-
<b>3 Current Liabilities</b>			
(a) Short Term Borrowings		-	-
(b) Trade payables	5	4,801,833	4,802,600
(c ) Other Current Liabilities	6	578,716	486,785
(d) Short Term Provisions	7	729,682	502,503
<b>TOTAL</b>		<b>69,146,713</b>	<b>67,629,138</b>
<b>II Assets</b>			
<b>1 Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	8	1,097,827	1,480,691
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
<b>2 Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	9	943,585	1,094,256
(c) Trade receivables	10	6,970,750	17,234,461
(d) Cash and cash equivalents	11	126,252	2,893,454
(e) Short-term loans and advances	12	58,939,222	44,332,854
(f) Other current assets	13	1,069,077	593,421
<b>TOTAL</b>		<b>69,146,713</b>	<b>67,629,138</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the Financial Statements

This is the Balance Sheet referred to in our report of even date

**For DMKH & CO.**

Chartered Accountants

Firm Registration No.116886W

**For and on behalf of the Board**

**CA. Durgesh Kabra**

**Partner**

M. No. 44075

Place : Mumbai

Date : 30th May, 2012

**Director**

**Director**

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in ₹.)

		Year ended 31st March, 2012	Year ended 31st March, 2011
	Note		
<b>I. Revenue from Operations</b>	14	(150,671)	(4,530,079)
<b>II. Other Income</b>	15	2,498,134	426,132
<b>III. Total Revenue (I+II)</b>		<u>2,347,463</u>	<u>(4,103,947)</u>
<b>IV. Expenditure</b>			
Operating Expenses	16	-	338,492
Employee Benefit Costs	17	79,690	496,105
Finance Cost	18	10,219	183,789
Depreciation		382,864	519,948
Administration and Other Expenses	19	675,456	432,757
<b>V. Total Expenses</b>		<u>1,148,229</u>	<u>1,971,091</u>
<b>VI. Profit/(Loss) before Exception, Extraordinary Items &amp; Tax</b>		1,199,233	(6,075,038)
Less : Provision for Taxation			
- Current Tax		227,179	-
- Earlier Year Tax		-	14,598
- Deferred Tax		20,485	37,001
- MAT Credit Entitlement		227,179	-
<b>Profit/(Loss) after Exception, Extraordinary Items &amp; Tax</b>		<u>1,219,718</u>	<u>(6,126,637)</u>
Earnings Per Share			
- Basic		0.44	(2.19)
- Diluted		0.44	(2.19)
<b>Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the Financial Statements

This is the Profit and Loss Account referred to in our report of even date

**For DMKH & CO.**

Chartered Accountants  
Firm Registration No.116886W

**For and on behalf of the Board**

**CA. Durgesh Kabra**  
**Partner**

**Director****Director**

M. No. 44075  
Place : Mumbai  
Date : 30th May, 2012



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in ₹.)

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
a) Net Profit/(Loss) Before Tax And Extraordinary Items	1,199,233	(6,089,636)
<b>Adjustment For :</b>		
Depreciation	382,863	519,947
Interest Paid On Car Loan	-	183,789
Dividend Income	(7,000)	(69,030)
Interest On Income Tax Refund	-	(2,730)
	<u>1,575,096</u>	<u>(5,457,660)</u>
b) Operating Profit/(Loss) Before Working Capital Changes		
<b>Adjustment For :</b>		
Loans & Advances	(14,606,368)	(24,002,729)
Other Current assets	(475,656)	(171,341)
Inventories	150,671	11,477,389
Trade Receivables	10,263,711	(7,700,642)
Trade Payable	308,344	(446,075)
	<u>(4,359,298)</u>	<u>(20,843,398)</u>
Cash Generated From Operations	(2,784,202)	(26,301,058)
Add : Interest On Income Tax Refund	-	2,730
<b>Net Cash From Operating Activities (A)</b>	<b>(2,784,202)</b>	<b>(26,298,328)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Loan From Director	10,000	-
Purchases Of Investments	-	(8,000,000)
Transfer From Loan Account(Sanjog Developers)	-	37,482,854
Dividend	7,000	69,030
Other Income	-	-
<b>Net Cash From Investing Activities (B)</b>	<b>17,000</b>	<b>29,551,884</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment Of Car Loan	-	(1,399,575)
Interest On Car Loan	-	(183,789)
<b>Net Cash From Financing Activities (C)</b>	<b>-</b>	<b>(1,583,364)</b>
Net Increase/(Decrease) In Cash And Cash Equivalents	(2,767,202)	1,670,192
Cash and Cash Equivalents as at 01.04.2011	2,893,454	1,223,262
<b>Cash and Cash Equivalents as at 31.03.2012</b>	<b><u>126,252</u></b>	<b><u>2,893,454</u></b>

**Notes:-**

(1) The above cash flow statement has been prepared by using the indirect methods as per Accounting Standard-3, issued by Institute of Chartered Accountants of India.

