

Nivedita

Mercantile & Financing Limited

**NIVEDITA MERCANTILE
AND
FINANCING LIMITED**

30TH ANNUAL REPORT

2014-2015

BOARD OF DIRECTORS

Shri. Rajesh Kumar Mundra
Shri. Hiten Shah
Shri. Asim Santara
Shri. Sudarshan Somani
Smt. Hemlata Thanvi

COMPANY SECRETARY

Smt. Hemlata Thanvi

AUDITORS

Bagaria & Co., LLP
Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank Ltd.

R & T AGENT

M/s Adroit Corporate Services Private Limited
1st Floor, 19/20, Jafferboy Industrial Estate
Makwana Road, Marol Naka
Mumbai- 400 059

REGISTERED OFFICE

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

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the members of Nivedita Mercantile and Financing Limited will be held at:

Venue : Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai - 400057
Day and Date : Tuesday, 29th September, 2015
Time : 10.00 A.M.

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2015 and the Profit and Loss Account for the year ended on that date along with the Schedules thereon, the Cash Flow Statement, along with the Report of the Directors and Auditors thereon.
2. To approve and declare Final Dividend on equity share capital.
3. To appoint a Director in place of Mr. Rajeshkumar Mundra (DIN-01797146), Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
4. To consider ratification of appointment of M/s Bagaria & Co. LLP Chartered Accountants, (Firm Registration No.113447W/W-100019) as Statutory Auditor of the Company for financial year 2015-2016 and to authorize the Board to finalize the remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/S. Bagaria & Co. LLP, Chartered Accountants, (Firm Registration No.113447W/W-100019) be and are hereby appointed as the Statutory Auditors of the Company for financial year 2015-2016 at such remuneration as may be fixed by the Board of Directors.”

SPECIAL BUSINESS:

5. Appointment of Ms. Hemlata Thanvi (DIN-07196414), as a Director of the Company:

To consider and if thought fit, to pass with or without modification, the following resolution as
ORDINARY RESOLUTION:

“RESOLVED THAT Ms. Hemlata Thanvi (DIN-07196414), who was appointed as an Additional Director in terms of Section 161(1) of the Companies Act, 2013 with effect from 27th May, 2015 and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director as required under the Act, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution.”

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed from Friday, 25th September, 2015 to Tuesday, 29th September, 2015 (both days inclusive).
5. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchange regarding the Directors who are proposed to be appointed/reappointed is given in the annexure to the Notice.
6. Members whose shareholding(s) are in electronic mode are requested to inform any changes relating to address, bank mandate and Electronic Clearing Services (ECS) details to their respective Depository Participants and in case of physical shares, to the Company’s Registrar & Share Transfer Agent ADROIT CORPORATE SERVICES PRIVATE LIMITED, 17/20, Jafferboy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri-East, Mumbai- 400059 together with a valid proof of address.
7. Members are requested to quote their Registered Folio Number or their Client ID number with DP ID on all correspondence with the Company as the case may be.
8. Members/Proxy holders are requested to bring their copies of the Annual Report to the Annual General Meeting.
9. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
10. Members are requested to send their queries to the Company, if any, on accounts and operations of the Company at least seven days before the meeting so that the same could be suitably answered at the meeting.
11. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail

ID's with Adroit Corporate Services Private Limited and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).

Instructions for E-Voting

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to physical voting to all the Members of the Company. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically. E-voting is optional for the Members.

The instructions to Members for e-voting are as under:

(a) In case of Members receiving an e-mail from NSDL:

- (i) Open the PDF file attached to the e-mail, using your Client ID/Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Insert User ID and Initial Password as noted in step (i) above and click 'Login'
- (v) Password change menu will appear. Change the Password with a new Password of your choice. Please keep a note of the new Password. It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.
- (vi) Home page of e-voting will open. Click on e-voting – Active Voting cycles.
- (vii) Select EVEN of Nivedita Mercantile & Financing Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on Confirm when prompted. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail nvr54@ymail.com or cosec@sunteckindia.com with a copy marked to evoting@nsdl.co.in.

(b) In case of Members receiving physical copy of the Notice of Annual General Meeting (AGM) and Attendance Slip

- (i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xi) above, to cast vote.
- (iii) In case of any queries, please refer to the Frequently Asked Questions (FAQs) for members and the e-voting user manual for members available in the 'Downloads' section of <http://www.evoting.nsd.com>. You can also contact NSDL via email at evoting@nsdl.co.in.

General Instructions:

- (i) If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.
- (ii) The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on Wednesday, 23rd September, 2015.
- (iii) In terms of Clause 35B of the Listing Agreement entered into with the stock exchange, the Company has provided an option to their Members who do not have access to the e-voting facility, to cast their votes by way of a ballot. The ballot form is enclosed with this.
- (iv) The facility of e-voting shall commence at 10.00 a.m. on Friday, 25th September, 2015 and shall remain open up to 5.00 p.m. on Monday, 28th September, 2015. Members will not be able to cast their votes after 5.00 p.m. on Monday, 28th September, 2015.
- (v) Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail nvr54@ymail.com or cosec@niveditaindia.com with a copy marked to evoting@nsdl.co.in.
- (vi) Member(s) can opt for only one mode of voting i.e. either physically voting at the Annual General Meeting by voting through ballot or e-voting. In case a member has cast multiple votes, then voting done by e-voting will be treated as valid.
- (vii) Mr. Veeraraghavan N., Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot form received from the Member(s) who do not have access to the e-voting process) in a fair and transparent manner.
- (viii) The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unlock the votes in the presence of atleast two witnesses, not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour of, or against, if any, forthwith to the Chairman of the Company.

- (ix) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Veeraraghavan N., Practicing Company Secretary not later than 5.00 p.m. on Monday, 28th September, 2015. Ballot Form received thereafter will be treated as invalid.
- (x) The results declared along with the Scrutinizer's report shall be placed on the Company's website www.niveditaindia.com within two working days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

For and on Behalf of the Board

Sd/-

Company Secretary

Mumbai: 13th August, 2015

Registered Office:
5th Floor, Sunteck Centre,
37-40, Subhash Road,
Vile Parle (East),
Mumbai 400

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business set out in Notice:

Item No. 5

The Board of Directors of the Company had appointed Ms. Hemlata Thanvi, as an Additional Director under section 161(1) of the Companies Act, 2013 (the Act) w.e.f. 27th May, 2015 to hold office till the ensuing Annual General Meeting. The Company has received a notice u/s 160 of the Act from a member proposing Ms. Thanvi, to be appointed as a Director of the Company.

Ms. Thanvi has expertise and wide experience in Corporate Law matters and compliances over 9 years. None of the Directors, Key Managerial Personnel and their relatives thereof other than Ms. Thanvi and their relatives are concerned or interested in the resolution for her appointment. The resolution set out in Item nos. 5 of this Notice is accordingly recommended for the approval by the members as Ordinary Resolution.

**For and on Behalf of the Board
Sd/-
Company Secretary**

Mumbai: 13th August, 2015

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

Brief Profile of Director seeking appointment/re appointment at the ensuing Annual General Meeting of the Company:

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

Name of Director	Mr. Rajeshkumar Mundra	Ms. Hemlata Thanvi
Age	45 years	30 years
Qualifications	Chartered Accountant, Cost Accountant and Company Secretary	Company Secretary and L.L.B.
Date of Appointment	10 th November, 2012 (Appointed as an Additional Director)	27th May, 2015 (Appointed as Additional Director)
Expertise	16 years of experience in the field of Financial Market and Accounts	9 years of experience in Corporate Law and Compliances Matters
Directorship in other Public Limited Companies as on March 31, 2015	Nil	NIL
Chairman/ Member of the Audit Committee as on March 31, 2015	Member of an Audit Committee	NIL
Chairman/ Member of the Shareholders'/ Investors' Grievance Committee as on March 31, 2015	Member of an Shareholders / Investors' Grievance Committee	NIL
No. of Shares held in the Company as on March 31, 2015	Nil	NIL

Management Discussion and Analysis

GLOBAL ECONOMY

Global growth remains moderate, with uneven prospects across the main countries and regions. It is projected to be 3.5 percent in 2015, in line with forecasts in the January 2015 World Economic Outlook (WEO) Update. Relative to last year, the outlook for advanced economies is improving, while growth in emerging market and developing economies is projected to be lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries. While these increasingly influence competitiveness and the global economy tentatively recovers from the economic crisis, significant risks remain, resulting from a strained geopolitical situation, rising income inequality and the potential tightening of financial conditions. As we evidence fall in crude prices globally, it is benefiting commodities dependent economies like Brazil and Russia, China and India thereby easing inflationary pressures.

INDIAN ECONOMY

The Indian Economy has started recuperating with GDP growth recovering from decadal lows of 4.6% y-o-y in Q1-2014 to 7.5% y-o-y in Q1-2015 putting it ahead of China as the world's fastest growing large economy in the coming years. Also, the growth in Index of Industrial Production was recorded at 4.1% y-o-y at the end of April 2015, indicating an incipient recovery in the output of the core sector industries. With Government of India's focus on pro-business legislations, expeditious clearances to large scale infrastructure projects, lowering the fiscal and current account deficit, controlling inflation, there are expectations of a major economic revival and growth.

INDUSTRY OVERVIEW

The NBFC sector has been gaining systemic importance in the recent years and the share of NBFC has steadily grown from 10.7% of banking assets in 2009 to 14.3% of banking assets in 2014. NBFCs typically have several advantages over banks due to their focus on niche segment, expertise in the specific asset classes, deeper penetration in the rural and unbanked markets.

The growing asset size of the NBFC sector has increased the need for risk management in the sector due to growing interconnectedness of NBFCs with other financial sector intermediaries. The Reserve Bank of India (RBI) has been in the recent past trying to strengthen the risk management framework in the sector, simplify the regulations and plug regulatory gaps so as to prevent regulatory arbitrage between banks and NBFCs.

Due to subdued economic growth, last two years, have been challenging period for the NBFCs with moderation in rate of asset growth, rising delinquencies resulting in higher provisioning thereby impacting profitability. However, comfortable capitalisation levels and conservative liquidity management, continues to provide comfort to the credit profile of NBFCs in spite of impact on profitability.

FINANCIAL PERFORMANCE

The Company's Gross Loan Assets under Management increase from Rs. 43,66,48,855 in FY 2013-14 to Rs. 68,97,26,046/- in FY 2014-15. During the year under consideration your Company's total income including other income is Rs. 18,65,79,075/- as compared to Rs. 19,53,81,948/- in the previous year. The Net Profit after tax is Rs. 7, 51, 14,118/- against the profit of Rs. 2, 26, 78,850/- in the previous year.

RISK MANAGEMENT

The objective of risk management systems is to measure and monitor the various risks the Company is subject to and to implement policies and procedures to address these. The Company continues to improve its operating processes and risk management systems that will further enhance its ability to manage these risks.

Operational risk

Operational risks is broadly defined as the risk of direct or indirect loss due to the failure of systems, people or processes, or due to external events. It includes employee negligence, fraud, petty theft, burglary and embezzlement. Company has instituted a series of checks and balances, including an operating manual, and both internal and external audit reviews.

Credit risk

Credit risk is the possibility of loss due to the failure of any counterparty to abide by the terms and conditions of any financial contract with the Company. Your Company aims to reduce credit risk through a rigorous loan approval and appraisal process, as well as a strong NPA monitoring and collection strategy.

Market risk

Market risk refers to potential losses arising from the movement in market values of interest rates in the Company's business. The objective of market risk management is to avoid excessive exposure of earnings and equity to loss and to reduce its exposure to the volatility inherent in financial instruments. The majority of the Company's borrowings, and all the loans and advances it makes, are at fixed rates of interest. This minimises the Company's interest rate risk.

Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal costs to meet operational and debt servicing requirements. The Company tracks the potential impact of prepayment of loans at a realistic estimate of its near to medium-term liquidity position.

Business cycle risk

Business cycle risk is the risk associated with the seasonal or cyclical nature of a business. As customers include both individuals and business loan products are used by customers in various industries, trade cycles have limited impact on Company's business.

INTERNAL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate internal control system in place to safeguard assets and protect against losses from any unauthorised use or disposition. The system authorises, records and reports transactions and ensures that recorded data are reliable to prepare financial information and to maintain accountability of assets.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the company's objectives, estimates, expectations may be "forward-looking statements" within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied due to several factors which are beyond the control of the management. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the company, no representation is made on its accuracy and comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the company's operations but it is not exhaustive. The Company assumes no obligation to amend or update forward looking statements in future on the basis of new information, subsequent developments or otherwise.

DIRECTORS' REPORT

To the Members,

Your Directors take the privilege of presenting the 30th Annual Report and Audited Accounts for the financial year ended 31st March 2015 to the members of the Company.

FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2015 is summarized below:

(Rs. in Lacs)

Particulars	Standalone		Consolidated	
	For the year ended on 31.03.2015	For the year ended on 31.03.2014	For the year ended on 31.03.2015	For the year ended on 31.03.2014
Total Income	1865.79	1953.82	1865.79	-
Total Expenditure	879.07	1590.70	879.12	-
Profit before Tax	986.72	363.11	986.67	-
Less: Provision for Tax	235.58	136.32	235.58	-
Profit after Tax	751.14	226.78	751.09	-

PERFORMANCE

During the year under review, the total revenue earned is Rs. 18,65,79,075/- Lacs compared to previous year's revenue of Rs. 19,53,81,948/- Lacs on standalone basis. The profit before tax stands at Rs. 9,86,72,362/- Lacs as compared to Rs. 3,63,11,515/- Lacs during the previous year.

