

ANNUAL REPORT

NIDHI MERCANTILES LIMITED

FINANCIAL YEAR

2018-2019

FORWARD- LOOKING STATEMENTS:

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates' or any other similar expressions as they relate to company or its business are intended to identify such forward-looking statements. Forward Looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise.

CONTENTS

1. Corporate Information
2. Notice
3. Directors' Report
4. Report on Corporate Governance
5. Management Discussion and Analysis
6. Certificate by CEO/CFO
7. Auditor's Certificate on Corporate Governance
8. Auditors' Report
9. Balance Sheet
10. Statement of Profit and Loss
11. Cash Flow Statement
12. Significant Accounting Policies & Notes on Financial statements
13. Attendance Slips/ Proxy Forms

CORPORATE INFORMATION

CIN: L51909MH1985PLC138577

BOARD OF DIRECTORS

Mrs. Sejal Sagar Modi	Managing Director
Mr. Ladhu Lal Soni	Director
Mr. Anil Kumar Agarwal	Independent Director (Resignation w.e.f. 15 th April, 2019)
Mr. Shiv Raj Sharma	Independent Director (Appointment w.e.f. 15 th April, 2019)
Mr. Ramesh Chandra Banger	Independent Director

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Ms. Riddhi Vakharia

STATUTORY AUDITORS

M/s S. S. Rathi & Co.
Chartered Accountants
502, Shree Shiv Dutta Apartment,
Near Lalit Restaurant, Station Road,
Goregaon (West), Mumbai - 400062

BANKER'S NAME

Union Bank
HDFC Bank
The A. P. Mahesh Co. Op. Urban Bank Ltd.
Maharashtra Gramin Bank

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED
Bharat Tin Works Building, 1st Floor,
Opp. Vasant Oasis
Makwana Road, Marol,
Andheri – East, Mumbai – 400069
Website: www.bigshareonline.com

REGISTERED OFFICE ADDRESS

B/306-309, Dynasty Business Park,
Opp. Sangam Cinema, A.K. Road,
Andheri (E), Mumbai - 400059
Phone No: 022 – 61115214
Fax No: 022 - 28227865
Email id: nml.mumbai@gmail.com
Web Site : www.nidhi.net.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 33rd (Thirty Third) Annual General Meeting of the members of **NIDHI MERCANTILES LIMITED** will be held at its registered office of the Company at B/306-309, Dynasty Business Park, Opp. Sangam Cinema, A. K. Road, Andheri (E), Mumbai (M.H.) – 400059 on **Monday, 30th September, 2019** at **01:00 p.m.** to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended **March 31st, 2019**, including the audited Balance Sheet as at **March 31st, 2019**, the Statement of Profit and Loss & Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Ladhu Lal Soni, (DIN: 00131787)** who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

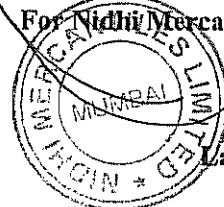
3. **To Consider and if thought Fit, to pass with or without modification (s) following resolution as a Ordinary Resolution:**

“RESOLVED THAT Pursuant of Section 149, 150, 152 read with Schedule IV and other applicable Provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any Statutory Modification (s) or Re-enactment thereof for the time being in force) **Mr. Ramesh Chandra Banger (DIN: 01269363)** who was appointed as Additional Director with effect from **01st April, 2019** and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company for Second Term, not liable to Retire by Rotation, to hold office upto the conclusion of the 38th Annual General Meeting of the Company.

4. **To Consider and if thought Fit, to pass with or without modification (s) following resolution as a Ordinary Resolution:**

“RESOLVED THAT Pursuant of Section 149, 150, 152 read with Schedule IV and other applicable Provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any Statutory Modification (s) or Re-enactment thereof for the time being in force) **Mr. Shiv Raj Sharma (DIN: 08416019)** who was appointed as Additional Director with effect from **15th April, 2019** and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company, not liable to Retire by Rotation, to hold office upto the conclusion of the 38th Annual General Meeting of the Company.

For and on behalf of Board of Directors
For Nidhi Mercantiles Limited



Ladhu Lal Soni
Chairman
DIN: 00131787

Date : 04th September, 2019
Place: Mumbai

CIN: L51909MH1985PLC138577

REGISTERED OFFICE:

B/306-309, Dynasty Business Park,
Opp. Sangam cinema, A.K. Road,
Andheri (E), Mumbai - 400059

Email id: nml.mumbai@gmail.com, Website : www.nidhi.net.in

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A ONE OR MORE PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the provision of Section 105 of the Companies Act, 2013 and rules framed there under, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 18. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the Business referred to under Item No. 3 & 4 is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting and M/s. S. S. Rathi & Co, Chartered Accountants, will Continue to act as auditor of the Company till financial Year 2021-2022.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
7. A statement giving the details of the Directors seeking appointed / reappointed, nature of their expertise in specific functional areas, names of the Companies in which they hold directorships, memberships / chairmanships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36 of the SEBI (Listing obligation and Disclosure Requirements), 2015 are provided in the Annexure.
8. Pursuant to Regulation 42 of the SEBI (Listing obligation and Disclosure Requirements), 2015, The Register of Members & Share Transfer Books will be closed from Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive).
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
10. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
11. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.

12. The Company's shares are listed on **The Calcutta Stock Exchange Ltd.**
13. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Company / Registrar and Transfer Agent of the Company, in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/S. BIGSHARE SERVICES PRIVATE LIMITED

Bharat Tin Works Building, 1st Floor,

Opp. Vasant Oasis,

Makwana Road, Marol,

Andheri – East, Mumbai – 400059

Tel No.: 022-62638205

Email: info@bigshareonline.com

Website: www.bigshareonline.com

14. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
15. Members who are holding shares in Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
16. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in Demat form, they must quote their DP ID and Client ID Number.
17. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
18. **The instructions for members for voting electronically are as under:-**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (i) The voting period begins on **27th September, 2019 at 9:00 a.m. (IST) and ends on 29th September, 2019 at 5:00 p.m. (IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23rd September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <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 (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. • 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. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	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.
OR Date of Birth (DOB)	<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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **NIDHI MERCANTILES LIMITED** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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 linked in the login 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) 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.