(2) The previous figure have been regrouped/rearranged wherever necessary to confirm the current year's classification.

**For DMKH & CO.**

Chartered Accountants  
Firm Registration No.116886W

**CA. Durgesh Kabra****Partner**

M. No. 44075  
Place : Mumbai  
Date : 30th May, 2012

**For and on behalf of the Board****Director****Director**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note 1**

**Corporate Information & Significant Accounting Policies**

**- Corporate Information**

- A. Brief Business Activity
  - Trading in shares and Realty Business
- B. Place of Business
  - Unit No.402, Centre Point, J B Nagar, Andheri (East), Mumbai - 400059.

**- Basis of Accounting**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The Company follows the accrual system of accounting on a going concern basis.

**- Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**- Inventories**

Stock of Shares are valued at the lower of cost determined on FIFO basis or market value.

**- Fixed assets**

Fixed assets are stated at cost of acquisition or construction. All cost relating to the acquisition and installation of fixed assets are capitalized and includes borrowing cost directly attributable to Company.

**- Capital work-in-progress**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**- Depreciation**

The Company is providing depreciation on depreciable fixed assets at the rates provided on Straight Line Method basis at the rates provided by the schedule XIV of The Companies Act, 1956 from the date of actual put to use i.e. on pro-rata basis.

**- Revenue Recognition**

All income is accounted on accrual basis. Dividend income is accounted on cash basis.

**- Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**- Borrowing Cost**

Borrowing costs directly attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of the cost of the assets, up to the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account.

**- Earnings Per Share**

The earnings considered in ascertaining the Company's EPS comprise of the net profit after tax as per Accounting Standard 20 on "Earnings Per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is antidilutive.

**- Preliminary Expenditure**

Preliminary Expenditure is apportioned in five equal installments, commencing from the year in which the expenditure has been incurred.

**- Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is virtual certainty with respect to the reversal of the same in future years.

**- Impairment of Assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in accordance with Accounting Standard-28 "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-a-vis value in at the lowest levels for which there are separately identifiable cash flows.

**- Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and 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 their present value and are determined based on the 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.

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

**- Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

As at 31st March, 2012

As at 31st March, 2011

**Note 2 : Share Capital**
**Authorised Capital**

 55,00,000 (Previous Year : 55,00,000) Equity Shares of Rupees 10 each
 

	55,00,000	55,00,000
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**Issued, Subscribed and Paid up**

 28,00,000 (Previous Year : 28,00,000) Equity Shares of Rupees 10 each fully paid-up
 

	28,00,000	28,00,000
	28,00,000	28,00,000

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue / Bonus / ESOP / Conversion / Buy Back / Others	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2012			
- Number of shares	2,800,000	-	2,800,000
- Amount (Rs.)	28,000,000	-	28,000,000
Year ended 31 March, 2011			
- Number of shares	2,800,000	-	2,800,000
- Amount (Rs.)	28,000,000	-	28,000,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Ajit Kumar Sarawgi	404,450	14.45	404,450	14.45
Rekha Rani Sarawgi	234,500	8.38	234,500	8.38
Nishivin Finance and Investment Pvt Ltd	192,240	6.86	192,240	6.86
Nishikant Sarawgi	201,000	7.18	201,000	7.18
MCPL Escrow A/c VML Open offer	171,700	6.13	-	-
Vinay Kumar Sarawgi	181,000	6.46	181,000	6.46

(iii) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. In event of liquidation of the Company, the holders of equity shares would be entitled to receive assets of the Company, after distribution of all preferential amounts. The Distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 3 : Reserve And Surplus**

## (A) Capital Reserve

 Securities Premium Account
 

	30,881,850	30,881,850
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## (B) General Reserve

Opening Balance :	2,447,973	8,574,610
Add : Profit/(Loss) of current year	1,219,718	(6,126,637)
	3,667,691	2,447,973
Total (A+B)	34,549,541	33,329,824