DIVIDEND

Your Directors are pleased to recommend a Final dividend @5% i.e. Rs. 0.50/- per Equity share on 34,79,298 Equity Shares held by persons/ entities other than Promoters amounting to Rs.17,39,663/- (Rupees Seventeen Lacs Thirty Nine Thousand Six Hundred and Sixty Three Only) out of the profits of the Company for the financial year 2014-15 for the approval of shareholders. The promoters of your Company having voluntarily and irrevocably waived their entitlement to receive the said Final Dividend on equity shares, no dividend is declared on 64,31,032 Equity Shares held by the promoter group.

TRANSFER TO RESERVES

It is not proposed to transfer any amount to reserves out of the profits earned during FY 2014-15.

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended March 31, 2015 is attached to the financial statements hereto in form AOC-1.

During the FY 2014-15, V Can Exports Private Limited has become subsidiary of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DIRECTORS

In compliance with provisions of section 149 of the Companies Act, 2013 read with revised clause 49 of the listing agreement, the Board of Directors of the Company has appointed existing Independent Directors viz. Mr. Asim Santara, Mr. Hiten Shah and Mr. Sudarshan Somani as Independent Director each for a consecutive term of 2 years with effect from 22nd September, 2014.

Mr. Rajesh Mundra, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his re-appointment.

Mrs. Lalitha Cheripalli was appointed as Additional Director of the Company during the FY 2014-15. Further, resignation letter from Mrs. Cheripalli was noted in the meeting of Board of Directors held on 26th May, 2015 effective from 27th May, 2015 and Mrs. Hemlata Thanvi is appointed as an Additional Director of the Company in the meeting of Board of Directors held on 26th May, 2015 w.e.f. 27th May, 2015. Mrs. Thanvi holds office of directorship upto the ensuing Annual General Meeting of the Company. Your Director recommends her appointment as Director in the forthcoming AGM of the Company.

Mrs. Hemlata Thanvi is also appointed as Company Secretary of the Company.

DECLARATIONS BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met 4 times during the financial year ended March 31, 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. All the Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time. Additionally, during the financial year ended March 31, 2015, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement.

Nomination and Remuneration Committee

A Nomination and Remuneration Committee is in existence in accordance with the provisions of subsection (3) of Section 178. Kindly refer section on Corporate Governance, under the head, 'Nomination and Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee.

Audit Committee

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

Other Board Committees

For details of other Board committees viz. Stakeholders Relationship Committee and others, kindly refer to the section on Corporate Governance.

Annual Evaluation of Directors, Committee and Board

The Evaluation process provides the manner in which the performance of Directors, as a collective body in the form of Board Committees and the Board functions and perform. The overall performance of the Board was satisfactory.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with provisions of section 177(9) of the Companies Act, 2013 read with revised clause 49 of the listing agreement, your Company has adopted whistle blower policy for Directors and employees to report genuine concerns to the management of the Company. The whistle blower policy of the Company is posted on the website of the Company and may be accessed on the Company's website at <http://www.niveditaindia.com/Downloads>.

RISK MANAGEMENT

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

POSTAL BALLOT FOR OBTAINING APPROVAL OF MEMBERS

The Company conducted a Postal Ballot during the period under review to seek approval of the Members by way of special resolutions for Adoption of new sets of Articles of Association of the Company and increase in Authorized Share Capital of the Company, which were duly passed and approved by the members of the Company with requisite majority on 9th April, 2015.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and consequently no particulars in form AOC-2 have been furnished.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at <http://www.niveditaindia.com/Downloads>.

PARTICULARS OF REMUNERATION

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours

on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013 ("Act"), your Directors confirm that:

1. in the preparation of the Annual Accounts for the year 2014-15, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. the Directors had 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 at the end of the Financial Year under review and of the Profit of the Company for that period;
3. the Directors had 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;
4. the Directors had prepared the Annual Accounts on a going concern basis.
5. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
6. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

AUDITORS

a) STATUTORY AUDIT

In compliance with provisions of section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company appointed M/s Bagaria & Co. LLP as Statutory Auditor of the Company for a period of 5 years in the AGM of the Company held on 22nd September, 2014. As per the provisions of the Companies Act, 2013, the appointment of statutory auditor is subject to ratification by the members at every AGM of the Company.

The Auditors have confirmed their eligibility to the effect that their appointment, if ratified, for FY 2015-16 would be within the prescribed limits under the Act and that they are not disqualified for their appointment.

On recommendation received from the Audit Committee, the Board recommends appointment of M/s Bagaria & Co. LLP as Statutory Auditor of the Company for financial year 2015-2016 at the ensuing AGM of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

b) SECRETARIAL AUDIT

As required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by Veeraraghavan N., Company Secretary in practice in Form MR-3 for the FY2014-15 forms part to this report. In respect of the observation made by the auditor in the report, Directors would like to state that the Company is in process of appointing CFO of the Company.

OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure I".

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not a manufacturing company, the Directors have nothing to report under the provisions of section 134(3)(m) of the Companies Act, 2013 read with the rule 8(3) of the Companies (Accounts) Rules, 2014.

Foreign Exchange Earnings and Outgo are as follows:

- i) Foreign Exchange Earned: Rs. NIL
- ii) Foreign Exchange Outflow: Rs. NIL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SERVICE OF DOCUMENTS THROUGH ELECTRONIC MEANS

All documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

CORPORATE GOVERNANCE

The report on Corporate Governance and the certificate from the Statutory Auditors regarding compliance with the conditions of Corporate Governance have been furnished in the Annual Report and form a part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report.

ACKNOWLEDGEMENTS

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

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

For and on Behalf of the Board

Rajeshkumar Mundra

(DIN: 01797146)

Chairman

Mumbai: 26th May, 2015

**ANNEXURE I TO THE DIRECTORS REPORT
FORM MGT-9**

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L51900MH1985PLC037039
Registration Date	05.08.1985
Name of the Company	Nivedita Mercantile & Financing Limited
Category/ Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	5th Floor, Sunteck Centre, 37-40 Subhash Road, Vile Parle (E) Mumbai -400057 Tel. No.: 22 4287 7800 Fax No.: 22 4287 890 Email Add: cosec@niveditaindia.com Website: www.niveditaindia.com
Whether Listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Adroit Corporate Services Private Limited 1 st Floor, 19 Jafferboy Ind. Estates, Makwana Road, Marol Naka, Mumbai- 400059 Tel. No.:022- 42270400 Fax No.:022- 28503748 Website: www.adroitcorporate.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr.No.	Name and Description of Main Products/Services	NIC code of the Product/ Service	% to total turnover of the Company
1.	This class includes financial service activities primarily concerned with making loans by institutions not involved in monetary intermediation (such as venture capital companies, industrial banks, investment clubs), where the granting of credit can take a variety of forms, such as loans	64920	99.76%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	V Can Exports Private Limited	U51909MH2003PTC139722	Subsidiary Company	100.00	2(87)(ii)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2122000	-	2122000	21.41	2122000	-	2122000	21.41	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2440700	-	2440700	24.63	2440700	-	2440700	24.63	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
(f-i) Trusts	885000	983332	1868332	18.85	1868332	-	1868332	18.85	
Sub- Total(A)(1):	5447700	983332	6431032	64.89	6431032	-	6431032	64.89	-
(2) Foreign									-
a) NRI's- Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub- Total(A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters(A)= (A)(1)+(A)(2)	5447700	983332	6431032	64.89	6431032	-	6431032	64.89	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	775001	167597	942598	9.51	1028498	930	1029428	10.39	0.88

ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	45720	37670	83390	0.84	51830	35670	87500	0.88	0.04
ii) Individual Shareholders holding nominal share capital in excess of ` 1 lakh	994979	1458331	2453310	24.76	2362370	-	2362370	23.84	-0.92
c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	-	-	-	-	-	-	-	-	-
v) Clearing Members / Clearing House	-	-	-	-	-	-	-	-	-
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	1815700	1663598	3479298	35.11	3442698	36600	3479298	35.11	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	1815700	1663598	3479298	35.11	3442698	36600	3479298	35.11	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7263400	2646930	9910330	100.00	9873730	36600	9910330	100	0.00

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
Akrur Khetan	545400	5.50	-	545400	5.50	-	-
Anupma Khetan	545400	5.50	-	545400	5.50	-	-

Astha Trust	491666	4.96	-	491666	4.96	-	-
Buteo Investment Pvt. Ltd.	300000	3.03	-	300000	3.03	-	-
Eskay Infrastructure Development Pvt. Ltd.	340700	3.44	-	340700	3.44	-	-
Germane Holdings Pvt. Ltd.	900000	9.08	-	900000	9.08	-	-
Glint Infraprojects Pvt. Ltd.	900000	9.08	-	900000	9.08	-	-
Krupa Family Private Trust	360000	3.63	-	360000	3.63	-	-
Kamal Khetan	325400	3.28	-	325400	3.28	-	-
Kamal Khetan HUF	325400	3.28	-	325400	3.28	-	-
Pariurna Trust	267000	2.69	-	267000	2.69	-	-
Shradhha Trust	258000	2.60	-	258000	2.60	-	-
Manisha Khetan	380400	3.84	-	380400	3.84	-	-
Matrabhav Trust	491666	4.96	-	491666	4.96	-	-
Total	6431032	64.89	0.00	381000	64.89	0.00	-

(iii) Change in Promoters' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of Shares	% of total shares of the Company
At the beginning of the year	No change during the year			
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	No change during the year			
At the end of the year	No change during the year			

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADR)

For Each of the Top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mount Overseas Private Limited	291667	2.94	291667	2.94
Dipti Shailesh Parekh	250000	2.52	250000	2.52
Lalita K Vyas	250000	2.52	250000	2.52
Shailesh Parekh	250000	2.52	250000	2.52
Industele Services Private Limited	225000	2.27	225000	2.27
Renu Agarwal	208333	2.10	208333	2.10
Matadi Advisory Services Private Limited	100000	1.01	100000	1.01
Yantra Natural Resources Limited	87500	0.88	76419	0.77
Ritu Arvind Agarwal	83334	0.84	83334	0.84
Ravi Parekh	83333	0.84	83333	0.84
Rushikesh Shailesh Parekh	83333	0.84	83333	0.84
Vanna Trading Company Private Limited	-	-	90000	0.91

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company

At the beginning of the year	None of the Directors hold shares in the Company
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): Date : Increase : Allotment pursuant to merger	None of the Directors hold shares in the Company
At the end of the year	None of the Directors hold shares in the Company

V . INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	7882.83	-	7882.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	7882.83	-	7882.83
Change in Indebtedness during the financial year				
Addition	4465.00	-	-	4465.00
Reduction	-	(6295.03)	-	(6295.03)
Net Change	4465.00	6295.03	-	(1830.03)
Indebtedness at the end of the financial year				
i) Principal Amount	4465.00	1587.80	-	6052.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.05	-	-	2.05
Total (i+ii+iii)	4467.05	1587.80	-	6054.85

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole- time Directors and /or Manager: Not Applicable

Sr. No.	Particulars of Remuneration	
1.	Gross Salary	-
	(a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	-
	(b) Value of perquisites under Section 17(2), Income Tax Act, 1961	-
	(c) Profits in Lieu of salary under Section 17 (3), Income Tax Act, 1961	-
2.	Stock Options	-
3.	Sweat Equity	-
4.	Commission	
	- as % of Profit	-
	- Others,	-
5.	Others	-
	Total (A)	

B. Remuneration of other Directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Mr. Asim Santara	Mr. Hiten Shah	Mr. Sudarshan Somani	Total Amount
1.	- Fee for attending Board/Committee Meetings	17,500	17,500	10,000	45,000
2.	- Commission	-	-	-	-
3.	- Others	-	-	-	-
	Total (B)(1)	17,500	17,500	10,000	45,000

2. Other Non Executive Directors

Sr.	Particulars of Remuneration	Total Amount
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No.			
1.	- Fee for attending Board/Committee Meetings	NIL	-
2.	- Commission		-
3.	- Others		-
	Total (B)(2)	-	-
	Total (B)= (B)(1)+ (B)(2)		45,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD : Not Applicable

Sr. No.	Particulars of Remuneration			Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961			
	(b)Value of perquisites under Section 17(2), Income Tax Act, 1961			
	(c)Profits in Lieu of salary under Section 17 (3), Income Tax Act, 1961			
2.	Stock Options			
3.	Sweat Equity			
4.	Commission			
	as % of Profit			
	others			
5.	Others			
	Total (c)			

D. PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Rajeshkumar Mundra
(DIN: 01797146)
Chairman
Mumbai, 26th May 2015

REPORT ON CORPORATE GOVERNANCE

In accordance with the Clause 49 of the Listing Agreement, the report containing the details of the Governance systems and process at Nivedita Mercantile & Financing Limited is as under:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes and system that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. This is vital to gain and retain investor trust.

Corporate Governance norms and processes ensure effective engagement with the changing business environment and always seek to ensure that its performance goals are met with integrity. Your Company considers it inherent responsibility to disclose timely and accurate information regarding financials and performance of the Company.