In case of members receiving the physical copy:

- (A) Please follow all steps from sr. no. (i) to sr. no. (xix) above to cast vote.
- (B) The voting period begins on **27th September, 2019 at 9:00 a.m. (IST) and ends on 29th September, 2019 at 5:00 p.m. (IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **23rd September, 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.
19. Institutional Members/ Bodies corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through e-mail at nml.mumbai@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before **29th September, 2019 upto 05:00 p.m.** without which the vote shall not be treated as valid.
20. The facility for voting through ballot/polling paper shall also be made available at the venue of the **33rd AGM**. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting right at the meeting. The members who have already cast

their vote through remote e-voting may attend the meeting but shall not entitle to cast their vote again at the AGM.

21. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) **23rd September, 2019**.
 22. The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / register of beneficial owners maintained by depositories as at closing hours of business on **Friday, 23rd August, 2019**.
 23. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **23rd September, 2019** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
 24. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
 25. Investors who became members of the Company subsequent to the dispatch/E-mail of the Notice and holds the shares as on cut-off date i.e. **23rd September, 2019** are requested to send the written/email communication to the Company at nml.mumbai@gmail.com by mentioning their Folio No./DP ID and Client ID to obtain the Login-ID and Password for e-voting.
 26. The Shareholders shall have one vote per equity share held by them as on the cut-off date (record date) **23rd September, 2019**. The facility of e-voting would be provided once for every folio/client id, irrespective of number of joint holders.
 27. **M/s. R. Mahadeshwar & Co., (C.P. No. 13797)** Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer for providing facility to the member of the Company to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer, after scrutinizing the votes cast at the meeting through poll papers and remote e-voting, will not later than 48 hours of conclusion of the Meeting, makes a consolidated scrutinizer's report and submit the same to the chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and on the website of the CDSL. The results shall also be immediately forwarded to The Calcutta Stock Exchange Ltd.
- The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nidhi.net.in and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. CSE.
28. The Company has listed its shares on:
The Calcutta Stock Exchange Ltd, 07, Lyons Range, Kolkata-700001.
 29. The Listing Fees of these Exchanges have been paid regularly.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**RESOLUTION NO. 3:**

The Board of Directors based on the recommendation of Nomination and Remuneration Committee has appointed **Mr. Ramesh Chandra Banger (DIN: 01269363)** as an Additional Director of the Company, who Vacantes office at the Conclusion of the ensuring Annual General Meeting.

Mr. Ramesh Chandra Banger an eminent professional brings in rich and varied experience to the Board and is independent of the management. The Board proposes to appoint **Mr. Ramesh Chandra Banger** as an Independent Director of the Company to hold office for Second Term of Five Years upto the Conclusion of the 38th Annual General Meeting of the Company.

Mr. Ramesh Chandra Banger is not disqualified from being appointed as a Director in terms of Section 164 of the act and has given his consent to act as a Director. The Company has also received declaration from **Mr. Ramesh Chandra Banger** that he meets with the Criteria of Independence as prescribed both under section 149 (6) of the Act and under Regulation 25 of the Listing Regulations.

None of the Directors of the Company, Except **Mr. Ramesh Chandra Banger**, are in any way concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution set out at item No. 3 of the Notice for approval by the Members.

RESOLUTION NO. 4:

The Board of Directors based on the recommendation of Nomination and Remuneration Committee has appointed **Mr. Shiv Raj Sharma (DIN: 06684211)** as an Additional Director of the Company, who Vacantes office at the Conclusion of the ensuring Annual General Meeting.

Mr. Shiv Raj Sharma an eminent professional brings in rich and varied experience to the Board and is independent of the management. The Board proposes to appoint **Mr. Shiv Raj Sharma** as an Independent Director of the Company to hold office upto the Conclusion of the 38th Annual General Meeting of the Company.

Mr. Shiv Raj Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the act and has given his consent to act as a Director. The Company has also received declaration from **Mr. Shiv Raj Sharma** that he meets with the Criteria of Independence as prescribed both under section 149 (6) of the Act and under Regulation 25 of the Listing Regulations.

None of the Directors of the Company, Except **Mr. Shiv Raj Sharma**, are in any way concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution set out at item No. 4 of the Notice for approval by the Members.

For and on behalf of Board of Directors
For Nidhi Mercantiles Limited



Ladhu Lal/Soni
Ladhu Lal/Soni
Chairman
DIN: 00131787

Date : 04th September, 2019

Place: Mumbai

CIN: L51909MH1985PLC138577

REGISTERED OFFICE:

B/306-309, Dynasty Business Park,

Opp. Sangam cinema, A.K. Road,

Andheri (E), Mumbai - 400059

Email id: nml.mumbai@gmail.com, Website : www.nidhi.net.in

ANNEXURE TO THE NOTICE

IN PURSUANCE OF THE REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 DETAILS OF APPOINTMENT OF A NEW DIRECTOR OR DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSURING ANNUAL GENERAL MEETING:

Name	Mr. Ladhu Lal Soni
Directors Identification Number (DIN)	00131787
Age	48
Qualification	Chartered Accountants
Expertise in Specific Area	Audit Accounts, Treasury, Capital Markets, Corporate & Project Finance & Taxation.
Date of first Appointment on the Board of the Company	20 th January, 2007
Shareholding in Nidhi Mercantiles Ltd.	NIL
List of Directorship held in other Companies	1. Taanusiya Infrastructure Pvt. Ltd. 2. Raghini Infrastructure Pvt. Ltd. 3. Sonmod Marketing Pvt. Ltd. 4. Sangam Capital Services Ltd. 5. Dharia Frams Pvt. Ltd.
Membership/Chairmanships of Audit and Stakeholders Remuneration Committee	Refer to Report on Corporate Governance

For and on behalf of Board of Directors
For Nidhi Mercantiles Limited



Ladhu Lal Soni
Chairman
DIN: 00131787

Date: 04th September, 2019

Place: Mumbai

CIN: L51909MH1985PLC138577

REGISTERED OFFICE:

B/306-309, Dynasty Business Park,

Opp. Sangam cinema, Andheri (E),

Mumbai - 400059

Email id: nml.mumbai@gmail.com, Website: www.nidhi.net.in

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 33rd Annual Report on the business and operations of the Company together with the Audited Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS:

The summarized financial results for the year ended 31st March, 2019 are as follows:-

Particulars	(Rs. in Lakhs)	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue from operations	355.40	1408.49
Other Income	362.47	435.11
Total Revenue	717.87	1843.60
Less: Total Expenses	220.00	1035.32
Profit before Depreciation and Tax	497.87	808.28
Less: Depreciation	6.11	7.22
Finance Cost	119.12	178.70
Profit/ Loss before Tax	372.64	622.36
Less: Tax	96.82	191.99
Profit/(Loss) after Tax	275.82	430.37
Earning per share	4.39	6.85

REVIEW OF OPERATIONS:

During the year under review, the Company has registered revenue of Rs. 3,55,40,000/- (Previous year Rs. 14,08,48,723/-) and Net Profit after tax of Rs. 2,75,81,710/- (Previous year Rs. 4,30,36,291/-). The Company continued to operate in the same business and there was no change in business activity. No material changes of the Company occurred between end of the financial year and the date of this report.

