

RITZ MERCANTILE LIMITED

Annual Report
2011-12

CERTIFIED TRUE COPY

For RITZ MERCANTILE LTD


Director/Authorized Signatory

RITZ MERCANTILE LIMITED

NOTICE

To the Members,

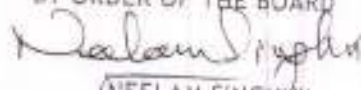
Notice is hereby given that the 26th Annual General Meeting of the shareholders of RITZ MERCANTILE LIMITED will be held on Wednesday, the 30th day of May, 2012 at 3.00 P.M. at the registered office of the Company situated at 603, Sethi Bhawan, 7 Rajendra Place, New Delhi-110008.

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date together with Auditor's Report and Director's Report thereon.
2. To appoint a Director in the place of the Director retiring by rotation. Mr. Garvit Singhvi, who was Appointed in the vacancy caused by the death of Mr. M.S. Singhvi, retires by rotation and, being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification (s) the following resolution as an ordinary Resolution

"RESOLVED THAT M/s Vinay Vohra & Co., Chartered Accountants, be and are hereby appointed Auditors of the Company to hold office from conclusion of this meeting until the conclusion of next Annual General Meeting upon such remuneration as may be mutually agreed."

Place: New Delhi
Dated: 05.05.2012

BY ORDER OF THE BOARD

(NEELAM SINGHVI)
DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING IN HIS/HER PLACE. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE PROXY FORM DULY FILLED IN SHOULD REACH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.

2. MEMBERS ARE REQUESTED TO NOTIFY IMMEDIATELY, CHANGE IN THEIR ADDRESS, IF ANY, TO THE COMPANY QUOTING THEIR FOLIO NUMBERS.
3. MEMBERS ARE REQUESTED TO SEND THEIR QUERIES, IF ANY, ON THE FINANCIAL ACCOUNTS AT LEAST 7 DAYS IN ADVANCE SO THAT THE INFORMATION CAN BE MADE AVAILABLE AT THE MEETING.
4. THE REGISTER OF MEMBER (SHARE TRANSFER BOOK) OF THE COMPANY WILL REMAIN CLOSED FROM MAY 24, 2012 TO MAY 30, 2012 (BOTH DAYS INCLUSIVE).

RITZ MERCANTILE LIMITED

DIRECTOR'S REPORT

Dear Members,

Your Directors are presenting their 26th Annual report on the working of the Company together with audited accounts for the year ended March 31st, 2012:

1) FINANCIAL RESULTS:

	Rupees
Income	4,68,249
Loss before interest, tax and depreciation	9,88,369
Add:	
Interest	75
Depreciation	39,836
Taxes	-
Loss carried forward	10,28,280

2) DIVIDEND:

No dividend has been declared during the year being the inadequacy of the profit.

3) DIRECTORS

The Board of Directors place on record, with profound grief, the sad demise of Mr. M.S. Singhvi on 29th December, 2011 and his consequent cessation from the directorship of the Company effective from that date.

The Directors recall the services rendered by him to the industry as well as to the society during his lifetime and express their gratitude to Mr. M.S. Singhvi for his valuable guidance and support for the promotion and growth of the Company.

Mr. Garvit Singhvi was appointed as a Director in the vacancy caused by the death of Mr. M.S. Singhvi. He is retiring by rotation and, being eligible, offers himself for re-appointment.

4) DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- In the preparation of the annual accounts the applicable accounting standards have been followed and that no material departures have been made from the previous years.
- Appropriate accounting policies have been selected and applied them constantly 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 and losses of the Company for the year ended 31st March 2012.

- c. Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Annual accounts have been prepared on a going concern basis.

5) **AUDITORS:**

M/s Vinay Vohra & Co., Chartered Accountants, retires at the conclusion of the forthcoming Annual General Meeting of the Company and is eligible for re-appointment. They have furnished a Certificate to the effect that their appointment, if made, will be in accordance with the provisions of sub-section (1-B) of Section 224 of the Companies Act, 1956. As regards their observation contained in the Auditors Report, the respective notes to the accounts are self explanatory and therefore do not call for any further comments.

6) **PUBLIC DEPOSIT:**

The Company has neither invited nor accepted any fixed deposits from the public during the year within the meaning of Section 58-A of the Companies Act, 1956 read together with Companies (Acceptance of Deposit) Rules, 1975.