The Board of Directors hereby present the Companies policies and practices on Corporate Governance as mandated under the clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

2.1. Composition of the Board:

The Company's policy is to maintain the optimum combination of Executive and Non Executive Directors to maintain the independence of the Board and separate its functions of governance and management. As at 31st March, 2015, the Board consists of Seven (5) Directors, out of which Three (3) are Non Executive Independent Directors.

2.2 Board Meetings:

During the financial year ended 31st March 2015, the Board of Directors of the Company had met four times (i.e. on 30th May, 2014, 14th August 2014, 14th November 2014 and 12th February 2015).

2.3 Details of Board Members

The names of Members of the Board of Directors, their attendance at the Company's Board Meetings and last Annual General Meeting, number of Directorships/Committee Memberships in other Companies during the year under review is given below:

Name of Director	Category	No. of Board Meetings attended during the period under	Attendance at the last AGM held on 22 nd September 2014	Number of Directorship in other Public Limited companies (including	No. of Committee positions held in other Public Limited companies as on 31 st March, 2015
------------------	----------	--	--	---	--

		review		Pvt. Ltd co's which are subsidiaries of Public Ltd Co) as on 31 st March, 2015		
					Chairman	Member
Asim Santara	Independent Non Executive	4	Yes	Nil	Nil	Nil
Hiten Shah	Independent Non Executive	4	No	1	1	1
Rajesh Kumar Mundra	Non Independent Non Executive	4	Yes	Nil	Nil	Nil
# Sudarshan Somani	Independent Non Executive	2	No	Nil	Nil	Nil
§ Lalitha Cheripalli	Women Director	Nil	N.A.	Nil	Nil	Nil

Appointed as Additional Director w.e.f 30th May, 2014 and an Independent Director w.e.f. 22nd September, 2014.

§ Appointed as Additional Director w.e.f.31st March, 2015.

*The Number of Directorships in other public limited companies includes Private Limited Companies which are Subsidiaries of the Public Limited Company.

During the year, the Company has not entered into any material transaction(s) with the Independent Directors of the Company.

COMMITTEES OF THE BOARD OF DIRECTORS

3. AUDIT COMMITTEE

3.1 Constitution of the Audit Committee:

The Audit Committee is constituted in line with the provisions of Revised Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

During the financial year under review, four meetings of the Audit Committee were held i.e. on 30th May 2014, 14th August 2014, 14th November 2014 and 12th February, 2015.

The composition and attendance of the members of the Audit Committee as on 31st March, 2015 is as follows:

Name of the Director	Chairman/ Member	Category	No. of Meetings	
			Held	Attended
Asim Santara	Chairman	Independent, Non Executive	4	4
Hiten Shah	Member	Independent, Non Executive	4	4
Rajesh Kumar Mundra	Member	Non Independent, Non Executive	4	4

3.2 Terms of Reference of Audit Committee:

The composition, powers, role and terms of reference of the Committee are in consonance with the requirements mandated under Section 177 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;

- Scrutiny of Inter-Corporate Loans and Investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of Internal Financial Controls and Risk Management Systems;
- Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal audit;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

4.1 Constitution of the Stakeholders Relationship Committee and its functions:

The Board of Directors of the Company has renamed the existing Shareholder Grievance Committee as Stakeholders Relationship Committee in accordance with the provisions of Section 178(5) of the Companies Act, 2013 read with revised Clause 49 of the Listing Agreement.

This Committee is specifically responsible for the redressal of security holders grievances related to non-receipt of Annual Report, non-receipt of declared dividend etc. The Committee also oversees the performance of the Registrar and Transfer Agents of the Company relating to investors services and recommend measures for improvement.

4.2 Terms of Reference of Stakeholders Relationship Committee:

The role of the Stakeholders Relationship Committee, inter alia, includes the following:

1. Investor relations and redressal of grievances of security holders in general and relating to non-receipt of dividends, interest, non receipt of Annual Report, etc., in particular.
2. Such other matters as may be required from time to time by any statutory, contractual or other regulatory requirements to be attended to by such a Committee.

4.3 Meetings of the Stakeholders' Relationship Committee:

During the financial year under review, four meetings of the Stakeholders' Relationship Committee were held i.e. on 30th May 2014, 14th August 2014, 14th November 2014 and 12th February, 2015. The composition and attendance of the members of the Shareholders/Investors Grievance Committee as on 31st March, 2015 is as follows:

Name of the Director	Chairman/ Member	Category	No. of Meetings	
			Held	Attended
Hiten Shah	Chairman	Independent, Non Executive	4	4
Asim Santara	Member	Independent, Non Executive	4	4
Rajeshkumar Mundra	Member	Non Independent, Non Executive	4	4

During the financial year under review, the Company has not received any complaint from the shareholders.

Name, Designation and Address of the Compliance Officer:

Mrs. Hemlata Thanvi

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

5. NOMINATION AND REMUNERATION COMMITTEE:

5.1 Constitution of Nomination and Remuneration Committee and its functions:

During the year under review, the Nomination and Remuneration Committee is constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with revised Clause 49 of the Listing Agreement.

5.2 Meetings of the Nomination and Remuneration Committee

There is no meeting of Nomination and Remuneration Committee held during the year.

The composition of the members of the Nomination and Remuneration Committee as on 31st March 2015 is as follows:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Sudarshan Somani	Non-Executive, Independent Director	Chairman	-	-
Mr. Hiten Shah	Non-Executive and Independent Director	Member	-	-
Mr. Rajeshkumar Mundra	Non Independent Non Executive	Member	-	-

5.3 Terms of Reference of Nomination and Remuneration Committee:

The role of the Nomination and Remuneration Committee, inter alia, includes the followings:

- 1) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- 2) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 3) Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- 4) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 5) Formulation of criteria for evaluation of Independent Directors and the Board;
- 6) Devising a policy on Board diversity;
- 7) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Details of Remuneration/Commission and fees paid to Executive and Non-Executive Directors for the financial year 2014-2015:

The Company has paid Rs. 45,000/- as sitting fees to Non –Executive Directors during the financial year 2014-2015 for attending each meeting of the Board of Directors.

6. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on February 12, 2015, inter alia, to Discuss:

- Evaluation of the Performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting.

7. GENERAL BODY MEETINGS

i. Details of last three Annual General Meetings of the Company held are given below:

Date	Venue	Time	No. of Special Resolution Passed
22 nd September, 2014	5 th Floor, Sunteck Centre, 37-40,Subhash Road, Vile Parle (E), Mumbai 400057	10.00 a.m.	Nil
27 th September, 2013	M.I.G. Club, M.I.G. Colony, Bandra (East), Mumbai 4000591	5.00 p.m.	Nil
18 th September, 2012	M.I.G. Club, M.I.G. Colony, Bandra (East), Mumbai 4000591	4.00 p.m.	Nil

ii. Details of Extra-Ordinary General Meetings of the Company held are given below:

Date	Venue	Time	No. of Special Resolution Passed
31 st July, 2014	5 th Floor, Sunteck Centre, 37-40,Subhash Road, Vile Parle (E), Mumbai 400057	10.00 a.m.	Nil

iii. Details of Resolution passed through Postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern:

The following resolution was passed by way of postal ballot on 9th April 2015:

1. Adoption of new sets of Articles of Association of the Company;
2. Increase in Authorized Share Capital of the Company

Mr. Veeraraghavan N, Practising Company Secretary was appointed as the Scrutinizer for the aforesaid Postal Ballot Process.

The Postal Ballot was conducted in accordance with the provisions of section 110 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014.

The details of the Voting pattern of the above Postal Ballot was as follows:

Promoter/ Public	No. of Shares held	No. of Votes polled	% of Votes Polled on outstanding shares	No. of Votes- In favour	No. of Votes- Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)=[(2)/(1)]* 100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100

Promoter and Promoter Group	6431032	6071032	94.40	6071032	0	100	0
Public-Institutional Holders (FII)	0	00	0	0	0	0	0
Public- Others	3479298	100	0.002	100	0	100	0
Total	9910330	6071132	94.40	6071132	0	100	0.00

SUBSIDIARY COMPANY

The Company does not have any material unlisted Indian subsidiary whose turnover or networth (paid-up and free reserves) exceeds 20% of the consolidated turnover or networth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year as defined under Clause 49 of the Listing Agreements.

The Company monitors the performance of its subsidiary, inter alia by following means:

- The Minutes of the Board Meetings of the Subsidiary Company is noted at the Board Meetings of the Company.
- The Investments made by the Subsidiary Company are reviewed by the audit Committee from time to time.
- Details of significant transactions and arrangements entered into by Subsidiary Company are regularly placed at the Board Meetings of the Company.

8. DISCLOSURES

Basis of Related Party Transaction

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Non Compliances/Strictures/Penalties Imposed

During the last three years, there were no penalties or strictures imposed on the Company by SEBI, Stock Exchange or any statutory authority on any matter related to capital market.

Disclosure about Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations.

During the year under review, no employee was denied access to the Audit Committee.

Disclosure of Accounting Treatment

The Company has followed all relevant Accounting Standards while preparing the Financial Statements.

Non mandatory requirements

The Company has reviewed the non mandatory requirements under Clause 49 of the Listing Agreement and these shall be adopted/ complied by the Company on need basis.

9. MEANS OF COMMUNICATION

a) Quarterly results: The Company's quarterly results are published in Asian Age and Aapla Mahanagr and are displayed on its website (www.niveditaindia.com).

b) News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges, if any.

10. GENERAL SHAREHOLDER INFORMATION

(i) 30th Annual General Meeting:

Date: 29th September, 2015

Time: 10.00 A.M.

Venue: Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai-400057.

(ii) Financial Year:

Accounting year	:April to March
Financial reporting for the quarter ending June 30, 2015	:On or before 14 th August, 2015
Financial reporting for the half year ending September 30, 2015	:On or before 14 th November, 2015
Financial reporting for the quarter ending December 31, 2015	:On or before 14 th February, 2016
Financial reporting for the year ending March 31, 2016	:On or before 30 th May, 2016
Annual General Meeting for the year ended March 31, 2015	: September, 2015

(iii) Date of Book Closure:

25th September, 2015 to 29th September, 2015 (both days inclusive)

(iv) Dividend Payment Date:

The Board has recommended a dividend of 5% i.e. (Rs.0.50 per Share). If declared by the Shareholders in the Annual General Meeting, the same will be paid within 30 days of declaration of Dividend.

(v) Listing on Stock Exchanges:

The Company's equity shares are listed on The BSE Limited.

The Company's equity shares are delisted from MPSE Limited w.e.f. 6th December, 2014.

The Company confirms that it has paid annual listing fees due to the Stock exchanges for the year 2015-2016.

(vi) Stock code:

BSE Ltd, Mumbai : 512381
ISIN Number for NSDL & CDSL : INE992I01013

(vii) Market Price Data:

The high/low market price of the Company's shares in each month during the last financial period under review 2014-2015 was:

Month	High	Low
April 2014	16.65	16.65
May 2014	18.30	17.45
June 2014	25.65	19.20
July 2014	37.65	26.90
August 2014	47.90	39.50
September 2014	81.65	50.25
October 2014	-	-
November 2014	94.40	85.70
December 2014	104.05	98.80
January 2015	99.95	93.95
February 2015	95.00	66.80
March 2015	66.65	55.05

(viii) Registrar and Transfer Agents:

Adroit Corporate Services Private Limited
1st Floor, 19 Jafferboy Ind. Estates,
Makwana Road, Marol Naka,
Mumbai- 400059
Tel No.: 022- 42270400

(ix) Share Transfer System:

The share transfers which are received in physical form are processed by Registrar and Share Transfer Agent viz. Adroit Corporate Services Pvt. Ltd. and share certificates are dispatched within the time limit prescribed under the Listing Agreement.

(x) Distribution of shareholding as on 31st March 2015:

SHARE HOLDING OF NOMINAL VALUE OF	SHARE HOLDERS		SHARE AMOUNT	
	Number	% of Total	In Rs.	% of Total
1 – 5000	195	32.31	606800	0.61
5001 – 10,000	6	30.08	470620	0.47
10,001 -20,000	4	2.05	724750	0.73
20,001- 30,000	6	3.08	1645000	1.66
30,001- 40,000	1	0.51	350000	0.35
40,001- 50,000	15	7.69	7164960	7.23
50,001-100,000	11	5.64	9080850	9.16
100,001 and above	20	10.26	79060320	79.78
TOTAL	258	100.00	99103300	100.00

(xi) Shareholding Pattern (category wise) as on 31st March 2015:

CATEGORY OF SHAREHOLDERS	NO. OF SHAREHOLDERS	NO. OF SHARES HELD	% OF HOLDING
Indian Promoters	14	6431032	64.89
Financial Institutions & Banks	NIL	NIL	NIL
Mutual Funds & UTI	NIL	NIL	NIL
FII's	NIL	NIL	NIL
NRIs/OCBs	NIL	NIL	NIL
Corporate Bodies	20	1029428	10.39
Individual (Capital up to Rs.1 lac)	193	87500	0.88
Individual (Capital above Rs. 1 lac)	31	2362370	23.84
Clearing Members Transit Position	NIL	NIL	NIL
Market Maker	NIL	NIL	NIL
Trusts	NIL	NIL	NIL
TOTAL	258	9910330	100

(xii) Dematerialization of Shares and Liquidity:

As of 31st March 2015, 98,73,730 Equity Shares of the Company (99.63%) are held in electronic form with National Securities Depository Limited and Central Depository Services (India) Limited.