DIVIDEND:

To consolidate the financial position of the Company, your Directors think it prudent to plough back the profits and therefore, do not recommend any dividend for the year under review.

DIRECTOR:

In accordance with the Articles of Association of the Company and in view of the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, **Mr. Ladhu Lal Soni (DIN: 00131787)**, director of the Company retire at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

The Company has received a Resignation Letter from **Mr. Anil Kumar Agarwal (DIN: 07163541)** and Board accepted the same w.e.f 15th April, 2019. The Reason for Resignation was due to Busy Schedule and other Commitment which was not Ignorable, Apart from these is no other material reason other than those provided.

The Board has appointed **Mr. Shiv Raj Sharma (DIN: 08416019)** as an Additional Director of the Company in Independent Capacity w.e.f. 15th April, 2019. The Board Proposes to appoint Mr. Shiv Raj Sharma as a Regular Independent Director of the Company in accordance with Section 149 of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for One Term of Five Years.

The Board has appointed **Mr. Ramesh Chandra Banger (DIN: 01269363)** an Additional Director of the Company in Independent Capacity w.e.f. 01st April, 2019. The Board Proposes to appoint Mr. Ramesh Chandra Banger as a Regular Independent Director of the Company in accordance with Section 149 of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for Second Term of Five Years.

Mr. Shiv Raj Sharma is replaced as Member of Audit Committee, Nomination & Remuneration Committee Shareholders / Investors Grievance Committee and Share Transfer Committee in place of Mr. Anil Kumar Soni w.e.f. 15th April, 2019 due to Resignation.

KEY MANAGERIAL PERSONNEL:

During the year under review, the Company has the following persons as the Key Managerial Personnel:

Sr. No.	Name of the Person	Designation
1.	Mrs. Sejal Sagar Modi	Managing Director
2.	Ms. Riddhi Vakharia	Company Secretary & Chief Financial Officer

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of Independent Director prescribed both under section 149 (6) of the Companies Act, 2013 and as per SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARIES & ASSOCIATE COMPANIES:

The Company does not have any subsidiary or associate Companies.

SEGMENT REPORTING:

1. Trading Segment includes sale & purchase of traded items mainly TMT Bars & Plots.
2. Real Estate development segment includes the business of development and sale of real estate.
3. Unallocable amount includes expenditure incurred & income received for Company as a whole.
4. Segment Assests and Segment Liabilities represent Assets and Liabilities in respective segments. Investment, Tax, related assests & other assests and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital, as at 31st March, 2019 was Rs. 1,25,60,910/- divided into 62,80,455 Equity Shares, having face Value of Rs. 2/- each fully paid - up. During the Year under review, the Company has not issued any shares with differential voting rights nor granted any stock options nor sweat equity.

CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business activities during the Financial Year 2018-2019.

EXTRACT OF ANNUAL RETURN:

An extract of Annual Return in MGT - 9 as provided under Section 92(3) of the Companies Act, 2013 is appended to this Report as **Annexure 'A'**.

SECRETARIAL AUDIT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed **M/s. Reena S. Modi & Associates** (Membership No. 25346), a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as **Annexure 'B'** and forms an integral part to this Report.

In addition to the above and pursuant to SEBI circular dated 8th February 2019, a report on secretarial compliance by **M/s. Reena S. Modi & Associates** (Membership No. 25346), a firm of Company Secretaries in Practice for the FY 2018-2019 has been submitted with Stock exchanges.

LISTING OF SHARES:

The Shares of the Company are listed on The Calcutta Stock Exchange Limited.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of the Loans, guarantees and investments, if any are covered under the provisions of section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators or Courts that would impact the going status of the Company and its future operations.

DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of our knowledge and belief and according to the information and explanations obtained, Directors make the following statement in terms of Section 134 (3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts 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) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has carried out an evaluation after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors in their meeting held on 28th November, 2018. The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The details of the number of meetings of the Board held during the Financial Year 2018-2019 forms a part of the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has Constituted the Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mrs. Sejal Sagar Modi. The other members of the Committee are Mr. Ladhu Lal Soni and Mr. Anil Kumar Agarwal. Mr. Shiv Raj Sharma is appointed as member of CSR Committee w.e.f. 15th April, 2019 in place of Mr. Anil Kumar Agarwal due to his Resignation.

A detailed CSR Policy has been framed which is placed on the Company's Website. As a part of its initiative under the CSR drive, the company has undertaken CSR activities by giving contribution to various permitted entities. The Company has also undertaken CSR initiatives on its own and has started with Skill Development Institute through Pradhan Mantri Kaushalya Vikas Yojanan Sevarth Samajik Shaikshanik Sanstha and promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects Construction of Hostel for Students who come Mumbai for pursuing Higher Education. This hostel will provide accommodation & food at concession price to Students who are not financial strong through ABM Maheshwari Education Trust for the Financial Year 2018-2019.

These CSR Projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR Policy. Details of the CSR activities as required under Section 135 of the Companies Act, 2013 and rules framed thereunder are given in the CSR Report framed thereunder are given in the CSR Report as Annexure 'C' forming part of this Report.