7) **CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company is not engaged in any manufacturing activity, hence the provisions of Section 217 (1) (e) of the Companies Act, 1956 are not applicable. The Company is not carrying any activity relating to export and has not used or earned any Foreign Exchange.

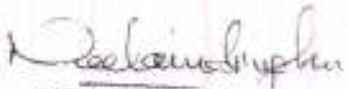
8) **PERSONNEL:**

The information as required under sub-section (2A) of the Section 217 of the Companies Act, 1956 read with The Companies (Particulars of Employees) Rules, 1975 (as amended) in respect of employees of the Company is not applicable to your Company.

9) **ACKNOWLEDGEMENT:**

Your Director acknowledge with appreciation the services rendered by the staff and executives for the management of the Company's working.

For and on behalf of the Board


(NEELAM SINGHVI)
DIRECTOR

Place: New Delhi
Date : 05.05.2012

AUDITORS' REPORT

TO THE MEMBERS OF RITZ MERCANTILE LTD.

1. We have audited the attached Balance Sheet of Ritz Mercantile Ltd. as at 31st March 2012 and the Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in para 4 of the said Order.

FURTHER TO THE ABOVE WE REPORT THAT: -

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of accounts, as required by law, have been kept by the company so far as it appears from our examination of these books.
- iii. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.



- iv. In our opinion, and according to the information and explanation given to us, and subject to note # 18 (ii)(d) regarding valuing investment at cost and not making provision of diminution in value of long term investment and note # 18 (IX) regarding non provision of deferred tax asset/liabilities, and non disclosure of related party transactions, the Balance Sheet and Profit & Loss Account comply with the accounting standards referred to in sub- section (3C) of section 211 of the Companies Act, 1956.
- v. On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanation given to us the said accounts, read with notes thereto and subject to confirmation and reconciliation of balance of sundry debtors and sundry creditors and subject to notes as follows:

- a. *Amount advanced to Arham Education Society in last year has been shown as corpus donation in the books of Arham Education Society whereas accounts for current year are not yet finalised.*
- b. *Long Term gain on sale of agricultural land has been credited to capital reserve account.*

give the information required under the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India: -

- a) in case of Balance Sheet of the state of affairs of the company as at 31st March 2012
- b) in case of Profit & Loss Account of the Loss for the year ended on that date.

For Vinay Vohra & Co.
Chartered Accountants
Regn. No. 011269N

(Vinay Vohra)
M. No. 090574
Sole practitioner



Delhi
Dated: 05th May 2012

Annexure to the Auditors Report

(Referred to in paragraph 3 of our report of even date)

1. In our opinion, the company is maintaining proper records showing particulars including quantitative details and situation of Fixed Assets
2. According to the information and explanation given to us, fixed assets have been physically verified by the management during the year and in our opinion, the procedure of verification is reasonable having regard to the size of the company and nature of its fixed assets. No discrepancies were noticed on verification.
3. As per records of the company, the company has not disposed off substantial part its fixed assets during the year.
4. Provisions of Clause ii of the order are not applicable the Company, therefore not commented on.
5. The company has granted unsecured, interest free loan to the parties covered in the register maintained under section 301 of the companies Act, 1961, the detail of which is given here in below. In our opinion the terms and conditions of the loans not prejudicial to the interest of the company to the extent of interest not being charged. The company considers the loans are good for recovery and can be called for on demand.

S. No.	Name of the party	Amount (Rs.) As on 31 st March 2012
A.	Hindustan Fibres Ltd.	57,98,146/-
B.	Arham Education Society	1,21,65,000/-
C.	G. S. Singhvi	3,00,000/-
D.	Hindustan Fibres Ltd. (Share Application Money)	32,00,000/-

6. The company has taken interest free unsecured, loans from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act. The detail is given here in below.

S. No.	Name of the party	Amount (Rs.) As on 31 st March 2012
A.	Arihant Logistics Ltd.	1,99,85,000/-
B.	Hamilton Distributors Pvt. Ltd.	99,00,000/-
C.	Arihant Builder & Industries	27,90,000/-
D.	G. S. Singhvi HUF	3,40,000/-
E.	HFL Investments Pvt. Ltd.	4,95,000/-
F.	Hindustan Healthcare Ltd.	1,85,000/-

In our opinion the terms and conditions of the loans are not prejudicial to the interest of the company. Above loan are demand loans repayable on demand.



7. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. In our opinion there is no weakness in the current internal control system of the company.
8. In our opinion and according to the records of the company, the transaction made in pursuance of contracts or arrangements that need to be entered into a register in pursuance of section 301 of the Act have been so entered. The transactions in respect of loan granted to / taken from companies and other parties covered in the register maintained under Section 301 of the Companies Act, are made free of interest.
9. The company has not accepted any deposits from the public as prescribed under the provisions of the section 58A and 58AA or other relevant provision of the Companies Act, 1956 and rules framed there under.
10. In our opinion, the internal audit function carried out during the year by the management has been commensurate with the size of the company and nature of its business.
11. In our opinion and according to the information and explanation given to us, maintenance of cost records has not been prescribed by the Central Government for the company under clause (d) of Sub-section (1) of section 209 of the Act.
12. As per records of the company, the company is regular in depositing statutory dues with the appropriate authority.
13. The clause regarding accumulated losses of the company is not applicable to the company therefore not commented upon.
14. As per records of the company the company has not defaulted in repayment of due to financial institution or bank or debenture holders.
15. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, no loans and advances has been granted by the company on the basis of security, by way of pledge of shares, debentures and other securities.
16. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, the company is not chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions if clause 4 (xiii) of the Companies Auditors report order 2003 are not applicable to the company.
17. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, proper records have been maintained of the transactions of sale/ purchase of shares and contracts



and timely entries have been made therein. The share, securities and other investments have been held by the company in its own name.

18. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, the company has not given any guarantee for loans taken by others from bank or financial institution.
19. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, we are of the opinion that there were no funds raised on short term basis that have been used for long term investment.
20. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, the company has not taken any term loan during the year under report.
21. The company has not made preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
22. The company has not made any issue of debenture during the year.
23. According to the information and explanation given to us and on the basis of such checks, as we considered appropriate, no money has been raised by public issued during the year under report.
24. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For Vinay Vohra & Co.
Chartered Accountants,
Regn. No. 011269N

(Vinay Vohra)
M. No. 090574

F.C.A.

Delhi

Dated: 05th May 2012



RITZ MERCANTILE LIMITED

Balance Sheet as at 31st March, 2012

		Amount (Rs.)	
Particulars	Note No.	31 March 2012	31 March 2011
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	10,500,000	10,500,000
(b) Reserves and Surplus	2	2,216,931	(1,371,405)
3 Non-Current Liabilities			
(a) Long-Term Borrowings	3	33,685,000	33,868,665
(b) Deferred Tax Liabilities (Net)			26,920
4 Current Liabilities			
(a) Short-Term Borrowings	4	-	150,000
(b) Trade Payables			
(c) Other Current Liabilities	5	1,156,220	1,090,701
(d) Short-Term Provisions	6	-	494,957
TOTAL		47,558,151	44,759,842
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets (Tangible Assets)	7	12,680,318	14,088,928
(d) Long-Term Loans and Advances	8	21,463,146	10,623,146
2 Current Assets			
(a) Current Investments	9	11,943,553	13,024,623
(c) Trade Receivables	10	110,452	363,997
(d) Cash and Cash Equivalents	11	116,757	771,735
(e) Short-Term Loans and Advances	12	969,259	5,117,791
(f) Other Current Assets	13	274,665	769,622
TOTAL		47,558,151	44,759,842

Accounting Policies & Notes to the Accounts

18

The Notes referred to above form an integral part of the Financial Statement

For and on behalf of the Board

As per our report of even date attached
For VINAY KOHRA & Co.,
Chartered Accountants

(Signature)
(NEELAM SINGHVI)
DIRECTOR

(Signature)
(GARVIT SINGHVI)
DIRECTOR

(VINAY KOHRA)
FCA, PROP.
Membership No. 090974
Regn. No. 011269N



Place : New Delhi
Dated : 05.05.2012

RITZ MERCANTILE LIMITED

Profit and Loss statement for the year ended 31st March 2012

Particulars		Amount (Rs.)	
	Note No.	31 March 2012	31 March 2011
I. Revenue From Operations		-	-
II. Other Income	14	468,249	1,016,545
III. Total Revenue		468,249	1,016,545
IV. Expenses:			
Employee Benefits Expense	15	309,503	603,177
Financial Costs	16	2,320	6,871
Depreciation and Amortization Expense	7	39,836	49,214
Other Expenses	17	1,144,871	1,016,541
V. Total Expenses		1,496,530	1,675,804
VI. Profit (Loss) for the period		(1,028,280)	(659,259)
VII. Earnings per equity share:			
(1) Basic			
(2) Diluted		(0.98)	(0.63)

Accounting Policies & Notes to the Accounts
The Notes referred to above form an integral part of
the Financial Statement.