**Note 4 : Long term Borrowings**

Tapas Pharmachem Ltd	250,000	250,000
	250,000	250,000

	As at 31st March, 2012	As at 31st March, 2011
<b><u>Note 5 : Trade Payable</u></b>		
DMKH & Co.	148,877	147,641
Durgesh Kabra & Co	19,302	19,302
Prime Time Management Pvt Ltd	8,273	8,273
Sharukh N Tara	4,625,381	4,625,381
Big share Services Pvt Ltd	-	2,003
	<u>4,801,833</u>	<u>4,802,600</u>
<b><u>Note 6 : Other Current Liabilities</u></b>		
Salary Payable	74,000	473,950
Unpaid Dividend	12,835	12,835
Neha Gada	32,441	-
TDS Payables	44,944	-
Professional Fees Payable	404,496	-
Vinay Bafna	10,000	-
	<u>578,716</u>	<u>486,785</u>
<b><u>Note 7 : Short Term Provisions</u></b>		
Provision For Income Tax A.Y 2006-07	117,269	117,269
Provision For Income Tax A.Y 2010-11	385,234	385,234
Provision for Income Tax A Y 2012-13	227,179	-
	<u>729,682</u>	<u>502,503</u>
<b><u>Note 9 : Inventories</u></b>		
Closing Stock	943,585	1,094,256
	<u>943,585</u>	<u>1,094,256</u>

**VISISTH MERCANTILE LIMITED**  
**Note 8 : FIXED ASSETS**

Particulars	Rate of Depreciation	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK		
		As at 1st April, 2011	Additions	Acquired through business combination	Revaluation/ (impairment)	As at 31st March, 2011	Depreciation charge for the year	Adjustment due to revaluation	on disposals	As at 1st April, 2011	As at 31st March, 2012
<b>Tangible Assets( Not Under Lease):</b>											
Computers	16.21%	26,720	-	-	-	26,720	5,936	-	-	14,837	8,901
Furniture and Fixtures	6.33%	91,351	-	-	-	91,351	328	-	-	1,820	1,492
Printer	13.91%	10,250	-	-	-	10,250	64	-	-	161	97
Air Conditioner	13.91%	99,960	-	-	-	99,960	2,848	-	-	20,471	17,623
Motor Car	9.50%	2,470,559	-	-	-	2,470,559	373,688	-	-	1,443,402	1,069,714
<b>GRAND TOTAL</b>		<b>2,698,840</b>	-	-	-	<b>2,698,840</b>	<b>382,864</b>	-	-	<b>1,480,691</b>	<b>1,097,827</b>
Previous Year		2,698,840	-	-	-	698,201	519,948	-	-	2,000,639	1,480,691

As at 31st March, 2012      As at 31st March, 2011

**Note 10 : Trade Receivables**
**Long Term**

Trade receivables outstanding for a period exceeding six months from the date they are due for payment

(Unsecured, considered good unless otherwise stated)

Considered Good	6,970,750	-
Considered Doubtful	-	-
Less: Provision for doubtful debts	-	-
	<u>6,970,750</u>	<u>-</u>

**Short Term**

Trade receivables outstanding for a period less than six months from the date they are due for payment

Considered Good	-	17,234,461
Considered Doubtful	-	-
	<u>6,970,750</u>	<u>17,234,461</u>

**Note 11 : Cash & Cash Equivalent**
**a. Balances with banks in current accounts**

HDFC Bank	10,000	-
ICICI Bank	67,636	115,484
Indian Bank (CA.No 991)	8,031	2,724,134
Syndicate Bank	5,951	5,951

**b. Balances with banks in dividend account**

Indian Bank (710309759)	18,105	18,105
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**b. Cash on hand**

	16,529	29,779
	<u>126,252</u>	<u>2,893,454</u>

[ The company has liabilities in respect of Unpaid Dividend account for the year 2005-06 of Rs. 12,835 and the said amount has been deposited in Indian Bank at OSHIWARA Branch at Mumbai, the present account balance is of Rs.18,105. As per management explanation difference of Rs. 5,270 is due to account deposited at the time of account opening.]

**Note 12 : Short Term Loan & Advances**
**Loan & Advances**

(Unsecured, considered good unless otherwise stated)

Advances Recoverable in Cash or in Kind or for Value to be Received

Considered Good*	34,950,000	5,350,000
Considered Doubtful	-	-

**Other Loan & Advances:-**

Rushi Construction	1,000,000	1,000,000
Soni & Associates	500,000	500,000
Sanjog Developers	22,489,222	37,482,854
	<u>58,939,222</u>	<u>44,332,854</u>

\*[ As per Management explanation the company has advanced Rs. 3,24,50,000 towards share application money to DSR Infotech Private Limited ]

**Note 13 : Other Current Assets**

Self Assessment Tax Paid (A.Y 2010-11)	176,102	176,102
TDS (A.Y 2005-06)	5,090	5,090
TDS (A.Y 2006-07)	167,595	167,595
TDS (A.Y 2010-11)	209,197	209,197
TDS (A.Y 2011-12)	35,437	35,437
TDS (A.Y 2012-13)	248,477	-
MAT Credit Entitlement	227,179	-
	<u>1,069,077</u>	<u>593,421</u>

**VISISTH MERCANTILE LIMITED**

(Amount in ₹.)

