


- RITZ MERCANTILE LIMITED
- Annual Report
- 2012-13

CERTIFIED TRUE COPY

For RITZ MERCANTILE LTD.


Director/Authorised Signatory

RITZ MERCANTILE LIMITED

NOTICE

To the Members,

Notice is hereby given that the 27th Annual General Meeting of the shareholders of RITZ MERCANTILE LIMITED will be held on Monday, the 16th day of September, 2013 at 3.00 P.M. at the registered office of the Company situated at 603, Sethi Bhawan, 7 Rajendra Place, New Delhi-110008 to conduct the following business as:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013 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 director in place of Mr. S.K.Singh, who retire by rotation & being eligible, offers him self 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: 20.05.2013

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 Members and Share Transfer Books of the company will remain closed from September 14, 2013 to September 16, 2013 (both days inclusive).
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RITZ MERCANTILE LIMITED

DIRECTOR'S REPORT

Dear Members,

Your Directors are presenting their 27th Annual Report on the working of the Company together with audited accounts for the year ended March 31st, 2013:

1) **FINANCIAL RESULTS:**

Particulars	Rupees
Income	21,46,147
Profit before interest, tax and depreciation	12,41,883
Less:	
Interest	-
Depreciation	30,389
Taxes	1,42,000
Profit for the year	10,69,494

2) **DIVIDEND:**

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

3) **DIRECTORS**

In accordance with the provisions of Companies Act, 1956 Mr.S.K.Singh, who retire by rotation & being eligible, offers himself for reappointment.

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 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 and losses of the Company for the year ended 31st March 2013.
- Proper and sufficient care has 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.
- 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 (I-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 58A 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 Directors acknowledge with appreciation the services rendered by the staff and executives at all levels.

For and on behalf of the Board


(NEELAM SINGHVI)
CHAIRPERSON

Place: New Delhi
Date: 20.05.2013

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Vinay Vohra

B. Com., F.C.A.

VINAY VOHRA & CO.

CHARTERED ACCOUNTANTS

H-7/314-315, Aggarwal Plaza,

Netaji Subhash Place,

Delhi-110034, India.

Ph.: 011-27354291, 0-9811610935

e-mail:vinayvohra68@gmail.com

AUDITORS' REPORT

TO THE MEMBERS OF RITZ MERCANTILE LTD.

Report on the Financial Statements

1. We have audited the accompanying financial statements of Ritz Mercantile Ltd. ("the Company"), which comprises the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these 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 Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
4. An audit involves performing procedures to obtain audit evidence about the amount and the 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Basis for Qualified Opinion

6. Company in the past has given a sum of Rs. 1,21,65,000/- (previous year Rs. 1,21,65,000/-) to Arham Education Society. The amount has been shown as corpus donation in the books of Arham Education Society.

Qualified Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, except for possible effect of the matter described in para 6 above and not identifying overdue amount payable to micro, small and medium enterprises, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- (b) in the case of Statement of Profit and Loss, of the profit for the year ended on that date.
- (c) In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

9. As required by Section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposed 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 and the statement of Profit dealt with by the Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, and the Statement of Profit and Loss account, subject to note # 17 (vii) regarding valuing investment at cost and not making provision of diminution in value of long term investment and note # 17 (XI) regarding non provision of deferred tax asset/liabilities, comply with the Accounting Standards referred to in Section 211(3C) of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Vinay Vohra & Co.
Chartered Accountants, (FRNo. 011269N)

(Vinay Vohra)
Sole practitioner (M. No. 090574)

New Delhi
Date: 20th May 2013



Annexure to the Auditors Report

(Referred to in paragraph 7 under Report on Other Legal and Regulatory Requirements section of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. The company is maintaining proper records showing particulars including quantitative details and situation of Fixed Assets.
2. 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 2013
A.	Hindustan Fibres Ltd.	87,73,146/-
B.	Arham Education Society	1,21,65,000/-
C.	Ancient Export Pvt. Ltd.	4,10,000/-

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 2013
A.	Arihant Logistics Ltd.	1,99,85,000/-
B.	Hamilton Distributors Pvt. Ltd.	99,00,000/-
C.	Arihant Builder & Industries	27,90,000/-
D.	HFL Investments Pvt. Ltd.	4,35,000/-
E.	Hindustan Healthcare Ltd.	1,75,000/-



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: 20th May 2013



RITZ MERCANTILE LIMITED

Balance Sheet as at 31st March, 2013

Amount (Rs.)