18

As per our report of even date attached

For VINAY VDHRA & Co.
Chartered Accountants

(VINAY VDHRA)
FCA, PROP.
Membership No. 090574
Regn. No. 011269N



For and on behalf of the Board

(Signature)
(NEELAM SINGHVI)
DIRECTOR

(Signature)
(GARVIT SINGHVI)
DIRECTOR

Place : New Delhi
Dated : 05.05.2012

Notes to Financial Statements for the year ended 31st March 2012

As at 31st
March 2012
(Rs.)

As at 31st
March 2011
(Rs.)

1. Share Capital

Authorised Capital

20,00,000 (P/Y 20,00,000) Equity Shares of Rs.10/- each

20,000,000 20,000,000

Issued, Subscribed & Paid up Capital

10,50,000 (P/Y 10,50,000) Equity Shares of Rs.10/- each fully paid up

10,500,000 10,500,000

A) Reconciliation of number of Equity Shares outstanding

No. of Equity Shares as at the beginning of the year

1,050,000 1,050,000

Add: Issue of Bonus Shares

Add: Issue Equity Shares

No. of Equity Shares as at the end of the year

1,050,000 1,050,000

B) Shareholders holding more than 5% of the Equity Shares in the company

Name of Shareholder

No. of Shares No. of Shares

Shri Garvit Singlvi

128,800 128,800

M/s G. S. Singlvi (RUF)

188,600 188,600

Smt. Neelam Singlvi

130,000 130,000

Shri G. S. Singlvi

59,900 59,900

Shri Madan Singh Singlvi

133,300 133,300

M/s Ancient Experts Pvt. Ltd.

167,400 167,400

M/s Shuchi Holdings Pvt. Ltd.

100,000 100,000

C) Equity Shares allotted as fully paid up Bonus shares during the period of five years.

D) Rights, Preferences and restrictions attached to Equity Shares

The Equity shares of company, having par value of Rs. 10 per share, rank pari passu in all respects including voting rights and entitlements to dividend

2. Reserve & Surplus

Capital Reserve

At the beginning of the year

Add: Profit on Sale of Agricultural Land

At the end of the year

4,616,616 -

4,616,616 -

Profit & Loss Account

At the beginning of the year

(1,371,405) (712,146)

Less: Transfer from Profit & Loss Account

(1,028,280) 659,259

(2,399,685) (1,371,405)

Grand Total

2,216,931 (1,371,405)

3. Long-term borrowings

Unsecured - From Related Parties

Hamilton Distributors Pvt. Ltd.

9,900,000 9,900,000

Arihant Builders & Industries

2,790,000 2,790,000

Arihant Logistics Limited

19,985,000 19,986,054

Sh. G.S.Singlvi (H.U.F.)

340,000 342,615

HPL Investments Pvt. Ltd.

485,000 685,000

Hindustan Healthcare Ltd.

185,000 165,000

33,685,000 33,868,669

4. Short Term Borrowings

Rajiv & Sons

150,000

150,000

MS

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RITZ MERCANTILE LIMITED
Notes to Financial Statements for the year ended 31st March 2012