COMMITTEES OF THE BOARD:

Currently there are (5) Five Committee which are as follows:

1. Audit Committee
2. Stakeholders Relationship committee
3. Nomination and Remuneration Committee
4. Share Transfer Committee
5. Corporate Responsibility Committee

Details of all the committees along with their charters, composition and meetings held during the year, are provided in the Report on Corporate Governance, forming part of this Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established a Vigil Mechanism, also called the Whistle Blower Policy, which has been adopted by the Board of Directors and employees to report concerns about unethical behavior, actual or suspected fraud or Violation of the Company's Code of Conduct or Ethics Policy. It provides for adequate safeguards against Victimization of persons who use such mechanism and makes provision for direct access to the chairperson of Audit Committee in appropriate or exceptional cases. Confidentiality of Whistle Blower shall be maintained to the greatest extent possible. Details of the Vigil mechanism are posted on the company's Website (www.nidhi.net.in).

PREVENTION OF SEXUAL HARASSMENT:

The Company has complied with the provision of sexual Harassment of Women at workplace (Prevention, prohibition and Redressal) Act, 2013 and the Rules made thereunder.

During the Year under review, no Complaints were reported.

RISK MANAGEMENT:

The Company has been addressing Various risks impacting the Company like competition, Government policies, price Fluctuation Risk etc. and management of your Company has planned to manage them by best Management Practices.

The Management of the company had evaluated the existing Risk Management Policy of the Company. The Risk Management Policy has been reviewed and found adequate and sufficient to the requirement of the Company. The Management has evaluated various Risks, and there is no element of risk identified that may threaten the existence of the company.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into were on arm's length basis and were in the ordinary course of the business and as per the provision of Section 188 of the Companies Act, 2013 and Listing Regulations. Thus the disclosure in AOC-2 is not required. Further, there are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

All related Party transactions are placed before the Audit Committee and also before the board for their approval in accordance with the policy on Related party Transactions formulated by the Board of Directors of the Company and has been posted on the Website of the company www.nidhi.net.in.

DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). As a result the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted New ISIN : INE380R01020 after Sub-division of Shares of the Company from Face Value 10/- each to 2/- each.

Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

INTERNAL FINANCIAL CONTROL:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company policies, safeguarding of assets, prevention and detection of frauds and errors, the accuracy and Completeness of the accounting records, and timely preparation of reliable financial disclosures.

The Audit Committee evaluates the efficiency and adequacy of financial Control system in the company, its compliance with operating systems, accounting procedures and policies at all locations of the company and strives to maintain the standard in Internal Financial Control.

CASH FLOW STATEMENT:

As required under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015 with the Stock Exchange, the cash Flow Statement is attached to the Balance Sheet.

CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code with revision made in accordance with the requirements of Listing Regulations has been posted on the Company's website www.nidhi.net.in.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has established a code of conduct for Prevention of Insider Trading. The necessary preventive actions, including closure of trading window around the time of any price sensitive events informations are taken care. The detailed policy is uploaded on Company's website www.nidhi.net.in.

STATUTORY AUDITOR:

M/s. S. S. Rathi & Co., Chartered Accountants (Firm Regn No : 108726W) were appointed as Statutory Auditors of your Company at the 31st Annual General Meeting held on 28th September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting and M/s. S. S. Rathi & Co., Chartered Accountants, will Continue to act as auditor of the Company till financial Year 2021-2022.

The Report given by the Auditors on the Financial Statement of the company is part of this report.

INTERNAL AUDIT:

Pursuant to the provision of Section 138 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, the Board on recommendation of the Audit committee re-appointed M/s. Kavita Birla & Co., (M. No. 405577), Practicing Chartered Accountant, Mumbai as an Internal Auditor of the Company. The Internal Auditor submits his reports to the Audit Committee.

Based on the report of Internal Audit, Management undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and Corrective actions thereon are presented to the Audit Committee of the Board.

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts which are self explanatory.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

The Company has in place adequate policies and procedures for ensuring the orderly business, including adherence to the 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.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate governance practices.

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as a separate Annexures, together with the Certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in SEBI (LODR) Regulation, 2015.

PARTICULARS OF EMPLOYEES:

The information required pursuant to section 197 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 'D'** of this report.

None of the employees have drawn remuneration more than Rs. 10,00,000/- p.m. , if employed for the part of the year and Rs. 120,00,000/- p.a. if employed throughout the year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENT:

There were no material Changes and Commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements related and date of the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING:

The information on conservation of energy, technology absorption pursuant to section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of Companies (Account) Rule, 2014 are not applicable to the Company as the Company is not engaged in manufacturing activities.

The Company has no foreign exchange inflow or outflow during the year under review.

ACKNOWLEDGEMENT:

The Board of Directors wish to place on record their appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government, and Local Authorities for their strong support and valuable guidance. The Directors are thankful to the shareholders for their continued support to the Company.

Date: 30th May, 2019

Place: Mumbai

CIN: L51909MH1985PLC138577

REGISTERED OFFICE:

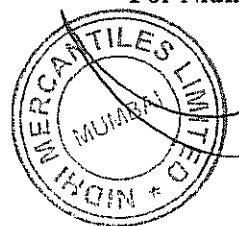
B/306-309, Dynasty Business Park,

Opp. Sangam cinema, Andheri (E),

Mumbai - 400059

Email id: nml.mumbai@gmail.com, Website: www.nidhi.net.in

For and on behalf of Board of Directors
For Nidhi Mercantiles Limited



Ladhu Lal Soni
Director
DIN: 00131787

Annexure 'A'

EXTRACT OF ANNUAL RETURN
FORM NO. MGT-9
 (As on the Financial Year ended on 31st March, 2019)

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L51909MH1985PLC138577
ii.	Registration Date	06/02/1985
iii.	Name of the Company	NIDHI MERCANTILES LIMITED
iv.	Category/Sub-Category of the Company	Public Company, limited by shares, Non Govt. Company
v.	Address of the Registered office and contact details	B/306-309, Dynasty Business Park, Opp. Sangam Cinema, A. K. Road, Andheri (East), Mumbai, Maharashtra - 400059 Contact No: 022-61115214
vi.	Whether listed Company	Yes (The Calcutta Stock Exchange Ltd.)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Pvt. Ltd. Bharat Tin Works Building, 1 st Floor, Opp. Vasant Oasis, Makwana Road Marol , Andheri – East , Mumbai – 400069 Tel No : 022 – 62638200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Trading of Plots (Real estate)	68100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And address of The Company	CIN/GLN	Holding/ Subsidiary/Associate	%of shares held	Applicable Section
1.			Nil		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)i. CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year (2018)				No. of Shares held at the end of the year (2019)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter /PAC									
1) Indian									
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	1765000	Nil	1765000	28.10	1765000	Nil	1765000	28.10	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(1):-	1765000	Nil	1765000	28.10	1765000	Nil	1765000	28.10	Nil
2) Foreign									
g) NRIs- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Other- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
k) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(2):	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	4462000	16400	4478400	71.31	4462000	16400	4478400	71.31	Nil