(xiii) Code of Conduct:

The Board has formulated a code of conduct for the Board members and senior management of the Company and the same is reflected on the website of the Company.

(xiv) Outstanding GDRs/ADRs/Warrants:

The Company has not issued any GDRs/ADRs/Warrants during the year under review.

(xv) Plant Location:

The Company does not have any plant.

(xvi) Address for Investors' Correspondence:

Adroit Corporate Services Private Limited

1st Floor, 19 Jafferboy Ind. Estates,
Makwana Road, Marol Naka,
Mumbai- 400059
Tel No.: 022- 42270400

Others:

Nivedita Mercantile and Financing Limited

5th Floor, Sunteck Centre, 37-40,
Subhash Road, Vile Parle (E),
Mumbai 400057
Website: www.niveditaindia.com
Email ID: cosec@niveditaindia.com

(xvii) CEO/CFO Declaration:

Pursuant to clause 49I(D) of the Listing agreement entered into with the Stock Exchange, I hereby declare that all the Board members and Senior management personnel of the Company have affirmed compliances with the Code of Conduct for the Current Year.

For and on behalf of the Board of Directors

Rajeshkumar Mundra
(DIN: 01797146)
Chairman
Mumbai, 26th May 2015

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members
Nivedita Mercantile and Financing Limited

We have examined the compliance of the conditions of Corporate Governance by **Nivedita Mercantile and Financing Limited** ("the Company") for the year ended 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations given by the management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Bagaria & Co., LLP
Chartered Accountants
(Firm Registration No.113447W/W-100019)

Vinay Somani
Partner
Membership No. : 143503
Mumbai
26th May, 2015

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

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

Form No. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2015

(Pursuant to Section 204 (1) of the Companies Act 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

To
The Members,
Nivedita Mercantile & Financing Limited.

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nivedita Mercantile & Financing Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

(vi) Non Banking Financial Companies Regulations of Reserve Bank of India

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company has not appointed CFO and Whole Time Director.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views (if any) are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and insure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has:

1. The Board of Directors of the Company has passed a resolution on 12th February 2015 for issue of shares of Rights basis upto Rs. 20 crores.
2. The Company has obtained necessary approvals for delisting of its shares from Madhya Pradesh Stock Exchange with effect from 6th December, 2014.

SD/-
Veeraraghvan N.
C.P.No . 4334
Date: 26th May, 2015

Independent Auditor's Report

To
The Members of,
Nivedita Mercantile & Financing Limited
Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Nivedita Mercantile & Financing Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial

reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.

As required by section 143(3) of the Act, we report that:

- a) We have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our 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 those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Bagaria & Co., LLP

Chartered Accountants

(Firm Registration No.113447W/W-100019)

Vinay Somani

Partner

Membership No.: 143503

26th May, 2015

Annexure to the Independent Auditor's Report – 31st March, 2015

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

1. There are no fixed assets and therefore clause 3(i) of the order is not applicable.
2. There is no inventory and therefore clause 3(ii) of the order is not applicable.
3. In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act:

According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Consequently, the provisions of clauses 3(iii) (a) & 3(iii) (b) of the order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the Company and the nature of its business, for the grant of loans & advances & charging of interest. The nature of the Company's business is such that it does not involve any sale of goods or purchase of inventory. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits hence clause 3(v) of the order are not applicable to the Company.
6. The Company does not belong to list of Companies as prescribed under Section 148(1) of the Companies Act, and therefore clause 3(vi) of the order is not applicable.
7. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax or wealth tax or service tax or sales tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any disputes.

(c) There are no funds required to be deposited in Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
8. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

9. Based on our audit procedures and according to the information and explanations given to us, we report that the Company has not defaulted in repayment of dues to a financial institution or bank.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
11. Based on our audit procedures and on the information given by the management, we report that the company has applied the term loans to the purpose for which they were obtained.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Bagaria & Co., LLP

Chartered Accountants

(Firm Registration No.113447W/W-100019)

Vinay Somani

Partner

Membership No. : 143503

Mumbai

26th May, 2015

BALANCE SHEET			
Particulars	Notes	As at 31st March, 2015	As at 31st March, 2014
		Rs	Rs
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' FUND			
Share capital	2	99,103,300	99,103,300
Reserves and Surplus	3	936,345,495	863,325,178
CURRENT LIABILITIES			
Short-term borrowings	4	605,280,252	788,283,460
Trade payable	5	694,746	638,316
Other current liabilities	6	2,439,863	3,533,503
Short-term provisions	7	32,706,736	17,187,936
TOTAL		1,676,570,392	1,772,071,693
<u>ASSETS</u>			
NON - CURRENT ASSETS			
Non-current investments	8	192,630,629	186,604,323
Long-term loans and advances	9	14,646,303	24,691,435
CURRENT ASSETS			
Current Investment	10	757,732,602	216,936,219
Cash and Bank balance	11	4,629,260	7,623,974
Short-term loans and advances	12	690,587,358	1,332,084,400
Other Current Assets	13	16,344,240	4,131,342
TOTAL		1,676,570,392	1,772,071,693
Significant Accounting Policies and the	1		
accompanying notes form an integral part of financial statements	1 to 19		

In terms of our report attached.

For Bagaria & Co., LLP

Firm's Reg No : 113447W/W-100019

**For and on behalf of the Board of Directors of
Nivedita Mercantile and Financing Limited**

Vinay Somani

Partner

Membership No. 143503

Rajesh Mundra

Director

(DIN: 01797146)

Asim Santara

Director

(DIN: 01659370)

Hiten Shah

Director

(DIN: 02185059)

Sudarshan Somani

Director

(DIN: 00137568)

Lalitha Cheripalli

Director

(DIN: 07026989)

Hemlata Thanvi

Company Secretary

STATEMENT OF PROFIT AND LOSS			
Particulars	Notes	Year ended 31st March, 2015	Year ended 31st March, 2014
		Rs.	Rs.
INCOME			
Revenue from operations	14	149,300,015	195,295,720
Other income	15	37,279,060	86,228
Total revenue (I)		186,579,075	195,381,948
EXPENSES			
Operating Expenses	16	70,732,548	143,291,253
Employee benefits expenses	17	1,517,488	3,370,493
Other expenses	18	15,656,677	12,408,687
Total expenses (II)		87,906,713	159,070,433
Profit for the year before tax (I - II)		98,672,362	36,311,515
Tax expense:			
(Less):Current tax		23,558,198	13,632,665
(Less):Excess/(Short) Provision for tax		46	-
Profit for the year		75,114,118	22,678,850
Earning per equity share of face value Rs. 10 each:			
Basic		7.58	3.87
Diluted		7.58	3.87
Significant Accounting Policies and the	1		
accompanying notes form an integral part of financial statements	1 to 19		

In terms of our report attached.

For Bagaria & Co., LLP

Firm's Reg No : 113447W/W-100019

**For and on behalf of the Board of Directors of
Nivedita Mercantile and Financing Limited**

Vinay Somani

Partner

Membership No. 143503

Rajesh Mundra

Director

(DIN: 01797146)

Asim Santara

Director

(DIN: 01659370)

Hiten Shah

Director

(DIN: 02185059)

Sudarshan Somani

Director

(DIN: 00137568)

Lalitha Cheripalli

Director

(DIN: 07026989)

Hemlata Thanvi

Company Secretary

Cash Flow Statement For The Year Ended 31st March 2015

	Year Ended 31st March 2015		Year Ended 31st March 2014	
	Rs.	Rs.	Rs.	Rs.
<u>Cash Flow from Operating Activities</u>	-	-		
Profit Before Tax and Extraordinary items		98,672,362		36,311,515
<u>Adjustment For</u>				
Provision for Standard & Sub-Standard Asset	13,649,315		10,014,587	
Dividend Income	(2,157,924)		(86,228)	
Interest Income	(1,270,550)		-	
Loss/ (Profit) on Sale of Mutual Funds	(33,850,587)	(23,629,745)	-	9,928,359
Operating Profit before Working Capital Changes		75,042,617		46,239,874
Adjustment for:				
(Increase)/Decrease in Long Term Loans & Advances, Short Term Loans & Advances and in other current Assets	629,375,710		1,491,081,225	
Increase/(Decrease) in Short term Borrowings	(183,003,208)		(1,904,789,487)	
Increase/(Decrease) in Trade Payable, Short Term provisions and other current liabilities	(978,759)	445,393,743	277,591	(413,430,671)
Cash Generated From Operations		520,436,360		(367,190,797)
Income Tax Paid/(Refund)		11,702,079		19,008,845
Net Cash inflow /(used) from Operating Activities (A)		508,734,281		(386,199,642)
<u>Cash Flow from Investing Activities</u>	-			
Purchase of Investment	(601,718,661)		(308,204,562)	
Sale of Investment	88,746,559		-	
Interest Received	1,270,550		-	
Dividend on Mutual Funds	2,157,924	(509,543,628)	86,228	(308,118,334)
Net Cash inflow / (used) in Investing Activities (B)		(509,543,628)		(308,118,334)
<u>Cash Flow from Financing Activities</u>	-			
Proceeds from Issue of Equity Shares	-		64,103,300	
Proceeds of Securities Premium on issue of equity shares	-		629,096,300	
Proposed equity dividend & Interim dividend	(1,739,649)		(3,151,799)	
Dividend distribution tax on proposed & interim dividend	(354,152)		(535,651)	

Net Cash inflow / (used) in Financing Activities (C)		(2,093,801)		689,512,150
Net Increase in Cash and Cash Equivalents (A+B+C)		(2,903,148)		(4,805,826)
Cash and Cash Equivalents - Opening Balance		6,496,421		11,302,247
Cash and Cash Equivalents - Closing Balance		3,593,273		6,496,421
<u>Components of cash and cash equivalents at the year end</u>	-			
Cash in hand		694,720		957,096
-On Current account		2,898,553		5,539,325
Cash and Cash Equivalents - Closing Balance		3,593,273		6,496,421

1. The above Cash Flow Statement has been prepared under the " Indirect method" set out in Accounting Standard (AS) -3 on Cash Flow Statement notified u/s 211(3C) of the Companies Act, 1956.

As per our report of even date attached

For Bagaria & Co., LLP

Chartered Accountants

Firm's Registration No :113447W/W-100019

Vinay Somani

Partner

Membership No. 143503

Place: Mumbai

Date: 26th May, 2015

For and on behalf of the Board of Directors

of Nivedita Mercantile and Financing Limited

**Rajesh
Mundra**

Director

(DIN:
01797146)

Sudarshan Somani

Director

(DIN:
00137568)

Lalitha Cheripalli

Director

(DIN:
07026989)

Asim Santara

Director

(DIN: 01659370)

Hiten Shah

Director

(DIN: 02185059)

Hemalata Thanvi

Company

Secretary

Significant Accounting Policies and Notes on Accounts for the year ended 31st March 2015

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof along with the applicable guidelines issued by Reserve Bank of India ("RBI").

1.2 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 recognized in accordance with the requirements of the respective accounting standard.

1.3 Revenue Recognition

- (a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.
- 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.
- c) Dividend is accounted when the right to receipt is established.
- d) Profit/Loss in dealing with securities are recognized on the day of the settlement of the transaction

1.4 Fixed Assets & Depreciation

The Company does not have any Fixed Asset as on 31st March 2015.

1.5 Investments

Investments that are readily realizable 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 non current Investments. Non Current Investments are carried at cost, less provision for diminution in value other than temporary.

1.6 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 1961.

1.7 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.

1.8 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.

1.9 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.

1.10 Advances

Advances are classified under four categories i.e. (i) Standard Assets, (ii) Sub-standard Assets, (iii) Doubtful Assets and (iv) Loss Assets in accordance with the RBI Guidelines.

Provision on restructured advances is made at in accordance with the guidelines issued by the RBI.

Provision on Standard Assets is made as per the provisioning policy of the Company subject to minimum as stipulated in RBI Guidelines or where additional specific risks are identified by the management, based on such identification.

1.11 Cash Flow Statement

Cash flow statement has been prepared under the 'Indirect Method'. Cash and cash equivalents, in the cash flow statement comprise of unencumbered cash and bank balances.

1.12 Share Issue Expenses

Share issue expense is charged to the statement of Profit & Loss in the year in which it is incurred.

