

RITZ MERCANTILE LIMITED

Registered Office: 603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008

CIN: L52110DL1985PLC019805

Contact No.: 011-25742255, 25746897

Website: www.ritzmercantile.com, e-mail: ritzmercantilelimited@gmail.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the shareholders of **RITZ MERCANTILE LIMITED** will be held on Thursday, the 29th day of September, 2016 at 3 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 consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2016 together with Report of the Board of Directors and Report of the Auditor's thereon.
2. To appoint director in place of Mr. Garvit Singhvi (DIN: 00597757), who retire by rotation & 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 in accordance with the provisions of sub-section (1) of Section 139 along with other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014, the appointment of M/s. N.K. Nagpaul & Co., Chartered Accountants, Delhi-registered with Institute of Chartered Accountants of India vide Registration No. 004432N, as Statutory Auditors of the Company to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting of the Company, be and is hereby ratified and confirmed."

SPECIAL BUSINESS:

4. To appoint Mr. Kailash Kumar Ranga (DIN: 07249221) as Director of the Company

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

"RESOLVED THAT pursuant to the provisions under Section 161 and any other applicable provisions of the Companies Act, 2013, if any, read with rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Kailash Kumar Ranga (holding DIN: 07249221), whose appointment was approved by the Board as an Additional Director of the Company with effect from November 14, 2015, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing, from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."



5. REMUNERATION TO MRS. NEELAM SINGHVI

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

"RESOLVED THAT pursuant to the provisions of Section 197 & 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) and pursuant to the provisions of Articles of Association of the Company and subject to such other approvals as may be required, the approval of members of the Company be and is hereby accorded for payment of remuneration to Mrs. Neelam Singhvi, Director of the Company (holding DIN: 00683077) as per the terms and conditions set out below:-

REMUNERATION:

Gross Salary Rs. 3,00,000/- per annum, which is in excess of 11% of net profits of the Company.

PERQUISITES:

By way of perquisites which shall be evaluated as actual cost to the Company and where it is not possible to ascertain the actual cost, such perquisites shall be evaluated as per Income Tax Act, 1961.

- (i) Medical Reimbursement: Actual, subject to maximum of one month salary,
- (ii) Leave Travel Concession for self and family once in two years, at any destination,
- (iii) Insurance Coverage: Personal accidental insurance for self,
- (iv) Gratuity payable at a rate not exceeding half month salary for each completed year of service,
- (v) Other Allowance: Subject to any statutory ceiling(s), the Director may be given any other allowance, perquisites benefits and facilities as may be decided by the Board of Directors from time to time."

"RESOLVED FURTHER THAT in the event of their being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mrs. Neelam Singhvi shall be the minimum remuneration payable to her in terms of Schedule V of Companies Act, 2013."

"RESOLVED FURTHER THAT Mrs. Neelam Singhvi shall also be entitled for reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by her in connection with the Company's business and such other benefits/amenities and other privilege, if any, from time to time be available to other Senior Executives of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary and/or modify terms and conditions including remuneration of the said Director within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto and to settle any question or doubt may arise in relation thereto and the Board shall have absolute powers to decide breakup of the remuneration within the above said maximum permissible limit."



Place: New Delhi
Dated: 03.09.2016

On behalf of Board

Garvit Singhvi
Director

DIN: 00597757

R/o: E-48, Greater Kailash,
Part-I, New Delhi-110048

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. The register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2016 to 26th September, 2016 (both days inclusive).
3. Members are requested to notify immediately, change in their address, if any, to the company quoting their folio numbers.
4. 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. Members may also mail their queries at following mail id:-

ritzmmercantilelimited@gmail.com

5. Information and other instructions relating to e-voting are as under:

(A) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the 30th Annual General Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').



(B) The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting.

(C) The members who have cast their vote by remote e-voting prior to the meeting may also attend the Meeting but shall not be entitled to cast their vote again.

Procedure for E-Voting

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating remote e-voting for AGM.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 26th September, 2016 at 09.00 a.m. and ends on 28th September, 2016 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date through remote e-voting would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)



	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance Sheet. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant 'RITZ MERCANTILE LIMITED' on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 22, 2015 may follow the same instructions as mentioned above for e-Voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (D) Voting can be exercised only by the shareholder or his/her duly constituted attorney/proxy or, in case of bodies corporate, the duly authorized person.
- (E) The Results of Annual General Meeting shall be declared on October 1, 2016. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ritzmmercantile.com and on the website of CDSL and shall be communicated to Calcutta Stock Exchange of India Limited.



(F) M/s. PTM & Co., Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.



Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM No. 4:

Mr. Kailash Kumar Ranga (holding DIN: 07249221) was appointed as an Additional Director w.e.f November 14, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above Director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company along with requisite deposit proposing the candidature of Mr. Kailash Kumar Ranga for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Mr. Kailash Kumar Ranga has rich experience in the field of Finance and Accounts and the Board feels that presence of Mr. Ranga on the Board is desirable and would be beneficial to the Company and hence recommend Resolution No. 4 for adoption.

None of the other Directors is concerned or interested in the resolution except to the extent of their shareholdings.

The Board recommends resolution under item No. 4 to be passed as an Ordinary Resolution.

ITEM NO. 5

The Nomination and Remuneration Committee in its meeting held on February 13, 2016 recommended and the Board of Directors of the Company in its meeting held on February 13, 2016 approved the payment of remuneration of Rs. 3,00,000/- (Rupees Three Lac Only) per annum payable in a financial year to Mrs. Neelam Singhvi (holding DIN: 00683007) as Executive Director of the Company subject to the approval of the shareholders of the Company in the General Meeting.

Mrs. Neelam Singhvi is a Graduate and is involved in day to day operations of the Company. She is actively involved in the area of management and operations of the Company. The payment of Remuneration was approved by the Board based on the Industry Standard and responsibilities handled by her. However, due to inadequacy of the profit the managerial remuneration paid needs approval of shareholders of the Company.

The Board of Directors recommends the relevant resolution for your consideration and approval as an Ordinary Resolution.

None of the other Directors except Mrs. Neelam Singhvi herself and Mr. Garvit Singhvi, as a relative of Mrs. Neelam Singhvi, is concerned or interested in the resolution.

Place: New Delhi

Dated: 03.09.2016

On behalf of Board

Garvit Singhvi
Director

DIN: 00597757

R/o: E-48, Greater Kailash,
Part-I, New Delhi-110048



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DIRECTOR'S REPORT

Dear Members,

Your Directors are presenting their 30th Annual Report on the working of the Company together with audited accounts for the year ended March 31st, 2016:

1) FINANCIAL RESULTS

Particulars	(in Rs.)
Income	Amount
Profit before interest, tax and depreciation	12,30,941.00
Less:	4,43,095.00
Interest	0.00
Depreciation	13,661.00
Taxes	0.00
Profit for the year	4,29,434.00

2) DIVIDEND

Your Directors do not recommend any Dividend for the year ending 31st March, 2016.

3) DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Companies Act, 2013 Mr. Garvit Singhvi, who retire by rotation & being eligible, offers himself for reappointment.

As per the provisions of Section 149 of Companies Act, 2013, Mr. Krishan Chander Verma and Mr. Jagdish Patel were appointed as Independent Directors vide Extra-Ordinary General Meeting dated 04th September, 2015.

As per the provisions of Section 203 of the Companies Act, 2013, Mr. Garvit Singhvi was appointed as Whole-time Director cum Chief Financial Officer of the Company vide Board Meeting dated 10th August, 2015.

Mr. S.K. Singh resigned from Directorship of the Company w.e.f 14th November, 2015 and Mr. Kailash Ranga was appointed as Director of the Company from the said date.



4) DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- a. In the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. 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 of the Profit and Loss of the Company for the year ended 31st March 2016.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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.
- e. 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.
- f. Proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

5) AUDITORS

The appointment of M/s N.K. Nagpaul & Co., Chartered Accountants, who was appointed as Auditor of the company from the conclusion of 28th AGM till the conclusion of 33rd AGM of the company is ratified by the members as Statutory Auditor of the Company for Financial Year 2016-17.

As per Notes No. 28 forming part of accounts the Company has not appointed Company Secretary. Your Directors want to clarify that the Company is in process of appointing a Company Secretary and is looking for eligible candidate for the said position.

As per Notes No. 29 forming part of accounts the Company has appointed two independent Directors out of which only one is indirectly under control of the Management. Moreover, as soon the fact came into light the said Director resigned w.e.f 25th May, 2016 and the Company is in process of appointing and is looking for eligible person to be appointed as such who fulfills the eligibility criteria as prescribed under Section 149 of the Companies Act, 2013.

As per Notes No. 32 and Point No. 4 of Annexure-A of Auditors Report (CARO) your Directors want to clarify that the loan accounts have been adjusted as per the instructions from the parties with the terms and conditions agreed.

As per Notes No. 33 forming part of accounts the Company has not consolidated investment in associate companies. Your Director wants to clarify that currently the associates of the Company are not carrying on any business activity and the impact of their financials on the consolidated financials will be negligible. Moreover, necessary steps are being taken to reduce the shareholding of the Company in associates below the prescribed level so that there are no associates of the Company and hence there will be no requirement for consolidation of financials.



6) PUBLIC DEPOSIT

The Company has neither invited nor accepted any fixed deposits from the public during the year within the meaning of Section 73 of the Companies Act, 2013 read together with Companies (Acceptance of Deposit) Rules, 2014.

7) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not engaged in any manufacturing activity, hence the provisions of Section 134 (3) (m) of the Companies Act, 2013 are not applicable. The Company is not carrying any activity relating to export and has not used or earned any Foreign Exchange.

8) PERSONNEL

There was no employee in the company who is receiving remuneration to the aggregate of Rs. 1 Crore and 2 Lakh per annum or more.

9) NUMBER OF MEETINGS OF BOARD

The Board of Directors of the Company duly met 12 times during the year details of which are as under:-

Particulars	Date of Board Meeting
01 st Board Meeting	17 th April, 2015
02 nd Board Meeting	08 th May, 2015
03 rd Board Meeting	15 th May, 2015
04 th Board Meeting	26 th May, 2015
05 th Board Meeting	10 th August, 2015
06 th Board Meeting	04 th September, 2015
07 th Board Meeting	21 st October, 2015
08 th Board Meeting	14 th November, 2015
09 th Board Meeting	05 th January, 2016
10 th Board Meeting	13 th February, 2016

10) RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Board of Directors of the Company.

11) EXTRACTS OF ANNUAL RETURN

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

12) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any Loans or Guarantees during the year covered under the provisions of Section 186 of the Companies Act, 2013.

However, the Company has made investments covered under Section 186 of the Companies Act, 2013 during the year.



As regards point No. 4 of Annexure-A of Auditor's Report (CARO), your Directors want to clarify that the Company has received back Rs. 3,01,090/- from Hindustan Fibres Ltd., Rs. 10,50,000/- from Arham Education Society and Rs. 2,50,000/- from Mrs. Neelam Singhvi.

13) RELATED PARTY TRANSACTIONS

All the transactions carried out with the related parties for the year under review were on arms length basis and are in compliance with the applicable provisions of the Companies Act, 2013. The details of same are provided in Form No. AOC-2 enclosed as Annexure-II.

14) VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. The Company also has a Vigil Mechanism policy which provides the framework for reporting of genuine concerns and at the same time also provides for adequate safeguards against victimization of persons who uses such mechanism to report their concerns. However, no complaints or concerns have been received from any Director or employee during the year.

15) ANNUAL EVALUATION BY BOARD

The evaluation framework for assessing the performance of Directors comprises of the following key areas:-

- (a) Attendance of Board Meetings and Board Committee Meetings;
- (b) Quality of contribution to Board deliberations;
- (c) Strategic perspectives or inputs regarding future growth of Company and its performance;
- (d) Providing perspectives and feedback going beyond information provided by management;
- (e) Commitment to shareholder and other stakeholder interests.

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

16) TRANSFER TO RESERVES

During the year, company earned a Net Profit of Rs. 4,29,434/- (Rupees Four Lakh Twenty Nine Thousand Four Hundred Thirty Four Only) which has been adjusted in Profit & Loss Account under the head Reserves & Surplus. The Reserves & Surplus now amounted to Rs. 51,34,313 as at 31st March, 2016.

17) DETAILS OF SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURES

The details of Associate of the Company are provided in Form No. AOC-1 enclosed as Annexure-III.



18). INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has an Internal Control System commensurate with the size and scale of the Company. Mr. S.K. Rathore, Internal Auditor and Audit Committee of the Company monitor and evaluate the efficiency and adequacy of internal control system in the Company.

19) DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013)

No such case under Sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013 has been filed during the year. The company ensures healthy and safe work environment for its female employees.

20) DISCLOSURE AS PER COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:- 2.5:1

B) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in Financial Year:-

No increment in the remuneration was made during the year in any of the Director or Key Managerial Personnel.

C) The percentage increase in the median remuneration of employees in the financial year:-

There was no increase in remuneration of any employees during the financial year.