b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	Nil	37055	37055	0.59	Nil	37055	37055	0.59	Nil
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(B)(2)	4462000	53455	4515455	71.90	4462000	53455	4515455	71.90	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	4462000	53455	4515455	71.90	4462000	53455	4515455	71.90	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	6227000	53455	6280455	100	6227000	53455	6280455	100	Nil

ii. SHAREHOLDING OF PROMOTERS

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Finworth Investments Pvt. Ltd.	300000	4.78	Nil	300000	4.78	Nil	Nil
2.	Hawamahal Finance Pvt. Ltd.	300000	4.78	Nil	300000	4.78	Nil	Nil
3.	Sangam Suitings Pvt. Ltd.	300000	4.78	Nil	300000	4.78	Nil	Nil
4.	Sangam Granite Pvt. Ltd.	300000	4.78	Nil	300000	4.78	Nil	Nil
5.	Sarvodaya Holdings Pvt. Ltd.	290000	4.62	Nil	290000	4.62	Nil	Nil
6.	Sonmod Marketing Pvt. Ltd.	275000	4.38	Nil	275000	4.38	Nil	Nil
	Total	1765000	28.10	Nil	1765000	28.10	Nil	Nil

iii. CHANGE IN PROMOTERS' SHAREHOLDING

Sr. 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				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	****No Change****			
	At the End of the year				

iv. SHARE HOLDING PATTERN OF TOP TEN SHARE HOLDERS
(OTHER THAN, DIRECTORS PROMOTERS AND HOLDERS OF GDRS, ADRS):

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increasing / Decreasing in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Necco Shipping Co. Pvt. Ltd.	300000	4.78	-	0	NA	300000	4.78
2	Park View Investment Pvt. Ltd.	300000	4.78	-	0	NA	300000	4.78
3	Sahyog Finance. Ltd.	300000	4.78	-	0	NA	300000	4.78
4	Scorpio Credits Pvt. Ltd.	300000	4.78	-	0	NA	300000	4.78
5	Sangam Fincap Ltd.	300000	4.78	-	0	NA	300000	4.78
6	Mukti Credits Pvt. Ltd.	300000	4.78	-	0	NA	300000	4.78
7	Nikita Credits Pvt. Ltd.	295000	4.70	-	0	NA	295000	4.70
8	Suraj Developers Pvt. Ltd.	295000	4.70	-	0	NA	295000	4.70
9	Necco Plastic Pvt. Ltd.	290000	4.62	-	0	NA	290000	4.62
10	Pisces Securities Pvt. Ltd.	290000	4.62	-	0	NA	290000	4.62
11	Bhilwara Estates Pvt. Ltd.	290000	4.62	-	0	NA	290000	4.62
12	Kaliya Builders Pvt. Ltd.	290000	4.62	-	0	NA	290000	4.62
13	Virgo Suitings Pvt. Ltd.	290000	4.62	-	0	NA	290000	4.62
14	Laddha Constructions Co. Pvt. Ltd.	290000	4.62	-	0	NA	290000	4.62

v. **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	For each of the Directors and KMP Name of the Director/KMP	Shareholding at the beginning of the Year		Shareholding at the end of the year	
		No of Shares	% of Total shares of the Company	No of Shares	% of Total shares of the Company
1.	Mr. Ladhu Lal Soni (Director)	--	--	--	--
2.	Mr. Ramesh Chandra Banger (Director)	--	--	--	--
3.	Mr. Anil Kumar Agarwal (Director)*	--	--	--	--
4.	Mrs. Sejal Sagar Modi (Managing Director)	--	--	--	--
5.	Ms. Riddhi Vakharia (Company Secretary & CFO)	--	--	--	--

*Note: Mr. Anil Kumar Agarwal has resigned from 15th April, 2019 & Mr. Shiv Raj Sharma has Appointed w.e.f. 15th April, 2019

V. **INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lakhs)

Particulars	Secured Loans excluding deposits (including Cash Credit from Bank)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1376.57	-	-	1376.57
ii) Interest due but not paid	12.44	-	-	12.44
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	1389.02	Nil	-	1389.02
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	591.48	-	-	591.48
Net Change	-591.48	Nil	-	-591.48
Indebtedness at the end of the financial year				
i) Principal Amount	787.62	-	-	787.62
ii) Interest due but not paid	9.92	-	-	9.92
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	797.54	Nil	-	797.54

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and /or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
	Name	Mrs. Sejal Sagar Modi (Managing Director)	
1.	Gross Salary	10,50,000	10,50,000
	(a) Salary as per provisions Contained in Section 17(1) of the Income Tax Act, 1961	Nil	Nil
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil
	(c) Profit in lieu of Salary under Section 17(3) Income Tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	-as % of Profit	Nil	Nil
	-others, please specify	Nil	Nil
5.	Reimbursement of Expenses	2,04,000	2,04,000
	TOTAL	12,54,000	12,54,000
	Ceiling as per the Act		

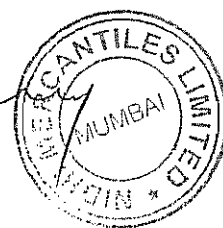
B. Remuneration to other directors: N.A.**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary & CFO	Total
	Name	Ms. Riddhi Vakharia	
1.	Gross Salary	7,23,500	7,23,500
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b)Value of perquisites/s 17(2)Income-tax Act, 1961	Nil	Nil
	(c)Profits in lieu of salary under section 17(3)Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commision		
	- as % of profit	Nil	Nil
	- others, specify...		
5.	Reimbursement of Expenses	Nil	Nil
	Total	7,23,500	7,23,500

*Note: Mr. Ladhu Lal Soni is not drawing any remuneration from the Company.