Particulars	Note No.	31 March 2013	31 March 2012
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	3,286,425	2,216,930
2 Non-Current Liabilities			
(a) Long-Term Borrowings	3	33,285,000	33,685,000
(b) Deferred Tax Liabilities (Net)			
3 Current Liabilities			
(a) Other Current Liabilities	4	1,435,073	1,156,220
(b) Short-Term Provisions	5	142,000	
TOTAL		48,648,498	47,558,150
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets (Tangible Assets)	6	12,649,929	12,680,318
(b) Long-Term Loans and Advances	7	20,938,146	21,463,146
2 Current Assets			
(a) Current Investments	8	13,159,580	11,943,553
(c) Trade Receivables	9	141,420	110,452
(d) Cash and Cash Equivalents	10	735,499	116,757
(e) Short-Term Loans and Advances	11	619,258	969,259
(f) Other Current Assets	12	404,665	274,665
TOTAL		48,648,498	47,558,150

Accounting Policies & Additional Notes to the Accounts

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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 YOHRA & Co.

Chartered Accountants

(VINAY YOHRA)

FCA, PROP

Membership No. 090574

Regn. No. 011269N

Place : New Delhi

Dated : 20.05.2013



(NEELAM SINGHVI)

DIRECTOR

(GARVIT SINGHVI)

DIRECTOR

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RITZ MERCANTILE LIMITED

Profit and Loss statement for the year ended 31st March 2013

Amount (Rs.)

Particulars	Note No.	31 March 2013	31 March 2012
I. Revenue From Operations		-	-
II. Other Income	13	2,146,147	468,249
III. Total Revenue		2,146,147	468,249
IV. Expenses:			
Employee Benefits Expense	14	449,732	309,503
Financial Costs	-	-	-
Depreciation and Amortization Expense	6	30,389	39,836
Other Expenses	15	454,532	1,147,191
V. Total Expenses		934,653	1,496,531
VI. Profit (Loss) before the tax		1,211,494	(1,028,281)
VII. Tax Expense Current		142,000	-
VIII. Profit (Loss) for the period		1,069,494	(1,028,281)
IX. Earnings per equity share:	16		
(1) Basic		1.02	(0.98)
(2) Diluted		-	-

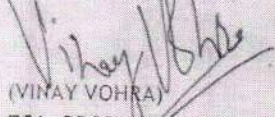
Accounting Policies & Additional Notes to the Accounts
The Notes referred to above form an integral part of
the Financial Statement

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As per our report of even date attached

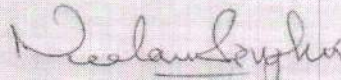
For VINAY VOHRA & Co.

Chartered Accountants


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



For and on behalf of the Board


(NEELAM SINGHVI)
DIRECTOR


(GARVIT SINGHVI)
DIRECTOR

Place : New Delhi
Dated : 20.05.2013

RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

	As at 31st March 2013 (Rs.)	As at 31st March 2012 (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
	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 Singhvi	128,800	128,800
M/s G. S. Singhvi (HUF)	188,600	188,600
Smt. Neelam Singhvi	130,000	130,000
Shri G. S. Singhvi	159,900	59,900
Shri Madan Singh Singhvi		133,300
M/s Ancient Exports 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	4,616,616	
Add: Profit on Sale of Agricultural Land		4,616,616
At the end of the year	4,616,616	4,616,616
Profit & Loss Account		
At the beginning of the year	(2,399,686)	(1,371,405)
Less: Transfer from Profit & Loss Account	1,069,494	(1,028,281)
	(1,330,191)	(2,399,686)
Grand Total	3,286,425	2,216,930
3. Long-term borrowings		
Unsecured		
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	19,985,000
Sh. G.S.Singhvi (H.U.F.)		340,000
HFL Investments Pvt. Ltd.	435,000	485,000
Hindustan Healthcare Ltd.	175,000	185,000
	33,285,000	33,685,000



(Signature)

(Signature)

RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

	As at 31st March 2013 (Rs.)	As at 31st March 2012 (Rs.)
4. Other Current Liabilities		
Sachdeva Enterprises	515,900	515,900
Sunil Kansal & Sons HUF	371,844	371,844
Innovative Communication	-	20,600
R Rath & Associates	28,350	250
Vinay Vohra & Co.	35,192	48,797
Webtel Electrosoft Pvt. Ltd.	-	1,350
Director Remuneration Payable	419,000	149,000
Expenses Payable	29,972	36,585
Salary Payable	24,500	9,000
Telephone Expenses Payable	1,547	1,694
TDS Payable on Professionals	3,150	1,200
Listing Fees Payable	5,618	-
	1,435,073	1,156,220
5. Short Term Provisions		
Current Taxation	142,000	-
	142,000	-
7. Long-Term Loans & Advances		
Loans and advance to related parties (Unsecured - Considered Good)		
Hindustan Fibres Limited	8,773,146	5,798,146
G.S. Singhvi	-	300,000
Arham Education Society	12,165,000	12,165,000
	20,938,146	18,263,146
Capital Advances		
Share Application Money (pending Allotment) to related parties (Unsecured - Considered Good)		
Hindustan Fibres Limited	-	3,200,000
	-	3,200,000
Grand Total	20,938,146	21,463,146

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RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

6. Fixed Assets

Particulars	GROSS BLOCK			Rate Of Dep. (%)	DEPRECIATION			NET BLOCK			
	As at 01st April 2012	Addition During the Year	Sold During the Year		As at 31st March 2013	Up to 31st March 2012	FOR THE YEAR	Adjustment during the year	Up to 31st March 2013	As at 31st March 2013	As at 31st March 2012
Land	12,543,614	-	-	12,543,614	-	-	-	-	12,543,614	12,543,614	
Office Equipments	193,394	-	-	193,394	13.91	114,604	10,960	-	125,564	67,830	78,790
Vehicle	38,239	-	-	38,239.00	25.89	16,634	5,594	-	22,228	16,011	21,605
Furniture & Fixtures	9,200	-	-	9,200	18.10	6,056	569	-	6,625	2,575	3,144
Computer	82,180	-	-	82,180	40.00	49,015	13,266	-	62,281	19,899	33,165
TOTAL	12,866,627	14,610	1,383,384	12,866,627	-	186,309	30,389	-	216,698	12,649,929	12,680,318
Previous Year Total	14,235,401	-	-	12,866,627	-	146,473	39,836	-	186,309	12,680,318	4,915,934



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RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

8. Current Investments
(At Cost of acquisition)

Equity Shares of Rs.10/- each

(I) Quoted Shares (Other than Trade)-

Fully Paid - At Cost

Particulars	Quantity		Book Value		Market Value	
	No.Of Shares	No.Of Shares				
	Current Year	Previous Year	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
ANSAL PRO & INF	200 Nos.	200 Nos.	197,000	197,000	4,130	7,030
BIHAR CAUS C	500 Nos.	500 Nos.	28,702	28,702	-	-
CORE EDUCATION & TECH	1500 Nos.	0 Nos.	98,042	-	77,025	-
G.H.C.I	26200 Nos.	26200 Nos.	2,750,421	2,750,421	943,200	890,800
GREMAC INFRA	10000 Nos.	10000 Nos.	591,400	591,400	-	61,500
HIMACHAL FUTURISTICS	500 Nos.	20000 Nos.	11,909	11,909	4,100	236,200
HINDUSTAN CONSTRUCTION	249 Nos.	249 Nos.	36,055	36,055	3,424	6,399
I.F.C.I.	1000 Nos.	1000 Nos.	58,640	58,640	26,100	41,850
IKF TECHNO	5000 Nos.	5000 Nos.	49,495	49,495	-	5,300
JAYASWALS NECO LTD	100 Nos.	100 Nos.	7,665	7,665	-	1,605
J K LAKSHMI CEMENT	4 Nos.	4 Nos.	463	463	389	261
LOK HOUSING CO	300 Nos.	300 Nos.	37,500	37,500	4,410	4,035
MTNL	300 Nos.	300 Nos.	58,153	58,153	5,520	8,205
POLAR INDUSTRIES	3303 Nos.	3303 Nos.	104,395	104,395	5,945	13,398
POLARISH SOFTWARE	500 Nos.	0 Nos.	58,665	-	-	-
RAMA NEWSPRINT	7500 Nos.	7500 Nos.	108,000	108,000	56,175	58,425
RELIANCE CAPITAL	20 Nos.	20 Nos.	12,159	12,159	6,254	7,837
RELIANCE POWER LTD	15 Nos.	15 Nos.	6,450	6,450	923	1,754
SATYAM COMPUTERS	1500 Nos.	1500 Nos.	45,529	45,529	192,600	120,300
SPINTEX IND LTD	1 Nos.	1 Nos.	41	41	4	12
STEAL AUTHORITY	100 Nos.	100 Nos.	9,100	9,100	6,255	9,405
SUNIT CHEMICALS	355 Nos.	355 Nos.	528	528	60	121
TTML	3000 Nos.	3000 Nos.	82,500	82,500	23,700	44,100
WELSPUN CORP	1000 Nos.	0 Nos.	59,320	-	-	-
Total (II)	63152 Nos.	79652 Nos.	4,412,980	4,196,953	1,360,214	1518920
(III) Unquoted Shares						
Hamilton Distributors (P) Limited	288320 Nos.	288320 Nos.	1,441,600	1,441,600	Not Available	Not Available
Arihant 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	-	-
(IV) Investment in Mutual Fund						
India Business Excellence Fund-II	10000 Nos.	-	1,000,000	-	-	-
Total (IV)	1973944 Nos.	1996944 Nos.	1,000,000	-	-	-
Total (I + II + III + IV)	2955916 Nos.	2995416 Nos.	13,159,580	11,943,553	1,360,214	1,518,920