NOTES TO FINANCIAL STATEMENT

NIVEDITA MERCANTILE AND FINANCING LIMITED

NOTES TO FINANCIAL STATEMENT

		As at 31st March, 2015	As at 31st March, 2014
		Rs.	Rs.
2	Share capital		
	<u>Share Capital</u>		-
	<u>Authorised</u>		-
	120,000,000 (previous year 120,000,000) Equity Shares of Rs.10 each	1,200,000,000	1,200,000,000
	Total authorised share capital	<u>1,200,000,000</u>	<u>1,200,000,000</u>
	<u>Issued, Subscribed and Paid up</u>		
	99,10,330 (previous year 99,10,330) equity shares of Rs. 10 each fully paid up	99,103,300	99,103,300
	Total issued, subscribed and fully paid up share capital	<u>99,103,300</u>	<u>99,103,300</u>
	a. Reconciliation of shares outstanding at the beginning and at the end of the year		
		As at 31st March, 2015	As at 31st March, 2014
		Number of Shares	Number of Shares
	Equity shares of Rs. 10 each		
	Outstanding at the beginning of the year	9,910,330	3,500,000
	Add: Conversion of warrants	-	-
	Add: Fresh Issue	-	6,410,330
	Outstanding at the end of the year	<u>9,910,330</u>	<u>9,910,330</u>
	b. Terms/rights attached to equity shares		
	<p>The Company has only one class of Equity Share having value of Rs. 10 Each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>		

c. Details of shareholders holding more than 5% shares in the Company						
		As at 31st March, 2015		As at 31st March, 2014		
		% of holding shares	Number of shares	% of holding shares	Number of shares	
Equity shares of Rs. 10/- each fully paid						
Glint Infraprojects Pvt Ltd		9.08	900,000	9.08	900,000	
Germane Holdings Pvt Ltd		9.08	900,000	9.08	900,000	
Akrur Khetan		5.50	545,400	5.50	545,400	
Anupama Khetan		5.50	545,400	5.50	545,400	
3	<u>Reserves and Surplus</u>					
	Securities Premium account					
	Balance as per last financial statements			804,866,300		175,770,000
	Add: Received during the year			-		629,096,300
	Closing balance			804,866,300		804,866,300
	Statutory Reserve Fund					
	Balance as per last financial statements			10,424,564		5,888,794
	Add: Transferred during the year			15,022,824		4,535,770
	Closing balance			25,447,388		10,424,564
	Surplus in the statement of profit and loss					
	Balance as per last financial statements			48,034,314		33,578,684
	Profit for the year			75,114,118		22,678,850
	Balance available for appropriation			123,148,432		56,257,534
	Less: Appropriations					
	Statutory Reserve Fund			15,022,824		4,535,770
	Proposed equity dividend F.Y. 2012-13 (Dividend per share Rs. Nil;					
	Previous year Rs. 0.5)			-		485,000
	Proposed equity dividend (Dividend per share Rs. 0.5;					
	Previous year Rs. 0.5)			1,739,649		1,739,649
	Interim equity dividend (Dividend per share Rs. Nil; Previous year Rs. 0.50)			-		927,150
	Tax on proposed equity dividend (F.Y. 2012- 13)			-		82,427
Tax on proposed equity dividend			354,152		295,654	
Tax on proposed equity interim Dividend			-		157,570	
Closing balance			106,031,807		48,034,314	

	Total reserves and surplus	936,345,495	863,325,178
4	<u>Short Term Borrowings</u>		
	Secured Loans		
	a) Term Loan		
	Financial Institutions	446,500,000	-
	Unsecured Loans		
	a) Loans repayable on demand		
	Body corporates	158,780,252	788,283,460
	Total short term borrowings	605,280,252	788,283,460
	Terms and Conditions for Secured Loan taken from Financial Institutions		
	4.1 The term loan is secured by way of pledge of taxable bonds of Rs 350,000,000/- (Previous Year Nil) and tax free bonds of Rs.175,100,000/- (Previous Year Nil) respectively.		
	4.2 The interest rate on above term loans of Rs. 296,500,000/- (Previous Year Rs.Nil) @ 10.30% p.a. and Rs.150,000,000 (Previous Year Rs. Nil) @ 11.10% p.a.		
	4.3 Repayment schedule of secured term loan		
		As at 31st March, 2015	As at 31st March, 2014
	Repayment Schedule		
	less than 1 years	446,500,000	-
5	<u>Trade Payables</u>		
	Trade payables (refer note no.19.9 for details of dues to micro, small and medium enterprises)	694,746	638,316
	Total trade payables	694,746	638,316
6	<u>Other Current Liabilities</u>		
	Interest accrued but not due on borrowings	205,272	-
	Others		
	Statutory dues	1,198,611	2,405,950
	Unclaimed Dividend	1,035,980	1,127,553
	Total other current liabilities	2,439,863	3,533,503

7	<u>Short Term Provisions</u>		
	a) Contingent Provisions against Standard Assets	4,801,948	3,152,633
	b) Contingent Provisions against Sub-Standard Assets	24,000,000	12,000,000
	c) Provision for taxation (net of Advance Tax Rs.2,35,58,198/- Previous Year Rs Nil)	1,810,987	-
	(d) Provision - Others:		
	Proposed equity dividend	1,739,649	1,739,649
	Dividend distribution tax on proposed dividend	354,152	295,654
	Total short term provisions	32,706,736	17,187,936
8	<u>Non - Current Investments</u>		
	<u>Quoted equity instruments</u>		
	Bata India Ltd	5,950,147	-
	5,000 (previous year Nil) equity shares of Rs. 10 each fully paid up		
	Sundaram Multi Pap Ltd	9,959,509	9,959,509
	641,283 (previous year 641,283) equity shares of Rs. 1 each fully paid up		
	Dwarikesh Sugar Industries Ltd	693,613	693,613
	25,200 (previous year 25,200) equity shares of Rs. 10 each fully paid up		
	Gujarat Industries Power Co Ltd	4,485,598	-
	50,000 (previous year Nil) equity shares of Rs. 10 each fully paid up		
	Hindalco Industries Ltd	4,495,980	-
	25,000 (previous year Nil) equity shares of Rs. 1 each fully paid up		
	IFCI Ltd	4,995,989	4,609,723
	2,00,000 (previous year 1,90,000) equity shares of Rs. 10 each fully paid up		
	ITC Ltd	2,903,592	2,903,592
	9,000 (previous year 9,000) equity shares of Rs. 1 each fully paid up		
	Larsen Toubro Ltd	29,696,895	12,977,025
	20,500 (previous year 12,900) equity shares of Rs. 2 each fully paid up		
	Marico Ltd	863,357	863,357
	4,000 (previous year 4,000) equity shares of Rs. 1 each fully paid up		
	Monsanto India Ltd	5,316,291	5,316,291
	3,650 (previous year 3,650) equity shares of Rs. 10 each fully paid up		

Multi Commodity Exchange of India Ltd 5,000 (previous year Nil) equity shares of Rs. 10 each fully paid up	4,375,242	-
Nestle India Ltd Nil (previous year 500) equity shares of Rs. 10 each fully paid up	-	2,687,158
NHPC Ltd 1,00,000 (previous year Nil) equity shares of Rs. 10 each fully paid up	2,290,868	-
NTPC Ltd 150,000 (previous year Nil) equity shares of Rs. 10 each fully paid up	22,118,309	-
Procter Gamble Hygiene Health Care Ltd Nil (previous year 500) equity shares of Rs. 10 each fully paid up	-	1,536,998
Rallis India Ltd Nil (previous year 15,000) equity shares of Rs. 1 each fully paid up	-	2,508,373
Strides Arcolab Ltd Nil (previous year 45,000) equity shares of Rs. 10 each fully paid up	-	16,430,280
Tata Consultancy Services Ltd 1,900 (previous year 1,900) equity shares of Rs. 1 each fully paid up	4,282,646	4,282,646
Ultratech Cement Ltd 2,500 (previous year 4,750) equity shares of Rs. 10 each fully paid up	4,223,291	7,988,734
United Spirits Ltd Nil (previous year 10,000) equity shares of Rs. 10 each fully paid up	-	26,033,309
Unity Infraprojects Ltd 8,000 (previous year 8,000) equity shares of Rs. 2 each fully paid up	169,483	169,483
Wipro Ltd Nil (previous year 3,500) equity shares of Rs. 2 each fully paid up	-	1,934,412
Unquoted equity instruments		
Eskay Infrastructure Development Pvt Ltd 78,732 (previous year 78,732) equity shares of Rs. 10 each fully paid up	787,320	787,320
Samhrutha Habitat Infrastructure Pvt Ltd 25,35,000 (previous year 25,35,000) equity shares of Rs. 10 each fully paid up	84,922,500	84,922,500
V Can Exports Pvt Ltd 1,00,000 (previous year Nil) equity shares of Rs. 10 each fully paid up	100,000	-

	Total non current investments	192,630,629	186,604,323
	Notes		
	Aggregate market value of quoted investments	115,402,507	100,477,338
	Aggregate amount of quoted investments (at cost)	106,820,808	100,894,503
	Aggregate amount of unquoted investments	85,809,820	85,709,820
9	<u>Long Term Loans and Advances</u>		
	Advance Tax (Net off Provision for Tax Rs. 27,007,759/-; Previous Year Rs. 27,007,759/-)	14,646,303	24,691,435
	Total long term loans and advances	14,646,303	24,691,435
10	<u>Current Investments</u>		
	Unquoted taxable bonds		
	Power Finance Corporation Ltd 8.90%, 18th March 2028	103,784,900	-
	100 (previous year Nil) bonds of Rs. 10,00,000 each fully paid up		
	Power Finance Corporation Ltd 9.39%,27th August 2029	110,627,985	-
	100 (previous year Nil) bonds of Rs. 10,00,000 each fully paid up		
	Power Grid Corporation of India Ltd ,8.93%,20th October 2029	52,886,992	-
	50 (previous year Nil) bonds of Rs. 10,00,000 each fully paid up		
	Power Grid Corporation of India Ltd,9.30%,04th September 2029	109,869,920	-
	100 (previous year Nil) bonds of Rs. 10,00,000 each fully paid up		
	Quoted tax free bonds		
	Housing & Urban Development Corporation 8.14%,25th October 2023	25,254,246	20,000,000
	25,000 (previous year 20,000) bonds of Rs. 1,000 each		
	Housing & Urban Development Corporation,8.39%,25th October 2023	4,970,450	4,970,450
	5,000 (previous year 5,000) bonds of Rs. 1,000 each		
	Housing & Urban Development Corporation,8.58%,13th January 2029	22,450,490	-
	21,000 (previous year Nil) bonds of Rs. 1,000 each		
	India Infrastructure Finance Company Ltd,8.38%,12th November 2028	30,299,146	25,000,000

30,000 (previous year 25,000) bonds of Rs. 1,000 each India Infrastructure Finance Company Ltd,8.48% 22nd January 2029	21,425,100	-
20,000 (previous year Nil) bonds of Rs. 1,000 each India Infrastructure Finance Company Ltd 8.55% 27th March 2029	22,816,080	-
20,000 (previous year Nil) bonds of Rs. 1,000 each India Renewable Energy Development Agency Ltd,8.55%,13th March 2029	20,000,000	20,000,000
20,000 (previous year 20,000) bonds of Rs. 1,000 each Indian Railway Finance Corporation 8.00% 23rd Febuary 2022	25,570,581	-
23,449 (previous year Nil) bonds of Rs. 1,000 each Indian Railway Finance Corporation 8.40%,18th Febuary 2029	20,000,000	20,000,000
20,000 (previous year 20,000) bonds of Rs. 1,000 each Indian Railway Finance Corporation 8.63%,26th March 2029	20,000,000	20,000,000
20,000 (previous year 20,000) bonds of Rs. 1,000 each National Highway Authority of India 8.20% 25th January 2022	8,157,032	-
7,417 (previous year Nil) bonds of Rs. 1,000 each National Highway Authority of India 8.50%,05th Febuary 2029	20,000,000	20,000,000
20,000 (previous year 20,000) bonds of Rs. 1,000 each National Housing Bank 8.63% 13th January 2029	7,220,000	7,220,000
1,444 (previous year 1,444) bonds of Rs. 5,000 each NHPC Ltd 8.54%,02nd November 2028	16,105,000	16,105,000
16,105 (previous year 16,105) bonds of Rs. 1,000 each NHPC Ltd 8.79%,02nd November 2028	5,268,321	5,088,910
5,000 (previous year 5,000) bonds of Rs. 1,000 each Power Finance Corporation 8.20% 01st Febuary 2022	21,446,060	-
19,758 (previous year Nil) bonds of Rs. 1,000 each Power Finance Corporation 8.54%,16th November 2028	29,150,000	29,150,000
29,150 (previous year 29,150) bonds of Rs. 1,000 each Power Finance Corporation 8.79%16th November 2028	4,405,009	4,405,009
4,310 (previous year 4,310) bonds of Rs. 1,000 each		

	Rural Electrification Corporation Ltd 8.26% 24th September 2023 5,000 (previous year 5,000) bonds of Rs. 1,000 each	4,996,850	4,996,850
	Rural Electrification Corporation Ltd 8.63% 24th March 2029 20,000 (previous year 20,000) bonds of Rs. 1,000 each	20,000,000	20,000,000
	Rural Electrification Corporation Ltd 7.22,19th December 2022 30,002 (previous year Nil) bonds of Rs. 1,000 each	31,028,439	-
	Quoted debenture instruments		
	NTPC Ltd 8.49% 25th March 2025 150,000 (previous year Nil) debenture of Rs. 12.50 each fully paid up	-	-
	Total Current Investment	757,732,601	216,936,219
	Notes		
	Aggregate market value of quoted investments	386,403,207	217,479,856
	Aggregate amount of quoted investments (at cost)	380,562,804	216,936,219
	Aggregate amount of unquoted investments	377,169,797	-
	10.1 The taxable bonds of Rs 350,000,000/- (Previous Year Nil) and tax free bonds of Rs 175,150,000/- (Previous Year Nil) are pledge to Barclays Loans and Investments (India) Ltd. 10.2 In case of quoted investments, where quotes are not available, book value has been considered as market value.		
11	<u>Cash and Bank Balances</u>		
	<u>i) Cash and cash equivalent</u>		
	Balances with Bank	2,898,553	5,539,325
	Cash in hand	694,720	957,096
		3,593,273	6,496,421
	<u>ii) Other bank balances</u>		
	Earmarked bank balances		
	Unpaid dividend bank account	1,035,988	1,127,553
	Total Cash and Bank Balances	4,629,260	7,623,974