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





REENA S MODI & ASSOCIATES
COMPANY SECRETARIES

Ms. Reena T Parekh
(Company Secretary, M.Com)

Address: Flat no-44, 4th Floor, Giriraj, Above Rajawadi Post office, Mumbai-400077.
E-mail [id-reena.modi88@gmail.com](mailto:reena.modi88@gmail.com)

Form No. MR-3
SECRETARIAL AUDIT REPORT

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

To,
The Members,

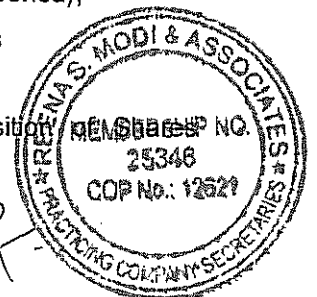
NIDHI MERCANTILES LIMITED
B/306-309, DYNASTY BUSINESS PARK
OPP: SANGAM CINEMA A.K. ROAD, ANDHERI (E),
MUMBAI-400069

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NIDHI MERCANTILES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **NIDHI MERCANTILES LIMITED** for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings -(Not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition and Takeovers) Regulations, 2011;



(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;-Not applicable during Audit period

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -Not applicable during Audit period

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- Not applicable during Audit period

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- Not applicable during Audit period and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during Audit period.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and the same has been complied.

(ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange,

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

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

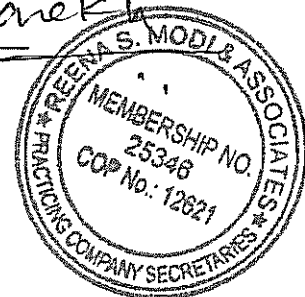
Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards except Reg (34)(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has not been adequately complied.

For Reena S Modi & Associates
Practicing Company Secretary

Reena Parekh

ACS No- A25346

CP No- 12621



Place : Mumbai

Date : 30th May, 2019

Note: This report is to be read with our letter of even date which is annexed as Annexure A and form forms an integral part of this report

Annexure A to the Secretarial Audit Report

To,

The Members,

NIDHI MERCANTILES LIMITED
B/306-309, DYNASTY BUSINESS PARK
OPP: SANGAM CINEMA A.K. ROAD, ANDHERI (E),
MUMBAI-400069

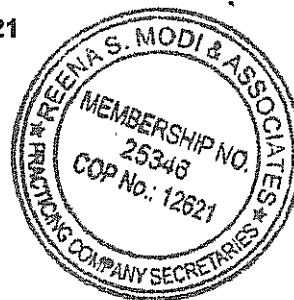
1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed provide a reasonable basis for opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on the random test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company. The report has been issued based on facts and documents presented before me during Audit

For Reena S Modi & Associates
Practicing Company Secretary

Reena Parikh

ACS No- A25346

CP No- 12621



Place : Mumbai

Date : 30th May, 2019

ANNEXURE 'C'**ANNUAL REPORT ON CSR ACTIVITIES FORMING PART OF THE BOARD REPORT'S**

1.	A brief outline of the Company's CSR Policy, including Overview of Projects or Programs proposed to be undertaken and a reference to the Web-link to the CSR Policy and Projects or Programs	<p>The Company will take up Community and Socially focused activities, with particular emphasis on the following activities, hereinafter referred to as "CSR Activities"</p> <ul style="list-style-type: none"> ➤ Promoting preventive and general health care, sanitation including Contribution to the swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and provision of safe drinking water ➤ Promoting education by providing financial assistance to deserving educational institutions, meritorious students, including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled, promoting livelihood enhancement projects. ➤ Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. ➤ Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water ➤ Promotion of education including investment in technology in schools; ➤ Ensuring environment sustainability including measures for reducing inequalities faced by socially and economically backward groups; ➤ Investing in various rural development projects; ➤ Contribution to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; ➤ Collaborate with like minded bodies like Voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals; ➤ Such other activities and projects covered in schedule VII to the Companies Act, 2013 and Notifications ade by the Ministry from time to time.
2.	Composition of the CSR Committee	<ol style="list-style-type: none"> 1. Mrs. Sejal Sagar Modi (Executive Director, Chairman) 2. Mr. Ladhu Lal Soni (Non Executive Director, Member) 3. Mr. Anil kumar Agarwal (Non Executive Independent Director, Member) (Upto 15th April, 2019) 4. Mr. Shiv Raj Sharma (Non Executive Independent Director, Member) (w.e.f 15th April, 2019)
3.	Average Net Profit of the Company for the last three Financial Year u/s 135 of Companies Act, 2013	Average N.P. : 67,047,096.02/-

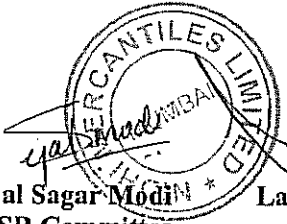
4.	Prescribed CSR Expenditure (Two percent of the amount as in item 3 above) (2% on the Average Net Profits as stated above shall amount to)	Rs. 13,40,941.92/-
5.	Details of CSR Expenditure in F.Y. 2018-2019	a. Total amount spent in the F.Y. 2018-2019 - Rs. 13,00,000/- b. Amount unspent, if any – Rs. 41,000/-

c. Details of the Amount spent on CSR Projects during the Financial Year 2018-2019:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the product is covered	Project or Programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (Budget) Project or Programs wise	Amount spent on the Projects or Programs Sub-heads: 1.Direct Expenditure on Projects or programs 2.Over-heads:	Cumulative Expenditure up to the reporting period	Amount spent direct or through implementing agency
[1]	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development	Schedule VII (viii)	Local Area, Palghar, Maharashtra	Rs. 1,00,000/-	Direct Expenditure	Rs. 1,00,000/-	Pradhan Mantri Kaushalya Vikas Yojanan Sevarth Samajik Shaikshanik Sanstha
[2]	Education and Training	Schedule VII (ii)	Local Area, Mumbai, Maharashtra	Rs. 12,00,000/-	Direct Expenditure	Rs. 12,00,000/-	ABM Maheshwari Education Trust
6.	In case the Company has failed to spend the two percent of the average net Profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report				The Board has spend Rs.13,00,000 for CSR during the year and small balance amount of Rs.41,000/- is unspent which will be spend in next financial year on appropriate CSR activities.		