D) The number of permanent employees on the rolls of the company: 5 (Five)

E) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Not Applicable as there was no increase in remuneration of any employees of the Company or the Managerial Personnel of the Company.

F) Affirmation of remuneration as per the remuneration policy of the Company:-

All remuneration of the employees and Directors are decided by Nomination and Remuneration Committee and by Board of Directors within the organization.

21) DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors in accordance with the provisions of Section 149(6) of the Companies Act, 2013.



22) **NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

23) **SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, the Company has appointed M/s. PTM & Co., a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure-IV and forms integral part of this report.

As regards observations contained in the report, your Directors want to clarify that the Company is looking for eligible candidate for the said post and is in process of appointing the Company Secretary.

Further, the Company wants to file the return for appointment of Chief Finance Officer, but due to an amendment in the Companies Act, 2013, there is no requirement for filing any return for appointment of CS, CFO and CEO and the said form is also updated as per the amendment. Thus the return could not be filed yet. However, the Company has raised a query in this respect with the concerned Registrar of Companies but no reply is received till date.

Further, the report says that the Company has not provided e-voting facility to its shareholders for General Meetings held during the year. Your Directors want to clarify that the Company is providing e-voting platform to its shareholders during year 2016-17 and has entered into an agreement with the concerned agency for the same.

24) **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF COMPANY**


No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

25) **ACKNOWLEDGEMENT**

Your Directors acknowledge with appreciation the services rendered by the staff and executives at all levels.

For and on behalf of the Board

Place: New Delhi
Date: 03.09.2015


Garvit Singhvi
Whole-Time Director
Din: 00597757
R/o: E-48, Greater Kailash,
Part-I, New Delhi-110048


Kailash Ranga
Director
Din: 07249221
R/o: 115, 2nd Floor, Bank Enclave
Laxmi Nagar, Delhi-110092



ANNEXURE-I**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2016****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management & Administration) Rules, 2014****I. REGISTRATION & OTHER DETAILS**

1.	CIN	L52110DL1985PLC019805
2.	Registration Date	09 th January, 1985
3.	Name of the Company	RITZ MERCANTILE LIMITED
4.	Category/Sub-category of the Company	Category: Company Limited by Shares Sub-Category: Non-Government Company
5.	Address of the Registered office & contact details	603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008 Tel.No.: 011-25742255/6897 e-mail: ritzmercantilelimited@gmail.com
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ALANKIT ASSIGNMENTS LIMITED 4E/2, Jhandewalan Extension, New Delhi-110056 Contact No: 011-42541234, 23541234 e-mail: info@alankit.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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Agricultural Income	99861191	23.56%
2	Commission for Selling Flats	99722210	19.47%

III. PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of Company	CIN	% of shares held	Applicable Section
1	Hindustan Industrial Finance Ltd. 603, sethi bhawan, 7, Rajendra Place, New Delhi-110008	U65999DI1984PLC018026	23.98%	Section 2(6)
2	Arihant Logistics Ltd. 603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008	U74899DL1983PLC017116	21.53%	Section 2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01 st April, 2015)				No. of Shares held at the end of the year (As on 31 st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	7,19,600	0	7,19,600	68.53%	7,19,600	0	7,19,600	68.53%	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	7,19,600	0	7,19,600	68.53%	7,19,600	0	7,19,600	68.53%	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign	0	0	0	0	0	0	0	0	0



Venture Capital Funds									
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,17,400	0	3,17,400	30.23%	3,17,400	0	3,17,400	30.23%	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	13,000	13,000	1.24%	0	13,000	13,000	1.24%	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	3,17,400	13,000	3,30,400	31.47%	3,17,400	13,000	3,30,400	31.47%	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3,17,400	13,000	3,30,400	31.47%	3,17,400	13,000	3,30,400	31.47%	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1037000	13000	1050000	100%	1037000	13000	1050000	100%	0



B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
1	Garvit Singhvi	128800	12.27%	0	128800	12.27%	0	0
2	Neelam Singhvi	130000	12.38%	0	130000	12.38%	0	0
3	G.S. Singhvi	159900	15.23%	0	159900	15.23%	0	0
4	Geetika Singhvi	40500	3.86%	0	40500	3.86%	0	0
5	Garima Singhvi	30500	2.90%	0	30500	2.90%	0	0
6	Shrishty Singhvi	41300	3.93%	0	41300	3.93%	0	0
7	M/s G.S. Singhvi (HUF)	188600	17.96%	0	188600	17.96%	0	0
TOTAL		719600	68.53%	0	719600	68.53%	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change)

S. No	Particulars	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	7,19,600	68.53%	7,19,600	68.53%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	0	0	0	0
	At the end of the year	7,19,600	68.53%	7,19,600	68.53%



D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	For Each of the Top 10 Shareholders	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	3,30,400	31.47%	3,30,400	31.47%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	3,30,400	31.47%	3,30,400	31.47%

E) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Directors and each Key Managerial Personnel	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	2,58,800	24.65%	258800	24.65%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	2,55,800	24.65%	258800	24.65%



V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	2,71,25,000		2,71,25,000
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
Total (i+ii+iii)	0	2,71,25,000		2,71,25,000
Change in Indebtedness during the financial year				
* Addition	0	5,50,000		5,50,000
* Reduction	0	1,18,50,000		1,18,50,000
Net Change	0	1,13,00,000		1,13,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	0	1,58,25,000		1,58,25,000
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
Total (i+ii+iii)	0	1,58,25,000		1,58,25,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Neelam Singhvi	Garvit Singhvi	Kailash Ranga	---	
	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,00,000	0	0	----	3,00,000
1	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0		0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	----	0
2	Stock Option	0	0	0	----	0
3	Sweat Equity	0	0	0	----	0
4	Commission - as % of profit - others, specify...	0	0	0	----	0
5	Others, please specify	0	0	0	----	0
	Total (A)	3,00,000	0	0	----	3,00,000
	Ceiling as per the Act	11% of Net profits of Company				



B. Remuneration to other directors

S. No.	Particulars of Remuneration	Name of Directors				Total Amount NIL
	Independent Directors	Jagdish Patel	K.C. Verma	----	----	
1	Fee for attending board committee meetings	0	0	----	----	0
	Commission	0	0	----	----	0
	Others, please specify	0	0	----	----	0
	Total (1)	0	0	----	----	0
2	Other Non-Executive Directors	0	0	----	----	0
	Fee for attending board committee meetings	0	0	----	----	0
	Commission	0	0	----	----	0
	Others, please specify	0	0	----	----	0
	Total (2)	0	0	----	----	0
	Total (B)=(1+2)	0	0	----	----	0
	Total Managerial Remuneration	0	0	NIL	NIL	NIL
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
	Gross salary	0	0	0	0
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	0	0	0