	As at 31st March 2012 (Rs.)	As at 31st March 2011 (Rs.)
5. Other Current Liabilities		
Navratan Capital & Securities Limited		15,533
Sachdeva Enterprises	515,900	515,900
Rathi Global Finance Ltd.	-	48,026
Sunil Kansal & Sons HUF	371,844	371,844
Innovative Communication	20,600	12,282
R Rath & Associates	250	9,750
Arihant Corporation	-	10,000
Audit Fee Payable	5,612	5,612
Vinay Vohra & Co.	40,427	32,155
Webtel Electrosoft Pvt. Ltd.	1,350	-
Director Remuneration Payable	149,000	44,000
Legal & Professional Charges Payable	2,758	2,758
Expenses Payable	36,585	-
Salary Payable	9,000	19,000
Telephone Expenses Payable	1,694	3,350
TDS Payable on Professionals	1,200	-
TDS Payable on Interest	-	491
	1,156,220	1,090,701
6. Short Term Provisions		
Current Taxation	-	494,957
	-	494,957
8. Long-Term Loans & Advances		
Loans and advance to related parties (Unsecured - Considered Good)		
Hindustan Fibres Limited	5,798,146	4,873,146
G.S. Singhvi	300,000	-
Arham Education Society	12,165,000	2,550,000
	18,263,146	7,423,146
Capital Advances		
Share Application Money (pending Allotment) to related parties (Unsecured - Considered Good)		
Hindustan Fibres Limited	3,200,000	3,200,000
	3,200,000	3,200,000
Grand Total	21,463,146	10,623,146



RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2012

7. Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As at 01st April 2011	Addition During the Year	Sold During the Year	As at 31st March 2012	Rate Of Dep. (%)	Up to 31st March 2011	FOR THE YEAR	Adjustment during the year	Up to 31st March 2012	As at 31st March 2012	As at 31st March 2011
Land	13,926,998	-	1,383,384	12,543,614	-	-	-	-	-	12,543,614	13,926,998
Office Equipments	193,394	-	-	193,394	13.91	101,874	12,730	-	114,604	78,790	91,520
Vehicle	38,239	-	-	38,239.00	25.89	9,086	7,548	-	16,634	21,605	29,153
Furniture & Fixtures	9,200 *	-	-	9,200	18.10	5,361	695	-	6,056	3,144	3,839
Computer	67,570	14,610	-	82,180	40.00	30,152	18,863	-	49,015	33,165	37,418
TOTAL	14,235,401	14,610	-	12,866,627		146,473	39,836	-	186,309	12,680,318	14,088,928
Previous Year Total	14,235,401	1,574,340	1,140,422	6,980,362		802,208	111,292		913,500	6,066,862	4,915,934



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Notes to Financial Statements for the year ended 31st March 2012

9. Current Investments

(At Cost of acquisition)

Equity Shares of Rs.10/- each

(I) Quoted Shares (Other than Trade)-

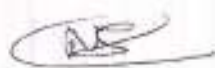
Fully Paid - At Cost

Particulars	No.Of Shares Current Year	No.Of Shares Previous Year	Book Value		Market Value	
			Current Year (Rs.)	Previous Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
Hindustan Fibres Limited	455000 Nos.	455000 Nos.	4,550,000	4,550,000	Not Available	Not Available
Total (I)	455000 Nos.	455000 Nos.	4,550,000	4,550,000		
(II) Quoted Shares						
As per Books:						
ADLABS FILMS LTD.	5 Nos.	5 Nos.	846	846	384	754
ANSAL PRO & INF	200 Nos.	200 Nos.	197,000	197,000	7,030	7,500
ASIAN OILFELD	0 Nos.	2701 Nos.	0	404,499	0	116,953
BHARTI AIRTEL	0 Nos.	0 Nos.	0	0	0	0
Bihar Caus C	500 Nos.	500 Nos.	28,702	28,702	0	0
DEVELOPMENT CREDIT BANK	0 Nos.	1000 Nos.	0	111,000	0	45,650
G.H.C.L	26200 Nos.	26200 Nos.	2,750,421	2,750,421	890,800	1,042,760
GREMAC INFRA	10000 Nos.	10000 Nos.	591,400	591,400	61,500	56,900
HIMACHAL FUTURISTICS	500 Nos.	20000 Nos.	11,909	410,190	5,905	238,800
HINDUSTAN CONSTRUCTION	249 Nos.	249 Nos.	36,055	36,055	6,399	9,051
I.F.C.I.	1000 Nos.	1000 Nos.	58,640	58,640	41,850	52,650
IKF TECHNO	5000 Nos.	5000 Nos.	49,495	49,495	5,300	11,050
JAYASWALS NECO LTD	100 Nos.	100 Nos.	7,665	7,665	1,605	2,345
J K LAKSHMI CEMENT	4 Nos.	4 Nos.	463	463	261	204
JPHYDRO (JP Power)	0 Nos.	1000 Nos.	0	83,055	0	42,300
LOK HOUSING CO	300 Nos.	300 Nos.	37,500	37,500	4,035	7,245
MTNL	300 Nos.	300 Nos.	58,153	58,153	8,205	13,635
Polar Ind.	3303 Nos.	3303 Nos.	104,395	104,395	8,753	11,396
Rama Newsprint	7500 Nos.	7500 Nos.	108,000	108,000	58,425	144,750
RELIANCE CAPITAL	20 Nos.	20 Nos.	12,159	12,159	7,837	11,607
RELIANCE POWER LTD	15 Nos.	15 Nos.	6,450	6,450	1,754	1,940
SATYAM COMPUTERS	1500 Nos.	1500 Nos.	45,529	45,529	120,300	98,625
SPINTEX IND LTD	1 Nos.	1 Nos.	41	41	12	12
STEAL AUTHORITY	100 Nos.	100 Nos.	9,100	9,100	9,405	16,975
Sunit Chemicals	355 Nos.	355 Nos.	528	528	121	121
TTML	3000 Nos.	3000 Nos.	82,500	82,500	44,100	51,300
TELEDATA INFORMATICS	0 Nos.	1000 Nos.	0	59,235	0	2,123
Total (II)	60152 Nos.	85353 Nos.	4,196,952	5,253,023	1,283,980	1,990,871
(III) Unquoted Shares						
Hamilton Distributors (P) Limited	288320 Nos.	288320 Nos.	1,441,600	1,441,600	Not Available	Not Available
Arimant Logistics Limited	100500 Nos.	100500 Nos.	1,005,000	1,005,000	Not Available	Not Available
Hindustan Industrial F. Ltd	75000 Nos.	75000 Nos.	750,000	750,000	Not Available	Not Available
Total (III)	463820 Nos.	463820 Nos.	3,196,600	3,196,600		
Total (I + II + III + IV)	978972 Nos.	1004173 Nos.	11,943,552	12,999,623	1,283,980	1,990,871