12	<u>Short Term Loans and Advances</u>		
	Unsecured, considered good		
	Advances recoverable in cash or in kind or for value to be received	689,526,046	436,648,855
	Loans and advances to subsidiaries	200,000	-
	Others		
	OCRPS Application Money	-	894,900,000
	Advances to Employee	8,000	-
	Duties and taxes recoverable	853,312	535,545
	Total short term loans and advances	690,587,358	1,332,084,400
13	<u>Other Current Assets</u>		
	Interest Accrued and due	16,344,240	4,131,342
	Total other current assets	16,344,240	4,131,342
14	<u>Revenue From Operations</u>		
	Finance activity		
	Operating income	121,425,200	189,675,708
	Processing fees	350,000	300,000
		<u>121,775,200</u>	<u>189,975,708</u>
	Other Operating revenue		
	Interest income	27,524,815	5,320,012
	Total revenue from operations	149,300,015	195,295,720
15	<u>Other Income</u>		
	Dividend Income:		
	Mutual fund	343,961	-
	Shares	1,813,963	86,228
	Interest on income tax refund	1,270,550	-
	Profit on sales of Investment	33,850,587	-
	Total other income	37,279,060	86,228
16	<u>Operating Expenses</u>		
	Interest expense on:		
	Borrowings	67,892,586	141,465,253
	Legal and professional fees	2,839,962	1,826,000
	Total direct expenses	70,732,548	143,291,253

17	<u>Employee Benefits Expenses</u>		
	Salaries and wages	1,171,524	3,164,813
	Staff welfare expenses	345,964	205,680
	Total employee benefit expenses	1,517,488	3,370,493
18	<u>Other Expenses</u>		
	Travelling and conveyance	401,241	261,148
	Printing and stationery	77,705	35,256
	Provision for standard & sub- standard assets	13,649,315	10,014,587
	Business promotion	68,569	49,008
	Director sitting fees	45,000	20,000
	Legal and professional	610,178	1,026,000
	Payments to auditors	47,500	47,500
	Demat charges	38,228	-
	Annual, listing fees and other fees	212,713	393,634
	Stamp duty & postage	238,751	455,200
	Rent, rates and taxes	2,500	2,500
	Other miscellaneous expenses	264,977	103,854
	Total other expenses	15,656,677	12,408,687

Significant Accounting Policies and Notes on Accounts for the year ended 31st March 2015

19. Other Required Disclosures;

1. Earnings Per Share

(Rs.)

Particulars	Year ended 31st March, 2015	Year ended 31st March, 2014
Net profit for the year attributable to equity shareholders (Rs.)	75,114,118	22,678,850
Weighted Average No. of Equity shares outstanding for Basic Earnings per share	9,910,330	5,856,321
Weighted Average No. of Equity shares outstanding for Diluted Earnings per share	9,910,330	5,856,321
Basic Earnings per share (face valued of Rs 10/-each)	7.58	3.87
Diluted Earnings per share (face valued of Rs 10/-each)	7.58	3.87

2. **Related Party Disclosures**

Name of the Related Parties :

**Related parties where control exists, irrespective of whether transaction has occurred or not:
Subsidiary Companies:**

V Can Exports Pvt Ltd

Related Party Transactions

Particulars	(Rs.)	
	Subsidiary	
	As at 31st March, 2015	As at 31st March, 2014
	Rs.	
Non-current investment in shares-subsiary		
V Can Exports Pvt Ltd	200,000	-

- 3 In the opinion of the Management, Long Term Loans & Advances, Short Term Loans & Advances & Short Term Borrowing would be realizable/payable at least of an amount equal to the amount at which they are stated in the Balance sheet. Further provisions have been made for all known & accrued liabilities.

The Following additional information is disclosed in terms of RBI Circulars: (From Note No 4 to 7 below)

4	Particulars	Amount outstanding	Amount overdue
	<u>Liabilities side :</u>		
	(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits		
	(c) Term Loans	4,465.00	-
	(d) Inter-corporate loans and borrowing	1,587.80	-
	(e) Commercial Paper		
	(f) Other Loans (specify nature)		

Total	6,052.80	-
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<u>Assets side :</u>		
(2) Break-up of Loans and Advances including bills receivables (Other than those included in (4) below) :		
(a) Secured	-	-
(b) Unsecured	6,897.26	-
Total	6,897.26	-
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Leased assets including lease rentals under Sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(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 :		
<u>Current Investments:</u>		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	3,805.63	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	3,771.70	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
<u>Long Term Investments :</u>		
1. Quoted		
(i) Shares : (a) Equity	1,068.21	-

(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)		
2. Unquoted		
(i) Shares : (a) Equity	858.10	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) OCRPS Application Money	-	-
Total	9,503.63	-
Category	Secured / Unsecured	Total
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :		
<u>1. Related parties</u>		
(a) Subsidiaries	2.00	2.00
(b) Companies in the same group	-	-
(c) Other related parties	-	-
<u>2. Other than related parties</u>	6,895.26	6,895.26
Total	6,897.26	6,897.26
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):		
<u>1. Related parties</u>		
(a) Subsidiaries	1.00	1.00
(b) Companies in the same group	-	-
(c) Other related parties	-	-
<u>2. Other than related parties</u>	9,502.63	9,502.63
Total	9,503.63	9,503.63
(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	-	-

- 5 Exposure to real Estate Sector is 225,367,597/- Includes Kanaka & Associates, Piramal Sunteck Realty Pvt Ltd, Sunteck Realty Ltd, Starlight Systems (I) LLP, Prime Home Constructions and Developers Pvt Ltd, Satguru Corporate Services Pvt Ltd & Starteck Infraprojects Pvt Ltd
- 6 The Company has maintained 63.69% as Capital Adequacy Ratio as on 31.03.2015
- 7 Pursuant to "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015", a Systemically Important NBFC is required to disclose the Maturity Pattern in the Balance Sheet. Pursuant to the said provisions the borrowings by the Company from other body Corporates are payable as and when the demand been made by the Body Corporates and the Loans and advances granted during the year are perpetual and are renewed on the timely basis. Hence it is difficult to arrive at the Maturity Pattern by the Company as per the NBFC Directions.
- 8 Previous year's figures have been regrouped, rearranged, reclassified to the extent possible.

9 **Micro, Small and Medium Enterprises**

The management has initiated the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of Micro Small and Medium enterprises, as defined under Micro Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such enterprises as at March 31, 2015 is made in the financial statements based on information received and available with the company.

- 10 Other information pursuant to provision of paragraph 3, 4A, 4C & 4D of Part II of schedule VI of the Companies Act, 1956 are either Nil or Not Applicable.

Independent Auditor's Report

To
The Members of,
Nivedita Mercantile & Financing Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of **Nivedita Mercantile & Financing Limited** ("the Holding Company"), its Subsidiary (the Holding Company & its Subsidiary Company together referred to as "the Group") which comprise the Consolidated Balance Sheet as at **March 31, 2015**, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the consolidated financial statements

The Holding Company's board of directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of other auditor on the financial statements of the Subsidiary referred below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2015;
- ii) In the case of the Consolidated Statement of Profit and Loss, of the consolidated profits for the year ended on that date;
- iii) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of the Subsidiary Company M/s V Can Export Private Limited, whose financial statements reflect total assets of Rs. 24.09 lacs as at March 31, 2015, total revenues of Rs. Nil and net cash flows Rs. NIL for the year then ended on that date. These financial statements have been audited by M/s DMKH & Co. whose reports have been furnished to us and our opinion is based solely on the reports of the other auditor.

Our report is not qualified in respect of other matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, Subsidiary Company, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of the Subsidiary as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of the Subsidiary Company, none of the Directors of such Company are disqualified as on 31st March, 2015 from being appointed as a Director of that Company in terms of sub-section 2 of Section 164 of the Act.
- f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of Subsidiary as noted in the 'Other Matter' paragraph:
 - i) The Group does not have any pending litigations which would impact its financial position.
 - ii) The Holding Company, its Subsidiary Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company.

For Bagaria & Co., LLP

Chartered Accountants

(Firm Registration No.113447W/W-100019)

Vinay Somani

Partner

Membership No.: 143503

Mumbai

26th May, 2015

Annexure to the Independent Auditor's Report – 31st March, 2015

As stated in Para 1 of 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date, the following statement is based on the comments in the auditors' reports on the standalone financial statements of the Holding Company and its Subsidiary Company:

1. The Holding Company and its Subsidiary Company have no fixed assets and therefore clause 3(i) of the order is not applicable.
2. The Holding Company and its Subsidiary Company have no inventory and therefore clause 3(ii) of the order is not applicable.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Holding Company and its Subsidiary Company have not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Consequently, the provisions of clauses 3(iii) (a) & 3(iii) (b) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of each Company and the nature of its business, for the grant of loans & advances & charging of interest. The nature of each company's business is such that it does not involve any sale of goods or purchase of inventory. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Holding Company and its Subsidiary Company have not accepted any deposits hence clause 3(v) of the order are not applicable to the Company.
6. The Holding and its Subsidiary Company does not belong to list of Companies as prescribed under Section 148(1) of the Companies Act, and therefore clause 3(vi) of the order is not applicable.
7. (a) According to the records of the Holding Company and its Subsidiary company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax or wealth tax or service tax or entry tax or sales tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any disputes.

(c) There are no funds required to be deposited in Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. On a consolidated basis, the Holding Company and its Subsidiary Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

9. Based on our audit procedures and according to the information and explanations given to us, we report that the Holding Company and its Subsidiary Company have not defaulted in repayment of dues to a financial institution or bank.
10. According to the information and explanations given to us, the Holding Company and its Subsidiary Company have not given any guarantees for loan taken by others from a bank or financial institution.
11. Based on our audit procedures and on the information given by the management, we report that the Holding Company and its Subsidiary Company have applied the term loans to the purpose for which they were obtained.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Holding Company and its Subsidiary Company have been noticed or reported during the year, nor have we been informed of such case by the management.

For Bagaria & Co., LLP

Chartered Accountants

(Firm Registration No.113447W/W-100019)

Vinay Somani

Partner

Membership No. : 143503

Mumbai

26th May, 2015

NIVEDITA MERCANTILE & FINANCING LIMITED
CONSOLIDATED BALANCE SHEET

Particulars	Notes	As at 31st March, 2015
		Rs.
<u>EQUITY AND LIABILITIES</u>		
<u>SHAREHOLDERS' FUNDS</u>		
Share Capital	2	99,103,300
Reserves and Surplus	3	937,338,066
<u>CURRENT LIABILITIES</u>		
Short Term Borrowings	4	606,302,064
Deferred Tax Liabilities	19.8	44,240
Trade Payables	5	745,481
Other Current Liabilities	6	2,439,863
Short Term Provisions	7	32,706,736
	TOTAL	<u>1,678,679,750</u>
<u>ASSETS</u>		
<u>NON - CURRENT ASSETS</u>		
Non - Current Investments	8	193,580,629
Long Term Loans and Advances	9	14,713,156
<u>CURRENT ASSETS</u>		
Current Investments	10	757,732,601
Cash and Bank Balances	11	4,796,765
Short Term Loans and Advances	12	691,512,358
Other Current Assets	13	16,344,240
	TOTAL	<u>1,678,679,750</u>
Significant Accounting Policies	1	
The accompanying notes including other explanatory information form an integral part of financial statements.		

As per our attached report of even date

For Bagaria & Co., LLP

Chartered Accountants

Firm's Registration No :

113447W/W-100019

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

Vinay Somani

Partner

Membership No. 143503

Rajesh Mundra

Director

(DIN: 01797146)

Asim Santara

Director

(DIN: 01659370)

Hiten Shah

Director

(DIN: 02185059)

Sudarshan Somani

Director

(DIN: 00137568)

Lalitha Cheripalli

Director

(DIN: 07026989)

Hemlata Thanvi

Company Secretary

Place: Mumbai

Date : 26th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Particulars	Notes	Year ended 31st March, 2015
		Rs.
<u>INCOME</u>		
Revenue from Operations	14	149,300,015
Other Income	15	37,279,060
Total Revenue (I)		186,579,075
<u>EXPENSES</u>		
Operating Expense	16	70,732,548
Employee Benefits Expense	17	1,517,488
Other Expenses	18	15,662,295
Total Expenses (II)		87,912,331
Profit before Tax (I-II)		98,666,744
Tax Expenses :		
Current Tax		23,558,198
Short / (Excess) taxation of earlier years		46
Profit before Minority Interest		75,108,500
Less: Minority Interest		-
Profit after Minority Interest		75,108,500
Earning per equity share (EPS) of face value Rs. 10 each:		
Basic & Diluted EPS before Exceptional Items		7.58
Basic & Diluted EPS after Exceptional Items		7.58
Significant Accounting Policies	1	
The accompanying notes including other explanatory information form an integral part of financial statement.		