VII. 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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



ANNEXURE-II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis:

S.No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Hindustan Fibres Limited Garvit Singhvi & Neelam Singhvi are common Directors in both companies and together holds more than 2% of paid up share capital in Hindustan Fibres Limited
(b)	Nature of contracts/ arrangements/transactions	Commission received for selling of flats constructed by Hindustan Fibres Limited
(c)	Duration of Contracts/ Arrangements/transactions	N.A.
(d)	Salient terms of the contract/ arrangement or transactions including the value, if any	The Company shall receive commission for selling flats constructed by Hindustan Fibres Limited as such rate as agreed between the parties.
(e)	Justification for entering into such contract/ arrangement/ transaction	To enhance business opportunity for the Company
(f)	Date of approval by the Board	05 th January, 2016
(g)	Amount paid as advance, if any	NIL
(h)	Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable



S.No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Hindustan Fibres Limited Neelam Singhvi & Garvit Singhvi are common directors in both companies and together holds more than 2% of paid up share capital in Hindustan Fibres Limited
(b)	Nature of contracts/ arrangements/transactions	Company shall pay an amount of Rs. 10,000 per month as rent to Hindustan Fibres Limited for using its premises as the Registered Office.
(c)	Duration of Contracts/ Arrangements/transactions	N.A.
(d)	Salient terms of the contract/ arrangement or transactions including the value, if any	The Company shall pay rent to Hindustan Fibres Limited for using its premises as Registered Office.
(e)	Justification for entering into such contract/ arrangement/ transaction	To enhance business opportunity for the Company
(f)	Date of approval by the Board	05 th January, 2016
(g)	Amount paid as advance, if any	NIL
(h)	Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable



ANNEXURE-IV

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	N.A.
5.	Reserves & surplus	N.A.
6.	Total assets	N.A.
7.	Total Liabilities	N.A.
8.	Investments	N.A.
9.	Turnover	N.A.
10.	Profit before taxation	N.A.
11.	Provision for taxation	N.A.
12.	Profit after taxation	N.A.
13.	Proposed Dividend	N.A.
14.	% of shareholding	N.A.

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.



Part 'B': Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

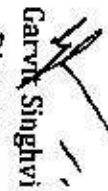
Name of associates/Joint Ventures			
1. Latest audited Balance Sheet Date	Arihant Logistics Ltd.	31.03.2016	Hindustan Industrial Finance Ltd.
2. Shares of Associate/Joint Ventures held by the company on the year end			31.03.2016
No.			
Amount of Investment in Associates/Joint Venture	100500		100000
Extend of Holding%	1005000		1000000
3. Description of how there is significant influence	21.53%		23.98%
4. Reason why the associate/joint venture is not consolidated	The Company Holds more than 20% of total share capital of Arihant Logistica Ltd.		The Company Holds more than 20% of total share capital of Hindustan Industrial Finance Ltd.
5. Net worth attributable to shareholding as per latest audited Balance Sheet (in Rs.)	57,72,652		67,27,322
6. Profit/Loss for the year			
i. Considered in Consolidation	0		0
ii. Not Considered in Consolidation	0		0

1. Name of Subsidiary or associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year. NIL



[Handwritten signature]

For Ritz Mercantile Limited


Garvit Singhvi

Director

DIN: 00597757


Kailash Ranga

Director

DIN: 07249221





N.K NAGPAUL & CO.
Chartered Accountants

M-15 & 22, BALRAMA HOUSE
KARAMPURA COMM. COMPLEX
NEW DELHI - 110015
PH:- 30120249, 25920249
E-MAIL- n_nagpaul@yahoo.co.nz

Independent Auditor's Report

To the Members of

RITZ MERCANTILE LIMITED

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of ***RITZ MERCANTILE LIMITED ("the Company")*** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, 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.

Auditor's 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts 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 financial 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 the 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

Basis for Qualified Opinion

Note No. 31 "Notes forming part of accounts" indicate that quoted/unquoted shares in hand do not match with the Demat holdings statement/with other companies records, however, management has confirmed that these differences are under reconciliation.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 company as at 31st March, 2016, and its profit/loss and its cash flows for the year ended on that date.

Emphasis of Matters:

We draw attention to the following matter in the Notes to the financial statements:



Note No. 28 of "Notes forming part of accounts" which indicates that company has not appointed Company Secretary"

Note No. 29 of "Notes forming part of accounts" which indicates that Company has appointed Independent Director but these directors are indirectly under the control of the management.

Note No. 30 of "Notes forming part of accounts" indicates that interest free loans have been given/ accepted from related parties.

Note No. 32 of "Notes forming part of accounts" Indicates that some loan accounts have been adjusted, however, no actual payment has been made.

Note No. 33 of "Notes forming part of accounts" indicates that company has not consolidate investments in associate companies as required by AS-23(Investment in associates)

Our opinion is not modified in respect of these matters.

Opinion

Subject to the above qualified opinion ,In our opinion and to the best of our information and according to the explanations given to us , the 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 accountancy 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 2016
- b) In the case of the statement of profit and loss of the profit for the year ended on that date
- c) In the case cash flow statement, for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report 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 purpose 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. 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:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For N.K.Nagpaul & Co
Chartered Accountants
Firm's registration number: 004432N


Naresh Nagpaul – Prop

Membership number: 081776

Place: New Delhi
Date: 25.05.2016



"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.

- 2) This clause is not applicable as the Company does not have any inventory.

- 3) (a) Company has granted interest free loan to related party of Rs. 5 lacs during the year under report thus making the total loan to the tune of Rs.1,10,00,000/- as at 31/03/2016. This party is covered in the Register maintained under section 189 of the Act. This loan is prejudicial to the company's interest on account of the facts:

(b) the said entity has not repaid the principal amount and has not paid any interest till 31/03/2016;

(c) the amount has been squared up during the year granted to entity listed in the registers maintained under section 189 of the Companies Act, 2013;

- 4) In our opinion and according to the information and explanations given to us, the company has not complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security. because:

The interest free loan of Rs.1,10,00,000/- granted during current and previous years to one of the party in which director is interested has exceeded the limit of 60% of its paid up capital and free reserves. The company has not passed any special resolution for this and hence no comments can be given on the proposed utilisation of said loan by the recipient. Moreover, said loan has been squared up during the year by passing book entries.