RITZ MERCANTILE LIMITED
Notes to Financial Statements for the year ended 31st March 2012

	As at 31st March 2012 (Rs.)	As at 31st March 2011 (Rs.)
10. Trade Receivable (Unsecured-Considered Good) Outstanding for a period exceeding six months from the date the are due for payment Others	110,452 <u>110,452</u>	363,997 <u>363,997</u>
11. Cash and cash equivalents (1) Balance with Scheduled Banks - on Current Accounts (2) - On Fixed Deposit (3) Cash in hand	10,506 25,000 81,251 <u>116,757</u>	93,795 677,940 <u>771,735</u>
12. Short-term loans and advances (Unsecured-Considered Good) Loans and advances to related parties Ancient Exports Pvt. Limited Shuchi Holdings Pvt. Limited	410,000 300,000 <u>710,000</u>	410,000 300,000 <u>710,000</u>
Others Ananad Rathi Commodities Limited Ananad Rathi Shares & Stock Brokers Limited (Cash) Prepaid Expenses Mr. Sanjay Poonglia Mr. Shresh Poonglia Shree Ji Cotfab Shree Ji Overseas	53,458 286 5,515 100,000 100,000 - - <u>259,259</u>	1,058 6,733 100,000 100,000 1,000,000 3,200,000 <u>4,407,791</u>
Grand Total	969,259	5,117,791
13. Other current assets Advance Income Tax TDS Receivable Refund due on Income Tax	202,010 53,092 19,563 <u>274,665</u>	696,967 53,092 19,563 <u>769,622</u>







RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2012

	As at 31st March 2012 (Rs.)	As at 31st March 2011 (Rs.)
14. Other Income		
Agricultural Income	163,971	293,287
Dividend Income	53,799	76,369
Liability written off	250,479	-
Profit on sale of Shares-Short Term	-	71,210
Profit on sale of Shares-Long Term	-	566,303
Profit on Future Stock	-	9,376
	468,249	1,016,545
15. Employee Benefit Expenses		
Salary	305,806	601,148
Staff Welfare	3,697	2,029
	309,503	603,177
16. Finance Cost		
Interest	75	5,361
Bank Charges	2,245	1,510
	2,320	6,871

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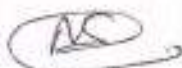
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RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2012