	Year ended 31st March, 2012	Year ended 31st March, 2011
<b><u>Note 14 : Revenue From Operations</u></b>		
Sales	-	101,319,246
Add : Closing Stock	943,585	1,094,256
Less : Opening Stock	1,094,256	12,571,645
Less : Purchase	-	95,128,040
	(150,671)	(5,286,183)
Share Trading Profit/ (Loss)	-	756,104
	(150,671)	(4,530,079)
<b><u>Note 15 : Other Income</u></b>		
Interest Income	2,484,766	354,372
Dividend Income	7,000	69,030
Interest on IT Refund	-	2,730
Profit from Sanjog Developers	6,368	-
	2,498,134	426,132
<b><u>NOTE 16 : Operating Expenses</u></b>		
Delivery Charges-Shares	-	49,200
SEBI Fees	-	280
Security Transaction Tax	-	255,888
Service Tax	-	2,707
Stamp Charges & Duty	-	21,306
Transaction Charges	-	9,111
	-	338,492
<b><u>NOTE 17 : Employee Benefit Costs</u></b>		
Salaries, Wages and Allowances	75,500	473,950
Staff Welfare Expenses	4,190	22,155
	79,690	496,105
<b><u>NOTE 18 : Financial Charges</u></b>		
Interest on Motor Car Loan	-	179,653
Bank Charges	10,219	4,136
	10,219	183,789
<b><u>NOTE 19 : Administration and Other Expenses</u></b>		
Accounting Charges	7,500	30,000
Advertising & Publicity	30,555	21,342
BSE Listing Fees	16,545	11,030
CDSL & NSDL Fees	6,618	19,924
Demat Charges	1,103	1,102
Electricity Charges	8,640	46,392
Travelling and Conveyance	12,480	55,213
Legal and Professional Fees	452,440	26,369
ROC Fees	7,100	-
Car Insurance	43,078	-
Auditors' Remuneration	67,416	66,180
Misc Exp	3,981	6,607
Printing & Stationery	6,450	37,605
Telephone Expenses	6,120	35,015
Vehicle Expenses	5,430	75,978
	675,456	432,757



20. Balances of Debtors, Loans and Advances, Secured & Unsecured Loans, Sundry Creditors & Others are subject to confirmation and reconciliation and consequential adjustments, if any.
21. In the opinion of the Board & to the best of their knowledge & belief the value of realisation of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.
22. Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.
23. According to a technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.
24. The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been made.

Additional information pursuant to Part II of Schedule VI of the Companies Act, 1956 :

	<b>2011-2012</b>	<b>2010-2011</b>
i) Payment to Directors :		
Directors Remuneration	NIL	NIL
ii) Payment to Auditors :		
Statutory Audit Fees	60,000	30,000
Taxation Matters	-	5,000
Tax Audit Fees	-	20,000
Certification Matters	-	5,000
Service Tax	7,416	6,180
<b>Total</b>	<b>67,416</b>	<b>66,180</b>

25. Accounts payable to Small Scale Industrial Undertaking under the head of Sundry Creditors – NIL (Previous Year – NIL)
26. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
27. Segment Information (AS-17) Company has only one segment of activity namely "Trading and Financial Activities". Since there is No export turnover, there are no reportable geographical segments.

28. Related Party Disclosure (AS-18) As per the Accounting Standard 18 on "Related Party Disclosures" issued by ICAI the related parties of the Company and nature of relationship are as follows:

Related Party	Nature of Relationship
Ajit Kumar Sarawgi	Director (Resigned w.e.f 3.12.2011)
Haren Devidas Parekh	Director (Joined w.e.f 14.11.2011)
Rahul Dilip Shah	Director (Joined w.e.f 14.11.2011)
Jayesh Desai	Director (Joined w.e.f 14.02.2012)
Rajesh Virendra Shah	Director (Joined w.e.f 03.12.2011)
Rekha Rani Sarawgi	Director (Resigned w.e.f 3.12.2011)
Vinay Kumar Sarawgi	Director (Resigned w.e.f 3.12.2011)
Chandrashekhar Shantaram Korde	Director
Anjuvin Finvest Pvt. Ltd.	Three Common Director (upto 3.12.11)
Embrace Properties Pvt. Ltd.	Three Common Director (upto 3.12.11)
Karuna Capital Services Pvt. Ltd.	Three Common Director (upto 3.12.11)
Nishivin Finance and Investment Pvt. Ltd.	Three Common Director (upto 3.12.11)
Shringar Realities Pvt Ltd.	One Common Director (upto 3.12.11)
Sanjog Developers	Investment in firm
Marigold Realities Pvt. Ltd.	One Common Director (upto 3.12.11)
DSR Infotech Pvt. Ltd	One Common Director (w.e.f 14.11.11)

Note: Related Party Relationship is identified by the Management & relied upon by the Auditor.