- 5) The Company has not accepted any public deposits.
- 6) The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including , Income-Tax, any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures. Hence, question of default in repayment does not arise.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of Initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of para 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we are of the opinion that no fraud by the Company or on the company by its officers or employees has been committed during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of para 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are not in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards are as under:

Nature of the Related Party relationship	Amount Involved	Remarks
Arham Education Society	5,00,000/-	Loan given
Garima Singhvi	3,00,000/-	Loan given
Hindustan Fibres Ltd	2,15,673/-	Commission received
Hindustan Fibres Limited	5,00,000/-	Repayment of loan by HFL
Hindustan Fibres Limited	3,00,000/-	Paid against rent
Arihant Builders & Industries	4,50,000/-	Loan received
Hamilton Distributors (P) Ltd.	8,00,000/-	Repayment of loan by RML
Garvit Singhvi	6,00,000/-	Loan received



- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of para 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of para 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of para 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For N.K.Nagpaul & Co
Chartered Accountants
Firm's registration number: 004432N

Naresh Nagpaul – Prop.
Membership number: 081779



Place: New Delhi
Date: 25.05.2016

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of *RITZ MERCANTILE LIMITED*

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ***RITZ MERCANTILE LIMITED*** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of

N.K.Nagpaul & Co

Chartered Accountants

Firm's registration number: 004432N

Naresh Nagpaul – Prop.

Membership number: 081779



Place: New Delhi

Date: 26.05.2016

RITZ MERCANTILE LIMITED

CIN No.-L52110DL1985PLC019805

Regd. Office: 603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008

Balance Sheet as at 31st March, 2016

(Amount in Rs.)

Particulars	Note	As at 31st March, 2016		As at 31st March, 2015	
I. EQUITY AND LIABILITIES					
1 Shareholder's Funds					
a Share Capital	1	10,500,000.00		10,500,000.00	
b Reserves & Surplus	2	5,134,313.20	15,634,313.20	5,012,422.10	15,512,422.10
2 Non Current Liabilities					
a Long Term Borrowings	3	15,825,000.00		27,125,000.00	
b Deferred Tax Liabilities (Net)		-		-	
c Other Long Term Liabilities		-		-	
d Long Term Provisions		-	15,825,000.00	-	27,125,000.00
3 Current Liabilities					
a Short Term Borrowings		-			
b Trade Payables		-			
c Other Current Liabilities	4	366,124.80		560,821.80	
d Short Term Provisions	5	75,000.00	441,124.80	75,000.00	635,821.80
TOTAL			31,900,438.00		43,273,243.90
II. ASSETS					
1 Non Current Assets					
a Fixed Assets					
- Tangible	6	12,527,072.00		12,538,330.00	
- Intangible	6	7,584.00		9,987.00	
b Non Current Investments	7	10,296,600.00		9,746,600.00	
c Long Term Loans and Advances	8	3,898,910.50	26,730,166.50	14,950,076.50	37,244,993.50
2 Current Assets					
a Current investments	9	4,303,697.21		4,412,979.89	
b Inventories					
c Trade Receivables					
d Cash and Bank Balances	10	337,978.68		984,898.66	
e Short Term Loans and Advances	11	207,626.61		234,763.85	
f Other Current Assets	12	320,969.00	5,170,271.50	395,608.00	6,028,250.40
TOTAL			31,900,438.00		43,273,243.90
Significant Accounting policies and Notes to Financial Statements	1-33				

As per our report of even date attached

For N.K Nagpaul & Co.

Chartered Accountants

(Firm Registration No.- 004432N)

Naresh Nagpaul

Proprietor

Membership No.- 081779

Place : New Delhi

Date : 25.05.2016



For Ritz Mercantile Limited

Garvit Singhvi
 Wholetime Director
 Chief Financial officer
 DIN: 00597757

Kailash Kumar Ranga
 Director
 DIN: 07249221



RITZ MERCANTILE LIMITED

CIN No.-L52110DL1985PLC019805

Regd. Office: 603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008

Statement of Profit and Loss for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	Note	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
REVENUE			
-Revenue from Operations		-	-
-Other Income	13	1,230,941.39	2,471,076.00
Total Revenue		1,230,941.39	2,471,076.00
EXPENSES			
-Cost of Material Consumed			
-Purchase of Stock in Trade			
-Change in Inventories of Finished goods			
-Work-in-progress and Stock-in-trade			
-Employee benefit Expenses	14	453,031.00	495,737.00
-Depreciation & Amortisation Expenses	6	13,661.00	73,176.00
-Other Expenses	15	334,815.29	503,900.06
Total Expenses		801,507.29	1,072,813.06
Profit before Tax			
Tax Expense:			
-Current Tax		-	75,000.00
-MAT Credit Utilisation		-	-
-Deferred Tax		-	-
-Tax for earlier years		-	75,000.00
Profit for the year		429,434.10	1,323,262.94
Earning per equity share of face value of Rs. 10 each			
-Basic & Diluted		0.41	1.26
Significant Accounting policies and Notes to Financial Statements	1-33		

As per our report of even date attached

For N.K Nagpaul & Co.

Chartered Accountants

(Firm Registration No.- 004432N)

Naresh Nagpaul

Proprietor

Membership No.- 081779

Place : New Delhi

Date: 25.05.2016



For Ritz Mercantile Limited

Garvit Singhvi
Wholetime Director
Chief Financial officer
DIN: 00597757

Kailash Kumar Ranga
Director
DIN: 07249221



RITZ MERCANTILE LIMITED

CIN No.-L52110DL1985PLC019805

Regd. Office: 603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008

NOTE 1 : SHARE CAPITAL

Authorised, Issued, Subscribed and Paid up Share Capital and par value of share

Particulars	As at 31st March, 2016	As at 31st March, 2015
-Authorised Share Capital 20,00,000 Equity Shares of Rs. 10/- each	20,00,000.00	20,00,000.00
-Issued, Subscribed and Paid-up share Capital 10,50,000 Equity Shares of RS. 10/- each fully paid up in cash	10,50,000.00	10,50,000.00

Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company didn't propose any dividend this year.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year.