	As at 31st March 2012 (Rs.)	As at 31st March 2011 (Rs.)
17. Other Expenses		
Travelling Expenses	263,289.58	13,806.99
Local Conveyance Expenses	2,205.00	9,578.08
Vehicle running expenses	-	4,195.00
Directors Insurance Expenses	5,073.00	12,533.00
Telephones Expenses	25,727.00	46,933.63
Auditors' Remuneration:		
For Audit Fee	7,721.00	7,721.00
For Taxation & Other Matters	14,341.00	21,599.00
Agricultural Expenses	52,170.00	99,750.00
Repair & maintenance (Vehicle)	3,500.00	2,273.00
Repair & maintenance (Off. Equip.)	1,950.00	20,646.00
General Expenses	138,454.76	123,380.46
Listing Fee	5,515.00	5,515.00
Legal & Professional Expenses	60,500.00	7,500.00
Long Term Loss on securities	564,424.30	-
Loss from Derivatives Trading	-	641,107.00
Sundry Balance Written Off	-	3.00
	<u>1,144,870.64</u>	<u>1,016,541.16</u>





RITZ MERCANTILE LIMITED

18. Additional Notes to Financial Statements

- (i) The revised Schedule VI has become effective from 01st April 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

(ii) Significant Accounting Policies and Notes to the Accounts:

a. Accounting Convention

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in compliance with the mandatory accounting standards issued by the Institute of Chartered Accountant of India.

b. Fixed assets:

Fixed assets have been stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of other directly attributable costs of bringing the assets to the working condition for intended use.

c. Depreciation:

Depreciation is provided on the written down value method. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates and charged pro-rata.

d. Investments are stated at cost of acquisition.

e. Taxes on Income

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on income. Taxes comprise both current and deferred tax.

Current tax is measured at the amount of tax expected to be paid to taxation authorities, using the applicable rates and tax laws.



Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent period.

Not to recognize Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty there will be sufficient future income available to realize such assets.

f. The provisions of Employees Provident Fund and miscellaneous Provision Act, 1952 are not applicable.

g. Retirement Benefits:

a) No provision has been made for gratuity, as there is no liability at the close of the year.

b) The liability for accumulated earned leave is accounted for as and when claims and amount payable there against are ascertained.

iii. Contingent Liabilities not provided for: Nil (Previous Year Nil).

iv. Claim against the firm not acknowledged as debt - Nil. (P/Y - Nil)

v. Estimated amount of contract remaining to be executed on capital account and not provided for - Nil (P/Y - Nil)

vi. Parties' balances are subject to confirmation and reconciliation.

vii. No provision has been made in respect of diminution in value of long term investment as decline in market value of investment has been viewed by management as temporary.

viii. Payment and/or provision of payment to Auditors:

	C/Y	P/Y
a. Audit fee	Rs. 7,721/-	Rs. 7,721/-
b. For Taxation Matters	Rs. 3,309/-	Rs. 7,809/-
c. For other matters	Rs. 11,032/-	Rs. 13,790/-

IX. Earning and Expenditure in foreign currency is NIL (Previous year NIL)

X. The management is in the process of identifying Micro Small and Medium



Enterprises in terms of provisions of The Micro, Small and Medium Enterprises Development Act, 2006. Hence the disclosure of total outstanding dues to Micro and Small Enterprises to whom the company owes any sum, which is outstanding for over 45 days, as required has not been made. (Previous Year: unascertainable).

The management is of the opinion that the Company does not have any liability towards interest on delayed payments to Micro and Small Enterprises as the payments are made within the period agreed with the supplier and service provider. As per the information provided by the management, no interest has been paid during the year in term of the provision of The Micro Small and Medium Enterprises Development Act, 2006.

- XI. The company has not recognized for deferred tax asset/liability in the accounts for the year ended 31st March 2012 in accordance with the provisions of Accounting Standard 22 on "Accounting for Taxes on Income, in view of virtual uncertainty that there will be sufficient future income available to realize such assets.

No provision for Current Income tax has been made in view of nil taxable income under the provisions of the Income-tax Act, 1961.

For VINAY VOHRA & CO.
Chartered Accountants,

(VINAY VOHRA)
FCA, PROP.



Membership No. 90574

Regn No. 011269N

Place: New Delhi

Date: 05.05.2012

For and on behalf of the Board

(NEELAM SINGHVI)
DIRECTOR

(GARVIT SINGHVI)
DIRECTOR