Nature and volume of transaction carried out with the above related parties in the ordinary course of business for the year ended 31st March, 2012

Particulars	Companies in which Directors are substantially interested	Key Management Personnel	Relative of Key Management Personnel	Investment in Partnership firm
Remuneration and Incentives	--	--	--	--
Loan/Advance				
Gross Loans/Advance Given	3,24,50,000	--	--	--
Debit Balance as on 31.03.2012*	3,24,50,000	--	--	2,33,24,284

\*Share Application Money to DSR Infotech Private Limited

29. Earnings Per Share (AS-20)

The Earning Per Share computed as per the requirement under Accounting Standard 20 on Earning Per Share issued by The Institute of Chartered Accountants of India, is as under:

Particulars	2011-12 (Amount in ₹.)	2010-11 (Amount in ₹.)
Net profit/Loss after Tax as per P & L Account	12,19,718	(61,26,637)
Weighted Average No.of equity share outstanding	28,00,000	28,00,000
Basic and Diluted Earnings per Share	0.44	(2.19)

30. Accounting for taxes on income(AS-22):

Break up of Net Deferred Tax liability into major components of the respective balance is as follows:

Deferred Tax Liability	2011-12 (Amount in ₹.)	2010-11 (Amount in ₹.)
Opening Balance of Deferred Tax Liability	2,57,426	2,20,425

**VISISTH MERCANTILE LIMITED**

Add: Deferred Tax during the Year	(20,485)	37,001
Closing Deferred Tax Liability	2,36,941	2,57,426

31.

Particulars	2011-12 (Amount in ₹.)	2010-11 (Amount in ₹.)
Other money for which the Company is contingently liable in respect of bill discounting with bank.	NIL	NIL
Value of Export	NIL	NIL
Expenditure in foreign Currency	NIL	NIL
Earning in foreign Currency	NIL	NIL

32. Additional information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956:  
Quantitative detail in respect of trading goods:-

Particulars	Units	Opening Stock		Purchases		Sales		Closing Stock	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Shares	Nos.	70,006	84,620	NIL	8,58,490	NIL	8,73,104	70,006	70,006

**For DMKH & CO.**

Chartered Accountants  
Firm Registration No.116886W

**For and on behalf of the Board****CA. Durgesh Kabra**

Partner  
M. No. 44075  
Place : Mumbai  
Date : 30th May, 2012

**Director****Director**

## VISISTH MERCANTILE LITMITED

Regd. Office: Unit No. 402, Centre Point, J.B.Nagar, Andheri (East), Mumbai-400059  
Phone: 022-26322141 Fax: 022-26322142 email: visisthmercantile@gmail.com

### PROXY FORM

Reg. Folio No. \_\_\_\_\_ No. of Shares: \_\_\_\_\_

D.P. ID\* \_\_\_\_\_ Client ID\* \_\_\_\_\_

I / we \_\_\_\_\_ of \_\_\_\_\_

being a share holder / shareholders of Visisth Mercantile Limited hereby appoint \_\_\_\_\_  
\_\_\_\_\_ or failing him/her \_\_\_\_\_

as my/ our proxy to attend and vote for me / us and on my/ our behalf at the Annual General meeting of the Company to be held on 21st September, 2012 at 3.00 P.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2012

Signature of the shareholder \_\_\_\_\_

[Signature of Proxy]



Note: The Proxy form duly completed and signed must be deposited at the Registered office of the Company not less than 48 hours before the time for holding the Meeting

\*Applicable for shares held in electronic form.

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### ATTENDANCE SLIP Annual General Meeting

Reg. Folio No. \_\_\_\_\_ No. of shares held \_\_\_\_\_

Name of the Attending Member \_\_\_\_\_

D.P. ID\* \_\_\_\_\_ Client ID\* \_\_\_\_\_

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on 21st September, 2012 at **Courtyard Mumbai International Airport, CTS 215, Opposite Sangam BIG Cinemas, Andheri Kurla Road, Andheri (East), Mumbai - 400059** at 3.00 P.M

Signature of the shareholder(s), / Proxy/ Representative \_\_\_\_\_

Note:

1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the Venue.

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