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Number of shares outstanding as at the beginning of the year	1050000	1050000
Add:-No. of Shares Issued during the year	0	0
Number of shares outstanding as at the end of the year	1050000	1050000

Detail of Shareholder's holding more than 5% shares	Current Year		Previous Year	
	No. of Shares	Percentage	No. of Shares	Percentage
Sh. G.S Singhvi	159900	15.23	159900	15.23
Mrs. Neelam Singhvi	130000	12.38	130000	12.38
Sh. Garvit Singhvi	128800	12.27	128800	12.27
M/s G.S Singhvi (HUF)	188600	17.96	188600	17.96
M/s HFL Infratech Ltd.	100000	9.52	100000	9.52
M/s Ancient Exports Pvt. Ltd.	167400	15.94	167400	15.94

NOTE 2 : RESERVE & SURPLUS

Particulars	As at 31st March, 2016		As at 31st March, 2015	
- Capital Reserve		4,616,616.00		4,616,616.00
- Surplus in Statement of Profit and Loss				
- as per Last Balance Sheet	395,806.10		(913,430.84)	
Add:- Transferred from Statement of Profit & Loss	429,434.10		1,323,262.94	
Less:- Taxes Adjusted for earlier years	307,543.00	517,697.20	14,026.00	395,806.10
TOTAL		5,134,313.20		5,012,422.10

NOTE 3 : LONG - TERM BORROWINGS

Particulars	As at 31st March, 2016		As at 31st March, 2015	
(A) Secured				
(B) Unsecured				
Loan from Related Parties				
-Hamilton Distributors Private Limited	9,050,000.00		9,900,000.00	
-Neelam Singhvi	450,000.00		-	
-Arihant Logistics Limited	6,130,000.00		17,130,000.00	
- Garvit Singhvi	100,000.00		-	
-Hindustan Healthcare Limited	95,000.00		95,000.00	
		15,825,000.00		27,125,000.00
TOTAL		15,825,000.00		27,125,000.00



Regd. Office:

Note No. 6

Fixed Assets Schedule forming part of The Balance Sheet As on 31.03.2016

Asset	Date of purchase of new/exsisting asset	WDV as on 01/04/15 /cost of new asset	Ad. du the
Land	1/9/1985	12,527,072.00	
Office equipments	4/1/2011	4,061.00	
Vehicle	4/1/2007	6,058.00	
Furniture & Fixtures	4/1/2005	1,139.00	
Computer	4/1/2012	-	
Intangible Assets (website)	3/13/2015	9,987.00	
TOTAL		12,548,317.00	

As per our report of even date attached

For N.K Nagpaul & Co.
Chartered Accountants
(Firm Registration No.- 004432N)

Naresh Nagpaul
Proprietor
Membership No.- 081779
Place : New Delhi
Date: 25.05.2016



Notes to Financial Statements for the year ended 31st March, 2016

9. Current Investments
 (At Cost of acquisition)

SHARES	Quantity		Book Value		Market Value	
	No. Of Shares Current	No. Of Shares Previous Year	Current Year (Rs.)	Previous Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
Particulars	Year	Previous Year	Current Year (Rs.)	Previous Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
<u>(I) Quoted Shares</u>						
ADANI POWER LTD.	2,000.00	-	53,675.45	-	69,300.00	-
ALSTOM T&D INF	200.00	-	103,904.00	-	89,940.00	-
CAIRN INDIA LTD.	500.00	-	70,898.50	-	77,175.00	-
ADITYA BIRA CHEMICAL (Bihar Caudex)	-	500.00	-	28,702.07	-	109,100.00
ANAL PRO & INF	400.00	400.00	197,001.00	197,000.00	-	9,380.00
CORE EDUCATION & TECH	1,500.00	1,500.00	98,042.40	98,042.40	3,660.00	11,775.00
DCB BANK	1,000.00	-	95,437.00	-	78,950.00	-
DISH TV	700.00	-	75,045.98	-	60,760.00	-
G.H.C.L.	17,200.00	20,200.00	1,805,619.71	2,750,420.71	1,980,580.00	1,613,920.00
GRASIM	31.00	-	28,770.00	-	119,081.85	-
HIMACHAL FUTURISTICS	500.00	500.00	11,909.49	11,909.49	-	6,700.00
HINDUSTAN CONSTRUCTION	498.00	498.00	36,056.20	36,055.20	9,760.80	16,288.00
I.F.C.I.	1,000.00	1,000.00	58,640.00	58,640.00	-	33,350.00
IKF TECHNO	5,000.00	5,000.00	49,494.50	49,494.50	4,000.00	2,900.00
JAYASWALS NBCC LTD	100.00	100.00	7,665.46	7,665.46	-	808.00
J K LAKSHMI CEMENT	4.00	4.00	463.38	463.38	-	1,435.00
JP Associates	5,000.00	-	60,100.00	-	38,200.00	-
LOK HOUSING CO	300.00	300.00	37,500.00	37,500.00	1,317.00	3,240.00
MTNL	300.00	300.00	58,152.58	58,152.58	-	5,460.00
ONGC	1,000.00	-	234,463.90	-	214,750.00	-
POLARIS SOFTWARE	500.00	500.00	58,664.65	58,664.65	95,075.00	82,725.00
POLAR INDUSTRIES	2,000.00	2,000.00	39,700.00	39,700.00	2,200.00	39,700.00
POLAR PARMA	1,303.00	1,303.00	64,695.48	64,695.48	1,068.46	64,695.00
PTC India Ltd	1,000.00	-	57,950.00	-	63,800.00	-
RAMA NEWSPRINT	7,500.00	7,500.00	108,000.00	108,000.00	-	44,250.00
RELIANCE CAPITAL	20.00	20.00	12,159.44	12,159.44	13,820.00	8,491.00
Reliance Broadnet	200.00	-	0.01	-	-	-
RELIANCE POWER LTD	24.00	15.00	6,451.00	6,450.00	1,184.40	848.00
RELIANCE MEDIA WORKSADLABS FILMS LTD	5.00	5.00	846.25	846.25	-	294.00
SANCIA GLOBAL	10,000.00	10,000.00	591,400.00	591,400.00	7,200.00	10,900.00
SPINTEX IND LTD	1.00	1.00	41.29	41.29	-	4.00
STEEL AUTHORITY	100.00	100.00	9,100.00	9,100.00	-	6,740.00
SUNIT CHEMICALS	355.00	355.00	527.84	527.84	-	50.00
SUZLON ENERGY	5,000.00	-	129,500.00	-	70,750.00	-
TITEL	3,400.00	3,400.00	82,501.00	82,500.00	-	26,690.00
TECH MAHINDRA	-	704.00	-	45,529.14	-	443,309.00
TELEDATE MARINE	500.00	-	0.01	-	145.00	-
WELSPUN CORP	1,000.00	1,000.00	59,320.00	59,320.00	98,350.00	53,850.00
WELSPUN ENTERPRISES	600.00	-	0.02	-	28,350.00	-
Total (I)	70,741.00	63,205.00	4,305,697.21	4,412,979.89	3,127,817.51	2,996,899.00