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RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

	As at 31st March 2013 (Rs.)	As at 31st March 2012 (Rs.)
9. Trade Receivable		
(Unsecured-Considered Good)		
Outstanding for a period exceeding six months from the date the are due for payment		
Others	141,420	110,452
	<u>141,420</u>	<u>110,452</u>
10. Cash and cash equivalents		
(1) Balance with Scheduled Banks		
- on Current Accounts	554,817	10,506
(2) - On Fixed Deposit	25,000	25,000
(3) Cash in hand	155,682	81,251
	<u>735,499</u>	<u>116,757</u>
11. Short-term loans and advances		
(Unsecured-Considered Good)		
Loans and advances to related parties		
Ancient Exports Pvt. Limited	410,000	410,000
Shuchi Holdings Pvt. Limited		300,000
	<u>410,000</u>	<u>710,000</u>
Others		
Ananad Rathi Commodities Limited	3,056	53,458
Ananad Rathi Shares & Stock Brokers Limited (Cash)	518	286
Prepaid Expenses	5,684	5,515
Mr. Sanjay Poonglia	100,000	100,000
Mr. Shresh Poonglia	100,000	100,000
	<u>209,258</u>	<u>259,259</u>
Grand Total	619,258	969,259
12. Other current assets		
Advance Income Tax	332,010	202,010
TDS Receivable	53,092	53,092
Refund due on Income Tax	19,563	19,563
	<u>404,665</u>	<u>274,665</u>

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RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

	As at 31st March 2013 (Rs.)	As at 31st March 2012 (Rs.)
13. Other Income		
Agricultural Income	141,420	163,971
Dividend Income	4,727	53,799
Liability written off	-	250,479
Commission Receipts	2,000,000	-
	<u>2,146,147</u>	<u>468,249</u>
 14. Employee Benefit Expenses		
Salary (Director Remuneration Rs. 3,00,000/-, P/Y Rs. 1,80,000/-)	447,900	305,806
Staff Welfare	1,832	3,697
	<u>449,732</u>	<u>309,503</u>



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RITZ MERCANTILE LIMITED

Notes to Financial Statements for the year ended 31st March 2013

	As at 31st March 2013 (Rs.)	As at 31st March 2012 (Rs.)
15. Other Expenses		
Travelling Expenses	4,945	263,290
Local Conveyance Expenses	-	2,205
Directors Insurance Expenses	-	5,073
Telephones Expenses	16,296	25,727
Auditors' Remuneration:		
For Audit Fee	7,865	7,721
For Taxation & Other Matters	17,415	14,341
Agricultural Expenses.	38,250	52,170
Repair & maintenance (Vehicle)	-	3,500
Repair & maintenance (Off.Equip.)	10,674	1,950
Consultancy Charges	200,000	-
General Expenses	76,366	140,775
Listing Fee	5,618	5,515
Legal & Professional Expenses	77,000	60,500
Long Term Loss on securities	-	564,424
Sundry Balance Written Off	103	-
	<u>454,532</u>	<u>1,147,191</u>
Details of General Expenses		
Bank Charges	285	2,245
Interest	240	75
Postage Expenses	-	58
Filing Fee	7,686	11,130
Fee & Subscription	22,369	24,288
Business promotion	-	7,435
Printing & Stationary	558	3,323
Commission Charges	-	60,000
Office Maintenance	-	820
Diwali Expenses	-	3,140
Brokerage & Other charges	1,241	1,775
Insurance Expenses	692	-
Advertisement Expenses	24,265	26,486
Prior Period expenses	19,030	-
	<u>76,366</u>	<u>140,775</u>