7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company	The implementation and monitoring of CSR Policy, is in Compliance with CSR Objectives and policy of the Company.
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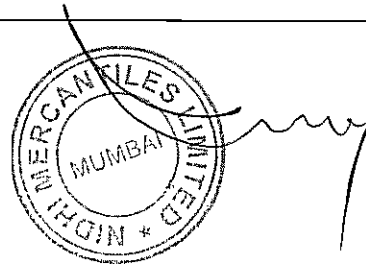
Place : Mumbai
Date : 30th May, 2019


Sejal Sagar Modi Ladhu Lal Soni
Chairperson, CSR Committee Member
DIN: 06684211 DIN: 00131787

Annexure 'D'

Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Status
1	Ratio of the remuneration to each executive Director to the median remuneration of the employees of the Company for FY 2018-2019	1.06
2	% increase in remuneration Executive Directors, CFO and CS during the FY 2018-2019	8 & 15%
3	% increase in median remuneration of the employees for the FY 2018-2019	10 to 15%
4	Total employees on role of Company as on 31.3.2019	3
5	Relationship between average increase in remuneration and Company's performance	10 to 15%
6	Comparison of the remuneration of the KMPs against the performance of the Company	10 to 15%
7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	NA
8	Average percentile increase already 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	10 to 15 (No exceptional increment)
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	15
10	The key parameters for any variable component of remuneration	NA
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NA
12	Affirmation that the remuneration is as per the remuneration policy of the company	Yes



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2019

Your Directors's Present the Company's report on Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (Listing Regulations) for the Year ended 31st March, 2019.

1. CORPORATE GOVERNANCE:

Corporate Governance stands for commitment to values and ethical business conduct. It is an information to outsiders showing how an organization is managed. This includes its corporate Structure, its culture, policies and the manner in which it deals with various stakeholders. Accordingly timely and accurate disclosure of information regarding the financial performance, ownership and material developments in respect of the company are integral parts of Corporate Governance. Adoption of good Corporate Governance Practices help to develop a good image of the Organization, attracts best talents and keeps the stakeholders satisfied.

Your Company has been practicing the principle of good Corporate Governance over the years and has been uploading fair and ethical business and corporate practice and transparency in its dealing, laying emphasis on scrupulous regulatory compliances.

2. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company believe that sound Corporate Governance is critical to enhance and retain investors' trust.

Accordingly, your Company seeks to achieve its goal with integrity and fairness. The Company's Philosophy is based on accountability, Ethical conduct, compliance with statues, Interest of all stakeholders, Interest of all Stakeholders, Transparency and Timely disclosure. The Objective is to institutionalize Corporate Governance practices that go beyond adherence to the regulatory framework.

3. BOARD OF DIRECTORS:

The Board of Directors provides strategic directions and thrust to the operations of the Company, thereby enhancing the value of the stakeholders.

(a) COMPOSITION:

The Board of Directors of the Company has an optimum combination of executive and non-executive and Independent Directors. There are 4 Directors on Board of the Company, comprising of 1 Managing Director (Executive Women Director), 2 Independent Directors and 1 Non - Executive Director as on **March 31st, 2019**. The Chairman of the Board is Non-Executive Director. The directors have made necessary disclosures regarding positions occupied by them in other Companies.

The Composition of the Board of Directors of the Company as on **31st March, 2019** are as under with details of other directorships and committee memberships:-

Sr. No.	Name	Status	No. of other Directorships and Committee Memberships (Excluding Nidhi Mercantiles Limited)	
			Other Directorships	Committee Membership
1.	Mr. Ladhu Lal Soni	Chairman (Non – Executive Director)	05	-
2.	Mrs. Sejal Sagar Modi	Managing Director (Executive Director)	NIL	-
3.	Mr. Ramesh Chandra Banger	Non – Executive Independent Director	04	-
4.	Mr. Anil Kumar Agarwal	Non – Executive Independent Director	01	-

Note 1: Other directorships include Private Limited Companies.

Note 2: Only Audit Committee, Nomination & Remuneration committee & Shareholders/Investors Grievance Committee are reckoned for the purpose of committee memberships.

Note 3: None of the directors hold the office in more than the permissible number of companies under the Companies Act, 2013. Also, the Committee Chairmanships/ Memberships are within the limits laid down in SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

(b) MEETINGS OF THE BOARD AND ATTENDANCE OF THE DIRECTORS:

Attendance at Board meetings during the year and last Annual General Meetings are as follows:

8 (Eight) meetings of the Board are held on:

Sr. No.	Date of Board Meeting
1	30 th May, 2018
2	13 th August, 2018
3	04 th September, 2018
4	22 nd October, 2018
5	14 th November, 2018
6	20 th November, 2018
7	14 th February, 2019
8	25 th March, 2019

The Last Annual General Meeting was held on 28th September, 2018:

Sr. No.	Name of the Director	No. of Board Meeting attended	Whether attended Last AGM
1.	Mr. Ladhu Lal Soni	08	Yes
2.	Mrs. Sejal Sagar Modi	08	Yes
3.	Mr. Ramesh Chandra Banger	08	No
4.	Mr. Anil Kumar Agarwal	08	Yes

None of the above directors are related inter-se.

(c) BOARD PROCEDURE:

The annual calendar of board meetings is agreed upon at beginning of the year. The Agenda is circulated in advance to the Board Members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions.

(d) CODE OF CONDUCT & DECLARATION:

The Company has adopted a Code of Conduct for the Directors, Senior Management Personnel and Employees of the Company. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the code for the effective period. Declaration from Mrs. Sejal Sagar Modi, Managing Director affirming compliance of the said code by all the Board Members and members of senior management of the company to whom the code is applicable is annexed separately to this report.

(e) OBLIGATIONS OF INDEPENDENT DIRECTORS:

As mandated by Regulation 25 of the Listing Regulations, the Independent Directors on the Company's Board held a meeting on 28th November, 2018 without the presence of Non-Independent Directors and Members of the management to:

- (a) review the performance of non-independent Directors and the Board of Directors as a whole;
- (b) review the performance of the chairperson of the listed entity, taking into account the views of executive Directors and non-executive Directors;

- (c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Accordingly, the performance evaluation of the Chairman & Managing Director and Whole-time Director was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

(f) FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has in place a policy for Familiarization Programme for Independent Director and the same is disclosed on the website of the company i.e. www.nidhi.net.in.

INFORMATION PLACED BEFORE BOARD OF DIRECTORS:

The Board has complete access to all information with the Company.