NOTE NO. 7: NON CURRENT INVESTMENTS

<u>(I) Unquoted Shares</u>						
Hamilton Distributors (P) Limited	288,320.00	288,320.00	1,441,600.00	1,441,600.00	21,240,534.00	21,240,534.00
Anhan Justice Limited	100,500.00	100,500.00	1,005,000.00	1,005,000.00	5,721,465.00	5,721,465.00
Hindu: hres Limited	455,000.00	455,000.00	4,550,000.00	4,550,000.00	646,100.00	646,100.00
Hindustan Industrial F. Ltd.	75,000.00	75,000.00	750,000.00	750,000.00	5,043,750.00	5,043,750.00
Total (I)	918,820.00	918,820.00	7,746,600.00	7,746,600.00	32,651,849.00	32,651,849.00
<u>(II) Investment in Mutual Fund</u>						
India Berman Excellence Fund-II	-	10,000.00	2,550,000.00	2,550,000.00	2,550,000.00	2,000,000.00
Total (II)	1,979,122.00	1,974,050.00	2,550,000.00	2,550,000.00	2,550,000.00	2,000,000.00
Total (I + II)	2,897,942.00	2,892,870.00	10,296,600.00	9,746,600.00	35,201,849.00	34,651,849.00

As per our report of even date attached

For N.K. Nagpal & Co.
 Chartered Accountants
 (Firm Registration No.- 004430N)

Naresh Nagpal
 Proprietor
 Membership No.- 083779
 Place: New Delhi
 Date: 25.05.2016



For Ritz Mercantile Limited

Garvit Singhal
 Wholetime Director
 Chief Financial Officer
 DIN: 00597757

Kadash Kumar Ranga
 Director
 DIN: 07249221



NOTE 4 : OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2016	As at 31st March, 2015
Expenses Payable		
-R Rath & Associates	-	8,500.00
-Vinay Vohra & Co.	47,624.00	47,624.00
-Audit Fees Payable	28,625.00	10,112.00
-S.K Jha & Associates	-	17,500.00
-Director's Remuneration Payable(Neelam Singhvi)	-	250,000.00
-Salary Payable	-	33,500.00
-Telephone Expenses Payable	1,762.00	1,922.00
-Hindustan Fibres Ltd. (Rent Payable)	240,000.00	120,000.00
- Professional Charges Payable	43,163.80	71,663.80
-TDS Payable (Professional)	4,950.00	-
TOTAL	366,124.80	560,821.80

NOTE 5 : SHORT TERM PROVISIONS

Particulars	As at 31st March, 2016	As at 31st March, 2015
Provision for taxation	75,000.00	75,000.00
TOTAL	75,000.00	75,000.00

NOTE 8 : LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2016	As at 31st March, 2015
Hindustan Fibres Limited	3,898,910.50	4,200,000.50
Arham Education Society	-	10,500,000.00
Mrs. Neelam Singhvi	-	250,000.00
Prepaid Expenses	-	76.00
TOTAL	3,898,910.50	14,950,076.50

NOTE 10 : CASH AND BANK BALANCES

Particulars	As at 31st March, 2016		As at 31st March, 2015	
-Cash in hand		289,457.16		19,649.16
-Balance with Banks				
Bank of India - CA 10285	23,521.52		940,249.50	
Fixed Deposit	25,000.00	48,521.52	25,000.00	965,249.50
TOTAL		337,978.68		984,898.66

NOTE 11 : SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2016		As at 31st March, 2015	
Advances to related Parties				
- Ancient Exports Private Limited	150,000.00		150,000.00	
- HFL Investments Private Limited	50,000.00		50,000.00	
- Ms. Garima Singhvi	-	200,000.00	-	200,000.00
Others				
- Anand Rathi Commodities Limited	2,676.61		2,676.61	
- Anand Rathi Shares & Stock Brokers Limited (Cash)	-		2,087.24	
- Mr. Sanjay Poonglia	-		15,000.00	
- Mr. Shresh Poonglia	-		15,000.00	
- PTM	4,950.00	7,626.61	-	34,763.85
TOTAL		207,626.61		234,763.85



NOTE 12 : OTHER CURRENT ASSETS

Particulars	As at 31st March, 2016	As at 31st March, 2015
- National Securities Depository Limited	6,742.00	6,742.00
- Agriculture Income Receivable	68,510.00	79,010.00
- Self Assessment Tax (F.Y 15-16)	160,600.00	-
- Advance Income Tax	-	227,527.00
- TDS Receivable	23,964.00	80,016.00
- Interest Receivable on FDR	5,480.00	2,313.00
- Hindustan Fibres Limited- Commision Receivable	55,673.00	-
TOTAL	320,969.00	395,608.00

NOTE 13 : OTHER INCOME

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
- Commission Received	239,637.00	334,545.00
- Agriculture Income	290,000.00	401,535.00
- Dividend Income	81,521.56	62,295.00
- Long Term Capital Gain on Shares	613,395.03	-
- Agricultural Land Compensation	-	1,670,388.00
- Interest Accrued on FDR	3,167.00	2,313.00
- Short Term Capital gain on Shares	3,220.80	-
TOTAL	1,230,941.39	2,471,076.00

NOTE 14 : EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
- Salary	119,031.00	192,000.00
- Gratuity Paid	32,420.00	-
- Director Remuneration	300,000.00	300,000.00
- Staff Welfare Expenses	1,580.00	3,737.00
TOTAL	453,031.00	495,737.00

NOTE 15 : OTHER EXPENSES

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
- Travelling Expenses	7,014.00	12,015.00
- Telephone Expenses	18,510.00	15,938.00
- Agriculture Expenses	-	111,165.00
- Director's Remuneration	28,625.00	10,112.00
- Professional Expenses	65,305.00	10,112.00
- Advertisement Expenses	45,965.00	32,175.00
- General Expenses*	14,897.68	52,442.26
- Listing Fees	28,500.00	97,192.00
- Website Maintenance Expenses	5,725.00	42,748.80
- Rent (Office)	120,000.00	120,000.00
- DP Charges	191.61	-
- Conveyance Expenses	82.00	-
TOTAL	334,815.29	503,900.06



*** General Expenses**

- Bank Charges	841.62	1,894.00
- Interest	-	1,270.00
- Brokerage & Other Expenses	949.06	-
- Fee & Subscription	-	19,102.00
- Filing Fees	7,257.00	9,075.50
- Insurance Expenses	906.00	744.00
- Misc. Expenses	1,000.00	1,912.76
- Office Maintenance Expenses	1,000.00	985.00
- Postage & Telegram Expenses	2,394.00	-
- Printing & Stationery	550.00	5,459.00
- Demat Charges	-	12,000.00
	14,897.68	52,442.26

As per our report of even date attached

For N.K Nagpaul & Co.