In terms of our report attached.

For Bagaria & Co., LLP

Firm's Reg No : 113447W/W-100019

For and on behalf of the Board of Directors of

Nivedita Mercantile and Financing Limited

Vinay Somani

Partner

Membership No. 143503

Rajesh Mundra

Director

(DIN: 01797146)

Asim Santara

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Lalitha Cheripalli

Director

(DIN: 07026989)

Hemlata Thanvi

Company Secretary

NIVEDITA MERCANTILE & FINANCING LIMITED
CONSOLIDATED CASH FLOW STATEMENT

Particulars	For the year ended 31st March, 2015	
	Rs.	Rs.
<u>Cash Flow from Operating Activities</u>	-	-
Profit before tax as per Statement of Profit and Loss		98,666,744
Adjusted for:		
Provision for Standard & Sub- Standard Assets	13,649,315	
Interest Income	(1,270,550)	
Dividend Income	(2,157,924)	
(Profit) / Loss on Sale of Investments	(33,850,587)	
		(23,629,745)
Operating Profit before Working Capital Changes		75,036,999
Adjusted for:		
(Increase)/Decrease in Long Term Loans & Advances, Short Term Loans & Advances and in other current Assets	628,449,710	
Increase/(Decrease) in Short term Borrowings	(181,981,396)	
Increase/(Decrease) in Trade Payable, Short Term provisions and other current liabilities	(928,024)	
		445,540,290
Cash Generated from / (used in) Operations		520,577,289
Less: Income Tax Paid		11,767,932
Net Cash from / (used in) Operating Activities (A)		508,809,357
<u>Cash Flow from Investing Activities</u>		
Sale of Investments	88,746,559	
Purchase of Investments	(602,668,661)	
Interest Income	1,270,550	
Dividend Income	2,157,924	
Business (Acquisition) / Dilution	1,042,429	
Net Cash from / (used in) Investing Activities (B)		(509,451,199)

Cash Flow from Financing Activities	-	-
Proposed equity dividend & Interim dividend	(1,739,649)	
Dividend distribution tax on proposed & interim dividend	(354,152)	
Net Cash from / (used in) Financing Activities (C)		(2,093,801)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		(2,735,643)
Cash and Cash Equivalents - Opening Balance		6,496,421
Cash and Cash Equivalents - Closing Balance		3,760,778

Note:

1) The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in the Accounting Standards- 3 on "Cash Flow Statements"

2) Previous years' figures have been regrouped/rearranged wherever necessary to conform to the current years' presentation.

As per our attached report of even date

For Bagaria & Co., LLP

Chartered Accountants

Firm's Registration No :113447W/W-100019

For and on behalf of the Board of Directors

of Nivedita Mercantile & Financing Ltd

Vinay Somani

Partner

Membership No. 143503

Rajesh Mundra

Director

(DIN: 01797146)

Asim Santara

Director

(DIN:
01659370)

Hiten Shah

Director

DIN: 02185059)

**Sudarshan
Somani**

Director

(DIN:
00137568)

Lalitha Cheripalli

Director

(DIN: 07026989)

**Hemalata
Thanvi**

Company
Secretary

Place: Mumbai

Date : 26th May, 2015

Significant Accounting Policies and Notes on accounts for the year ended 31st March 2015

1 SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 2013 and the relevant provisions thereof along with the applicable guidelines issued by Reserve Bank of India ("RBI").

1.2 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.

1.3 Revenue Recognition

(a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

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.

c) Dividend is accounted when the right to receipt is established.

d) Profit/Loss in dealing with securities are recongnized on the day of the settlement of the transaction.

1.4 Fixed Assets & Depreciation

The Company does not have any Fixed Asset as on 31st March 2015.

1.5 Investments

Investments that are readily realizable 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 non current Investments. Non Current Investments are carried at cost, less provision for diminution in value other than temporary.

1.6 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 1961.

1.7 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.

1.8 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.

1.9 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.

1.10 Advances

Advances are classified under four categories i.e. (i) Standard Assets, (ii) Sub-standard Assets, (iii) Doubtful Assets and (iv) Loss Assets in accordance with the RBI Guidelines.

Provision on restructured advances is made at in accordance with the guidelines issued by the RBI.

Provision on Standard Assets is made as per the provisioning policy of the Company subject to minimum as stipulated in RBI Guidelines or where additional specific risks are identified by the management, based on such identification.

1.11 Cash and Cash Equivalents

Cash flow statement has been prepared under the 'Indirect Method'. Cash and cash equivalents, in the cash flow statement comprise of unencumbered cash and bank balances.

1.12 Share Issue Expenses

Share issue expense is charged to the statement of Profit & Loss in the year in which it is incurred.

NIVEDITA MERCANTILE & FINANCING LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31st March, 2015
	Rs.
2 <u>Share Capital</u>	
<u>Authorised</u>	
120,000,000 (previous year 120,000,000) Equity Shares of Rs.10 each	1,200,000,000
Total authorised share capital	1,200,000,000
<u>Issued, Subscribed and Paid up</u>	
99,10,330 (previous year 99,10,330) equity shares of Rs. 10 each fully paid up	99,103,300
Total issued, subscribed and fully paid up share capital	99,103,300
a. Reconciliation of shares outstanding at the beginning and at the end of the Year	
	As at 31st March, 2015
	Number of shares
Outstanding at the beginning of the Year	9,910,330
Issued during the year	-
Bought back during the Year	-
Outstanding at the end of the Year	9,910,330
b. Terms/rights attached to equity shares	
-	-

The Company has only one class of equity share having value of Rs. 10 each with an entitlement of one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2015	
	% of holding shares	Number of shares
Equity shares of Rs. 10 each fully paid		
Glint Infraprojects Pvt Ltd	9.08	900,000
Germane Holdings Pvt Ltd	9.08	900,000
Akrur Khetan	5.50	545,400
Anupama Khetan	5.50	545,400

3 Reserve & Surplus

Capital reserves

Balance as per last financial statements	-
Add : Capital reserve on consolidation	998,189
Closing balance	998,189

Securities premium account

Balance as per last financial statements	-
Closing balance	804,866,300

Statutory Reserve Fund

Balance as per last financial statements	10,424,564
Add: Transferred from surplus in statement of Profit and Loss	15,022,824
Closing balance	25,447,388

Surplus in the statement of profit and loss

Balance as per last financial statements	48,034,314
Less: Capital Reserve on Consolidation	-
Add: Profit for the Year	75,108,500

123,142,814

Less/(Add) : Appropriations	
Statutory Reserve Fund	15,022,824
Proposed equity dividend F.Y. 2012-13 (Dividend per share Rs.NIL ; Previous year Rs. 0.50)	-
Proposed equity dividend (Dividend per share Rs. 0.5; Previous year Rs. 0.50)	1,739,649
Interim equity dividend (Dividend per share Rs. NIL; Previous year Rs. 0.50)	-
Tax on proposed equity dividend (F.Y. 2012-13)	-
Tax on proposed equity dividend	354,152
Tax on proposed equity interim dividend	-
Closing balance	106,026,189
Total reserves and surplus	937,338,066

4 Short Term Borrowings

Secured Loans

a) Term Loan

Financial Institutions **446,500,000**

Unsecured Loans

a) Loans repayable on demand

Body corporates **159,780,252**

b) Loans and advances from related parties

21,812

Total short term borrowings

606,302,064

Terms and Conditions for Secured Loan taken from Financial Institutions

a) The term loan is secured by way of pledge of taxable bonds of Rs 370,940,550/- (Previous Year Nil) and tax free bonds of Rs178,025,590/- Previous Year Nil) respectively.

b) The interest rate on above term loans of Rs. 296,500,000/- (Previous Year Rs.Nil) @ 10.30% p.a. and Rs.150,000,000 (Previous Year Rs. Nil) @ 11.10% p.a.

c) Repayment schedule of secured term loan.

		As at 31st March, 2015
Repayment Schedule		
less than 1 years		446,500,000

5	<u>Trade Payables</u>	
	Trade payables (refer note no.19.10 for details of dues to micro, small and medium enterprises)	745,481
	Total trade payables	745,481
6	<u>Other Current Liabilities</u>	
	Interest accrued but not due on borrowings	205,272
	Others	
	Statutory dues	1,198,611
	Unclaimed Dividend	1,035,980
	Total other current liabilities	2,439,863
7	<u>Short Term Provisions</u>	
	Contingent Provisions against Standard Assets	4,801,948
	Contingent Provisions against Sub-Standard Assets	24,000,000
	Provision for taxation(net of Advance Tax Rs 2,35,58,198 Previous Year Rs NIL)	1,810,987
	Provision - Others:	
	Proposed equity dividend	1,739,649
	Dividend distribution tax on proposed dividend	354,152
	Total short term provisions	32,706,736
8	<u>Non - Current Investments</u>	
	Quoted equity instruments	
	Bata India Ltd	5,950,147
	5,000 (previous year NIL) equity shares of Rs. 10 each fully paid up	
	Sundaram Multi Pap Ltd	9,959,509
	641,283 (previous year NIL) equity shares of Rs. 1 each fully paid up	
	Dwarikesh Sugar Industries Ltd	693,613
	25,200 (previous year 25,200) equity shares of Rs. 10 each fully paid up	
	Gujarat Industries Power Co Ltd	4,485,598
	50,000 (previous year NIL) equity shares of Rs. 10 each fully paid up	

Hindalco Industries Ltd 25,000 (previous year NIL) equity shares of Rs. 1 each fully paid up	4,495,980
IFCI Ltd 2,00,000 (previous year Nil) equity shares of Rs. 10 each fully paid up	4,995,989
ITC Ltd 9,000 (previous year 9,000) equity shares of Rs. 1 each fully paid up	2,903,592
Larsen Toubro Ltd 20,500 (previous year 12,900) equity shares of Rs. 2 each fully paid up	29,696,895
Marico Ltd 4,000 (previous year NIL) equity shares of Rs. 1 each fully paid up	863,357
Monsanto India Ltd 3,650 (previous year NIL) equity shares of Rs. 10 each fully paid up	5,316,291
Multi Commodity Exchange of India Ltd 5,000 (previous year NIL) equity shares of Rs. 10 each fully paid up	4,375,242
NHPC Ltd 1,00,000 (previous year NIL) equity shares of Rs. 10 each fully paid up	2,290,868
NTPC Ltd 150,000 (previous year NIL) equity shares of Rs. 10 each fully paid up	22,118,309
Tata Consultancy Services Ltd 1,900 (previous year NIL) equity shares of Rs. 1 each fully paid up	4,282,646
Ultratech Cement Ltd 2,500 (previous year NIL) equity shares of Rs. 10 each fully paid up	4,223,291
Unity Infraprojects Ltd 8,000 (previous year NIL) equity shares of Rs. 2 each fully paid up	169,483
Unquoted equity instruments	
Eskay Infrastructure Development Pvt Ltd 78,732 (previous year NIL) equity shares of Rs. 10 each fully paid up	787,320
Samhrutha Habitat Infrastructure Pvt Ltd 25,35,000 (previous year NIL) equity shares of Rs. 10 each fully paid up	84,922,500
V Can Exports Pvt Ltd 1,00,000 (previous year NIL) equity shares of Rs. 10 each fully	-

paid up	
Unquoted debentures	
Germane Holding Pvt Ltd	1,050,000
Total non-current investments	193,580,629
Notes	
Aggregate market value of quoted investments	115,402,507
Aggregate amount of quoted investments	106,820,808
Aggregate amount of unquoted investments	86,859,820
9 Long Term Loan and Advances	
Advance Tax (Net off Provision for Tax Rs. 27,007,759/-; Previous Year Rs. 27,007,759/-)	14,712,156
Telephone Deposit	1,000
Total long term loan and advances	14,713,156
10 Current Investment	
Unquoted taxable bonds	
Power Finance Corporation Ltd 8.90% 18th March 2028 100 (previous year NIL) bonds of Rs. 10,00,000 each fully paid up	103,784,900
Power Finance Corporation Ltd 9.39%,27th August 2029 100 (previous year NIL) bonds of Rs. 10,00,000 each fully paid up	110,627,985
Power Grid Corporation of India Ltd ,8.93%20th October 2029 50 (previous year NIL) bonds of Rs. 10,00,000 each fully paid up	52,886,992
Power Grid Corporation of India Ltd,9.30% 04th September 2029 100 (previous year NIL) bonds of Rs. 10,00,000 each fully paid up	109,869,920
Quoted tax free bonds	
Housing & Urban Development Corporation ,8.14%,25th October 2023 25,000 (previous year NIL) bonds of Rs. 1,000 each	25,254,246
Housing & Urban Development Corporation,8.39%,25th October 2023	4,970,450
5,000 (previous year NIL) bonds of Rs. 1,000 each	