16. Earning Per Share

The basic and diluted earnings per share have been calculated as per AS-20 by dividing net profit for the year attributable to equity shareholders by the weighted average number of equity shares as under:

a) Net Profit after tax	1,067,997	(1,028,281)
b) Net profit available to equity shareholders	1,067,997	(1,028,281)
c) Average No. of Equity shares outstanding during the year	1050000	1050000
d) Basic & Dilutive earnings per share (b)/(c) (Rupees per share)	1.02	(0.98)

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RITZ MERCANTILE LIMITED

17. Additional Notes to Financial Statements

- (i) 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. 7,865/-	Rs. 7,721/-
b.	For Taxation Matters	Rs. 11,797/-	Rs. 3,309/-
c.	For other matters	Rs. 5,618/-	Rs. 11,032/-

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 2013 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.


Provision for Current Income tax has been made on the basis of taxable income computed under the provision of section 115JB 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: 20.05.2013

For and on behalf of the Board


(NEELAM SINGHVI)
DIRECTOR


(GARVIT SINGHVI)
DIRECTOR

RITZ MERCANTILE LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.13 PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

(Rs. in Thousand)

Particulars	2012-2013	2011-2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	1211.49	(1028.28)
Adjustment for :		
Depreciation	30.39	39.83
Dividend Income	-	(53.80)
Deferred Tax Liability Write Off	-	(26.92)
Loss on Sale of Investments	-	564.42
Operating Profit before Working Capital changes	1241.88	(504.75)
Adjustment for :		
(Increase) / Decrease in Trade and Other Receivables *	(30.97)	253.55
Increase / (Decrease) in Short Term Loans & Advances	350.00	0.00
(Increase) / Decrease in Trade and Other Liabilities	278.85	65.52
Cash generated from operations	1839.77	(185.69)
Less: Income Taxes	(130.00)	0.00
Net cash from operating Activities	1709.77	(185.69)
B. Cash Flow from Investing Activities		
Sale of Fixed Assets-Land	-	6,000.00
Purchase of Fixed Assets -Computer	-	(14.61)
(Increase) / Decrease in Investments	(1216.03)	516.65
Dividend Income	-	53.80
Net Cash used in Investing Activities	(1216.03)	6555.84
C. Cash Flow from Financing Activities		
Proceeds from Long Term Unsecured Borrowings	(400.00)	(183.67)
Proceeds from Short Term Unsecured Borrowings	-	(150.00)
Proceeds from Long Term Loans and Advances	525	(10840.00)
Proceeds from Short Term Loans and Advances	-	4148.53
Net cash from Financing Activities	125.00	(7025.14)
Net increase in Cash and Cash Equivalents (A+B+C)	618.74	(654.98)
Cash and Cash Equivalents (Opening balance)	116.76	771.74
Cash and Cash Equivalents (closing balance)	735.50	116.76
1 Cash and Cash Equivalents represent Cash , Bank Balances and Fixed Deposits & Margin Money with Banks		
2 Previous year figures have been regrouped / recast wherever necessary		

For and on Behalf of the Board

Director

Director

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of RITZ MERCANTILE LIMITED for the year ended 31st.March, 2013. The statement has been prepared by the company in accordance with the requirements of the Listing Agreement Clause 32 with Dehi.Stock. Exchange. of India and is based on and in agreement with the corresponding Profit & Loss Statement and Balance Sheet of the Company covered by our report of May 20, 2013 to the members of the Company.

For VINAY VOHRA & Co.

Chartered Accountants

VINAY VOHRA

FCA, PROP.

Membership No. 090574

Regn. No.0112691

Place : New Delhi

Dated : 20.05.2013