Chartered Accountants

(Firm Registration No.- 004432N)

N.K Nagpaul

Partner

Membership No.- 081779

Place : New Delhi

Date : 25.05.2016



For Rltz Mercantile Limited

Garvit Singhvi
Wholetime Director
Chief Financial officer
DIN: 00597757

Kailash Kumar Ranga
Director
DIN: 07249221



RITZ MERCANTILE LIMITED

CIN No.-L52110DL1985PLC019805

Regd Office:-603 SETHI BHAWAN 7 RAJENDRA PLACE NEW DELHI - 110008

Notes to Financial Statements - Financial Year - 2015-16

NOTES SIGNIFICANT ACCOUNTING POLICIES

16 BASIS OF PREPARATION OF ACCOUNTS

The Financial Statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared under the historical cost convention, on the basis of going concern and on an accrual basis except as stated elsewhere.

17 USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year presented. Actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

18 REVENUE RECOGNITION

Revenue is recognised to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Interest income and other income is included under the head "Other Income" in the statement of Profit and Loss Account. All the income and expenses are accounted for on accrual basis except agricultural expenses.

19 FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

20 DEPRECIATION

Depreciation is provided on useful lives of the assets as prescribed in schedule II to the Companies Act, 2013.

21 INVESTMENTS

Current investments are stated at Cost. Long term investments are stated at cost. Decline in value of long term investments is recognised if it is not temporary.

22 RETIREMENT AND OTHER BENEFITS

(a) No Provision for Gratuity has been made .

(b) No Provision for leave encashment has been made.

23 TAXES ON INCOME

Provision for current tax is made based on taxable income for the year computed in accordance with provisions of the Income Tax Act, 1961. Deferred Tax / Liability has not been provided in the light of negligible fixed assets base.

24 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation as a result of past event and it is more likely than not an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet and adjusted to reflect the current best estimates. Contingent liability is disclosed when the Company has a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation or where a reliable estimate of the amount of obligation can be made. Contingent Assets are neither recognised nor disclosed in the financial statements.

As certified by the management, no litigation is pending against the company



25 Related Party Disclosures

As per Accounting Standard- 18, the disclosures of transactions with related parties are given below:

a) List of the related parties where control exists and related parties with whom transaction have taken place and description of their relationship:

Relatives of Key Management Personnel

Arham Education Society	5,00,000	LOAN GIVEN/ADJUSTED, however, no payment made
Hindustan Fibres Limited	2,39,637	COMMISSION INCOME
Hindustan Fibres Limited	6,60,000	LOAN RECEIVED
Hindustan Fibres Limited	3,00,000	REPAYMENT OF LOAN
Hindustan Fibres Limited	1,20,000	RENT EXPENSE
Neelam Singhvi	4,50,000	LOAN RECEIVED
Hamilton Distributors (P) Ltd.	8,50,000	REPAYMENT OF LOAN BY COMPANY
Garvit Singhvi	1,00,000	LOAN RECEIVED

26 Since no sales have been made, the clause related to dues due to MSME enterprises does not apply.

27 Previous Year figures have been regrouped/rearranged wherever considered necessary, to make them comparable with Current Year's figures

28 Company has not appointed company secretary though the provisions of the Companies Act, 2013 require the same.

29 Company has appointed independent Directors as per provisions of the Companies Act, 2013 who are indirectly under control of the management.

30 Company has accepted and /given Interest free loans to related parties.

31 Quoted/unquoted shareholdings do not match with the records produced, however, management has confirmed that the same are under reconciliation.

32 During the year, number of accounts has been adjusted/squared up with no actually making/receiving any payment.

33 The Company has not consolidated investments in associate companies as required by AS-23 (Investment in associates).

For N.K Nagpaul & Co.
Chartered Accountants
(Firm Registration No.-004432M)

Naresh Nagpaul
Proprietor
Membership No.- 081779

Place : New Delhi
Date : 26/05/2016



For Ritzz Mercantile Limited

Garvit Singhvi
Wholetime Director
Chief Financial officer
DIN: 00597757

Kallash Kumar Ranga
Director
DIN: 07249221



RITZ MERCANTILE LTD

CIN No.-L52110DL1985PLC019805

Regd. Office: 603, Sethi Bhawan, 7, Rajendra Place, New Delhi-110008

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

Particulars	2015-16	2014-2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	429434.10	1398262.94
Non Cash Adjustment to reconcile profit before tax to cash flow :		
Depreciation and Amortisation	13661.00	73176.00
Dividend Income	(81521.56)	(62295.00)
Liability Written Off	0.00	-
Interest Income	(3167.00)	(2313.00)
Excess Income Tax Provision Written Back	(307543.00)	-
Extra Ordinary Items:		
Profit on Agricultural Land Acquisition	0.00	(1670388.00)
Operating Profit before Working Capital changes	50863.54	(263557.06)
Adjustment for :		
Increase / (Decrease) in Short Term Provision	0.00	-
Increase / (Decrease) in Other Current Liabilities	(194697.00)	(304565.20)
Decrease / (Increase) in Trade Receivables	0.00	(85752.00)
Decrease / (Increase) in long Term Loans and Advances	11051166.00	2984093.50
Decrease / (Increase) in Short Term Loans and Advances	27137.24	236599.42
Decrease / (Increase) in Current Assets	74639.00	0.00
Cash generated from operations	11009108.78	2566818.66
Less: Income Taxes	0.00	(77481.00)
Net cash from operating Activities	11009108.78	2489337.66
B. Cash Flow from Investing Activities		
Sale of Fixed Assets	0.00	1686930.00
(Purchase) of Fixed Assets	0.00	(10112.00)
(Increase) / Decrease in Investments	(440717.32)	(1000000.00)
Dividend Income	81521.56	62295.00
Interest Income	3167.00	2313.00
Net Cash used in Investing Activities	(356028.76)	741426.00
C. Cash Flow from Financing Activities		
Proceeds from Long Term Unsecured Borrowings	(11300000.00)	(2540000.00)
Net cash from Financing Activities	(11300000.00)	(2540000.00)
Net increase in Cash and Cash Equivalents (A+B+C)	(646919.98)	690763.66
Cash and Cash Equivalents (Opening balance)	984898.66	294135.00
Cash and Cash Equivalents (Closing balance)	337978.68	984898.66

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

As per our report of even date attached

For: N.K Nagpaul & Co.

Chartered Accountants

(Firm Registration No.- 004432N)

Nareesh Nagpaul

Proprietor

Membership No.- 081779

Place : New Delhi

Date :25.05.2016



For Ritz Mercantile Limited

Garvit Singhvi
Wholetime Director
Chief Financial officer
DIN: 00597757

Kailash Kumar Ranga
Director
DIN: 07249221