Housing & Urban Development Corporation,8.58%,13th January 2029 21,000 (previous year NIL) bonds of Rs. 1,000 each	22,450,490
India Infrastructure Finance Company Ltd,8.38%,12th November 2028 30,000 (previous year NIL) bonds of Rs. 1,000 each	30,299,146
India Infrastructure Finance Company Ltd,8.48% 22nd January 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	21,425,100
India Infrastructure Finance Company Ltd 8.55% 27th March 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	22,816,080
India Renewable Energy Development Agency Ltd,8.55%,13th March 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	20,000,000
Indian Railway Finance Corporation 8.00% 23rd February 2022 23,449 (previous year NIL) bonds of Rs. 1,000 each	25,570,581
Indian Railway Finance Corporation 8.40%,18th February 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	20,000,000
Indian Railway Finance Corporation 8.63%,26th March 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	20,000,000
National Highway Authority of India 8.20% 25th January 2022 7,417 (previous year NIL) bonds of Rs. 1,000 each	8,157,032
National Highway Authority of India 8.50%,05 February 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	20,000,000
National Housing Bank 8.63% 13th January 2029 1,444 (previous year NIL) bonds of Rs. 5,000 each	7,220,000
NHPC Ltd 8.54%,02nd November 2028 16,105 (previous year NIL) bonds of Rs. 1,000 each	16,105,000
NHPC Ltd 8.79%,02nd November 2028 5,000 (previous year NIL) bonds of Rs. 1,000 each	5,268,321
Power Finance Corporation 8.20% 01st February 2022 19,758 (previous year NIL) bonds of Rs. 1,000 each	21,446,060
Power Finance Corporation 8.54%,16th November 2028 29,150 (previous year NIL) bonds of Rs. 1,000 each	29,150,000
Power Finance Corporation 8.79%16th November 2028 4,310 (previous year NIL) bonds of Rs. 1,000 each	4,405,009
Rural Electrification Corporation Ltd 8.26% 24th September 2023 5,000 (previous year NIL) bonds of Rs. 1,000 each	4,996,850
Rural Electrification Corporation Ltd 8.63% 24th March 2029 20,000 (previous year NIL) bonds of Rs. 1,000 each	20,000,000
Rural Electrification Corporation Ltd 7.22,19 December 2022	31,028,439

30,002 (previous year NIL) bonds of Rs. 1,000 each

Quoted debentures

NTPC Ltd 8.49% 25th March 2025

-

150,000 (previous year Nil) debenture of Rs. 12.50 each fully paid up

Total current investment

757,732,601

Notes

Aggregate market value of quoted investments

386,403,207

Aggregate amount of quoted investments

380,562,804

Aggregate amount of unquoted investments

377,169,797

10.1 The taxable bonds of Rs 370,940,550/- (Previous Year Nil) and tax free bonds of Rs178,025,590/- (Previous Year Nil) are pledged to Barclays Loans and Investments (India) Ltd

10.2 In case of quoted investment, where quotes are not available, book value has been considered as market value

11 Cash and Bank Balances

a) Cash and Bank Balances

Cash on hand

713,271

Balances with bank

3,047,507

3,760,778

b) Other Bank Balances

Fixed deposit with bank

Earmarked bank balances - unpaid dividend bank account

1,035,988

1,035,988

Total cash and bank balances

4,796,765

12 Short Term Loans and Advances

a) Unsecured, considered good

Advances recoverable in cash or in kind or for value to be received

690,651,046

b) Others

Advances to Employee

8,000

Duties and taxes recoverable

853,312

	Total short term loans and advances	691,512,358
13	<u>Other Current Assets</u>	
	Interest Accrued and due	16,344,240
	Total other current assets	16,344,240
14	<u>Revenue From Operations</u>	
	Finance activity	
	Operating Income	121,425,200
	Processing Fees	350,000
		121,775,200
	Other Operating revenue	
	Interest Income	27,524,815
	Total revenue from operations	149,300,015
15	<u>Other Income</u>	
	Dividend Income:	
	Mutual Fund	343,961
	Shares	1,813,963
	Interest on income tax refund	1,270,550
	Profit on sales of Investment	33,850,587
	Total other income	37,279,060
16	<u>Operating Expenses</u>	
	Interest expense on:	
	Borrowings	67,892,586
	Legal & Professional fees	2,839,962
	Total operating expenses	70,732,548
17	<u>Employee Benefits Expense</u>	
	Salaries and wages	1,171,524
	Staff welfare expenses	345,964
	Total employee benefit expenses	1,517,488

18 Other Expenses

Travelling and conveyance	401,241
Printing and stationery	77,705
Provision for standard & sub-standard assets	13,649,315
Business promotion	68,569
Director sitting fees	45,000
Legal and professional	610,178
Payments to auditors	53,118
Demat charges	38,228
Annual, listing fees and other fees	212,713
Stamp duty & postage	238,751
Rent, rates and taxes	2,500
Other miscellaneous expenses	264,977

Total other expenses**15,662,295****Significant Accounting Policies and Notes on Accounts for the year ended 31st March 2015**

19 Other Required Disclosures;

1 **Earnings Per Share**

(Rs.)

Particulars	Year ended 31st March, 2015
Net profit for the year attributable to equity shareholders (Rs.)	75,108,500
Weighted Average No. of Equity shares outstanding for Basic Earnings per share	9,910,330
Weighted Average No. of Equity shares outstanding for Diluted Earnings per share	9,910,330
Basic Earnings per share (face value of Rs 10/-each)	7.58
Diluted Earnings per share (face value of Rs 10/-each)	7.58

2 **Related Party Disclosures**

a) <u>Related Parties</u>	NIL
----------------------------------	-----

- 3 In the opinion of the Management, all Current Assets, Loans & Advances & Current Liabilities would be realizable at least of an amount equal to the amount at which they are stated in the Balance sheet. Further provisions have been made for all known & accrued liabilities.

The Following additional information is disclosed in terms of RBI Circulars: (From Note No 4 to 7 below):

(Rs. in Lacs)			
4	Particulars	Amount outstanding	Amount overdue
	<u>Liabilities side :</u>		
	(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits		
	(c) Term Loans	4,465.00	-
	(d) Inter-corporate loans and borrowing	1,598.02	-
	(e) Commercial Paper		
	(f) Other Loans (specify nature)		
	Total	6,063.02	-
	<u>Assets side :</u>		
	(2) Break-up of Loans and Advances including bills receivables (Other than those included in (4) below) :		
	(a) Secured	-	-
	(b) Unsecured	6,906.51	-
	Total	6,906.51	-
	(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Leased assets including lease rentals under Sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(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 :		
<u>Current Investments:</u>		
1. Quoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	3,805.63	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	3,771.70	-
Particulars	Amount outstanding	Amount overdue
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
<u>Long Term Investments :</u>		
1. Quoted		
(i) Shares : (a) Equity	1,068.21	-
(b) Preference	-	-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)		
2. Unquoted		
(i) Shares : (a) Equity	857.10	-
(b) Preference	-	-
(ii) Debentures and Bonds	10.50	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) OCRPS Application Money	-	-
Total	9,513.13	-
Category	Secured / Unsecured	Total
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :		
<u>1. Related parties</u>		
(a) Subsidiaries		
(b) Companies in the same group		

(c) Other related parties		
<u>2. Other than related parties</u>	6,906.51	6,906.51
Total	6,906.51	6,906.51
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):		
<u>1. Related parties</u>		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
<u>2. Other than related parties</u>	9,513.13	9,513.13
Total	9,513.13	9,513.13
(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	-	-

- 5 Exposure to real Estate Sector is 225,367,597/- Includes Kanaka & Associates, Piramal Sunteck Realty Pvt Ltd, Sunteck Realty Ltd, Starlight Systems (I) LLP, Prime Home Constructions and Developers Pvt Ltd, Satguru Corporate Services Pvt Ltd & Starteck Infraprojects Pvt Ltd.
- 6 Company has maintained 63.69% as Capital Adequacy Ratio as on 31.03.2015
- 7 Pursuant to "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015", a Systemically Important NBFC is required to disclose the Maturity Pattern in the Balance Sheet. Pursuant to the said provisions the borrowings by the Company from other body Corporates are payable as and when the demand been made by the Body Corporates and the Loans and advances granted during the year are perpetual and are renewed on the timely basis. Hence it is difficult to arrive at the Maturity Pattern by the Company as per the NBFC Directions.

8	<u>Deferred Tax Liability / Asset</u>	
	Deferred Tax Liability:	As at 31st March, 2015

	Rs.
Deferred tax liability	
Related to fixed assets (depreciation / amortisation)	44,420
Net deferred tax liability	44,420

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

10 **Micro, Small and Medium Enterprises**

The management has initiated the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of Micro Small and Medium enterprises, as defined under Micro Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such enterprises as at March 31, 2015 is made in the financial statements based on information received and available with the company.

11 Other information pursuant to provision of paragraph 3, 4A, 4C & 4D of Part II of schedule VI of the Companies Act, 1956 are either Nil or Not Applicable.

ANNEXURE A
FORM AOC-I
SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY /
ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT , 2013
PART "A" : SUBSIDIARIES

Name of the Subsidiary	V Can Exports Private Limited
Reporting Currency	INR
Share Capital	1.00
Reserves& Surplus	9.93
Total Assets	24.09
Total Liabilities	13.17
Investments	10.50
Turnover	-
Profit before Taxation	(0.06)
Profit after Taxation	(0.06)
Proposed Dividend	-
% of shareholding	100.00

The above statement also indicates performance and financial position of each of the associates.

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NIVEDITA MERCANTILE & FINANCING LIMITED

Registered Office: 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai 400057; **CIN:** L51900MH1985PLC037039
Tel No.: 022-42877800, **Fax No:** 022-42877890, **website:** www.niveditaindia.com

ATTENDANCE SLIP

Regd. Folio/DP ID & Client ID	
Name and Address of the Shareholder	

1) I hereby record my presence at the THIRTIETH ANNUAL GENERAL MEETING of the Company being held on Tuesday, 29th September, 2015 at 10.00 a.m. at Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai – 400057.

2) Signature of the Shareholder/Proxy Present

--

3) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

4) Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

Note: Please fill in this attendance slip and hand it over at ENTRANCE of the MEETING HALL.

-----TEAR HERE-----

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	User ID	Password

Note: Please read the instructions printed under the Note no. 11 to the Notice dated 13th August, 2015 of the 30th Annual General Meeting. The Voting period starts from Friday, 25th September, 2015 at 10.00 a.m. and ends at 5.00 p.m. on Monday, 28th September, 2015. The voting module shall be disabled by NSDL for voting thereafter.



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30TH ANNUAL GENERAL MEETING
Form No. MGT -11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail ID:

Folio No. / DP ID and Client ID:.....

I/We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name: E-mail ID:

Address

Signature, or failing him/her

2. Name: E-mail ID:

Address

Signature, or failing him/her

3. Name: E-mail ID:

Address

Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting, to be held on Tuesday, 29th September, 2015 at 10.00 a.m. at Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai – 400057 at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

*I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolution No.	Description	For	Against
1.	Adoption of the Audited Balance Sheet as at 31 st March, 2015, the Statement of Profit & Loss for the financial year ended 31 st March, 2015, the Report of the Board of Directors' and Auditors' thereon.		

2.	Declaration of Dividend.		
3.	Re-appointment of Mr. Rajeshkumar Mundra (DIN: 01797146), as Director, retiring by rotation.		
4.	Appointment of M/s Bagaria & Co. LLP, Chartered Accountants, Mumbai, Statutory Auditors of the Company.		
5	Appointment of Hemlata Thanvi as Director of the Company		

Signed this day of 2015.

Affix a
Rs. 1/-
Revenue
.

.....
Signature of shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

* Please put a () in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. A proxy need not be a Member of the Company.
3. In case, the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorisation should be attached to the Proxy Form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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30th ANNUAL GENERAL MEETING

BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name(s) of the Member(s) :

Address :

.....
.....

Folio No. / DPID No. and Client ID*:

Number of Equity Share(s) held:

I/We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the Thirtieth Annual General Meeting of the Company, to be held on Tuesday, 29th September, 2015 at 10.00 a.m. at Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai - 400057 in respect of businesses as stated in the Notice dated 13th August, 2015 by conveying my/our assent or dissent to the said resolution(s) by placing the tick () mark at the box against the respective matters:

Item No.	Description	No. of equity shares held	I/We assent resolution (FOR)	I/We dissent the to the resolution (AGAINST)
1.	Adoption of the Audited Balance Sheet as at 31 st March, 2015, the Statement of Profit & Loss for the financial year ended 31 st March, 2015, the Report of the Board of Directors' and Auditors' thereon.			
2.	Declaration of Dividend.			
3.	Re-appointment of Mr. Rajeshkumar Mundra (DIN: 01797146), as Director, retiring by rotation.			
4.	Appointment of M/s Bagaria & Co. LLP, Chartered Accountants, Mumbai statutory auditors of the Company.			
5.	Appointment of Hemlata Thanvi as Director of the Company			

* Applicable for investors holding shares in Electronic Form.

Place:

Date :

Signature of the Member/ Beneficial Owner

INSTRUCTIONS:

1. A Member desiring to exercise vote by ballot form may complete this ballot form and send it to the Scrutinizer, appointed by the Board of Directors of the Company viz. Mr. Veeraraghavan N., Practicing Company Secretary at, 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai - 400 057.
2. In case of shares held by companies, trusts, societies etc., the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/Authority.
3. Unsigned ballot forms will be rejected.
4. A Member need not cast all the votes in the same way.
5. Duly completed ballot form should reach the Scrutinizer not later than 5.00 p.m. on Monday, 28th August, 2015.
6. The Scrutinizer's decision on the validity of a ballot form will be final.

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