All Board meetings are governed by a structured agenda which is backed by comprehensive background information. Inter-alia, the following information is regularly provided to the Board, as part of the agenda papers well in advance of the Board meetings, or is tabled in the course of the Board meeting:

- a. Annual operating plans and budgets and any updates.
- b. Quarterly results for the Company.
- c. Minutes of meetings of audit committee and other committees of the board.
- d. The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- e. Show cause, demand, prosecution notices and penalty notices which are materially important.
- f. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- g. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- h. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed structures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- i. Details of any joint venture or collaboration agreement.
- j. Any transactions that involves substantial payment towards goodwill, brand equity, or intellectual property.
- k. Sale of material, nature of investments, subsidiaries, assets, which is not in normal course of business.
- l. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board has an effective post meeting follow up procedure. The Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliance.

4. BOARD COMMITTEES:

The Board currently has 5 Committees:

1. Audit Committee
2. Nomination & Remuneration Committee.
3. Shareholders'/Investors' Grievance Committee
4. Share Transfer Committee
5. Corporate Social Responsibility

(a) AUDIT COMMITTEE:**(i) TERMS OF REFERENCE:**

1. Oversight of the Company's financial reporting process, review of internal control system and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment of the Statutory Auditors and fixation of their remuneration.
3. Reviewing the major accounting policies and practices and adoption of applicable Accounting Standards.
4. Reviewing the management, the annual financial statements before submission to the board for approval.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval, with particular reference to:-
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major Accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
6. Discussion with the internal/statutory auditors on any significant finding and follow-up there on.
7. Reviewing the risk management mechanisms of the Company.
8. Approval of the appointment of the Chief Executive officer (CEO).

Minutes of the Audit Committee Meetings are circulated to the Members of the Board of Directors and taken care of.

(ii) COMPOSITION:-

The Composition of Audit Committee as on 31st March, 2019 is as follows:-

Sr. No.	Name of the Director	Composition
1.	Mr. Ramesh Chandra Banger	Chairman (Non-Executive, Independent Director)
2.	Mr. Anil Kumar Agarwal	Member (Non-Executive, Independent Director)
3.	Mr. Ladhu Lal Soni	Member (Non-Executive Director)

(iii) MEETING AND ATTENDANCE:

The Committee met 5 (Five) times during the year on 30th May, 2018, 13th August, 2018, 14th November, 2018, 14th February, 2019 & 25th March, 2019. The Attendances of the Members at the meetings were as follows:-

Name of the Director	Status	No. of Meetings during the year	No. of Meetings Attended
Mr. Ramesh Chandra Banger	Chairman	5	5
Mr. Anil Kumar Agarwal	Member	5	5
Mr. Ladhu Lal Soni	Member	5	5

All the Members of the Audit Committee are financially literate and have Accounting or related financial management expertise.

(b) NOMINATION & REMUNERATION COMMITTEE:

The Company is having "Nomination and Remuneration Committee" constituted in accordance with section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (LODR), Regulation, 2015.

(i) TERMS OF REFERENCE:

The Remuneration Committee is there to identify persons qualified to become directors & KMPs, formulate and recommend to the Board the compensation / remuneration structure for managing director/whole time directors & KMPs, their evaluation & removal.

(ii) COMPOSITION:-

The Composition of the Nomination & Remuneration Committee as on **31.03.2019** is as follows:-

Sr. No.	Name of the Director	Composition
1.	Mr. Ramesh Chandra Banger	Chairman (Non-Executive, Independent Director)
2.	Mr. Anil Kumar Agarwal	Member (Non-Executive, Independent Director)
3.	Mr. Ladhu Lal Soni	Member (Non-Executive Director)

(iii) MEETING AND ATTENDANCE:

The Committee met **1 (One)** times during the year on **25th March, 2019**. The Attendances of the Members at the meetings were as follows:-

Name of the Director	Status	No. of Meetings during the year	No. of Meetings Attended
Mr. Ramesh Chandra Banger	Chairman	1	1
Mr. Anil Kumar Agarwal	Member	1	1
Mr. Ladhu Lal Soni	Member	1	1

All the members of the Nomination & Remuneration Committee are financially literate and have Accounting or related financial management expertise.

(c) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:**(i) TERMS OF REFERENCE:**

The Committee oversees redressal of shareholders/investors grievances, transfers of shares, non-receipt of balance sheets and related matters. It also reviews the system of dealing with and responding to correspondence from the Investors viz - shareholders and the reporting of the same to the Board periodically.

(ii) COMPOSITION:

The composition of the Shareholders/Investors Grievance Committee as on **31.03.2019** is as follows:-

Sr. No.	Name of the Director	Composition
1.	Mr. Ramesh Chandra Banger	Chairman (Non-Executive, Independent Director)
2.	Mr. Anil Kumar Agarwal	Member (Non-Executive, Independent Director)
3.	Mr. Ladhu Lal Soni	Member (Non-Executive Director)

(iii) MEETING AND ATTENDANCE:

The Committee met **4 (Four)** times during the year on **30th May, 2018, 13th August, 2018, 14th November, 2018 & 14th February, 2019**.

The Attendances of the Members at the meetings were as follows:-

Name of the Director	Status	No. of Meetings during the year	No. of Meetings Attended
Mr. Ramesh Chandra Banger	Chairman	4	4
Mr. Anil Kumar Agarwal	Member	4	4
Mr. Ladhu Lal Soni	Member	4	4

All the members of the Shareholders/Investors Grievance Committee are financially literate and have Accounting or related financial management expertise.

(d) SHARE TRANSFER COMMITTEE:

(i) TERMS OF REFERENCE

Share Transfer Committee is formed to look out the matters relating to transfer/transmission of shares, issue of duplicate share Certificate, dematerialization/ rematerialization of share etc.

(ii) COMPOSITION:

The Composition of the Share Transfer Committee as on **31.03.2019** is as follows:-

Sr. No.	Name of the Director	Composition
1.	Mrs. Sejal Sagar Modi	Chairman (Executive Director)
2.	Mr. Anil Kumar Agarwal	Member (Non-Executive, Independent Director)
3.	Ms. Riddhi Vakharia	Member (Company Secretary)

(iii) MEETING AND ATTENDANCE:

The Committee met **1 (One)** times during the year on **02nd July, 2018**. The Attendances of the Members at the meetings were as follows:-

Name of the Director	Status	No. of Meetings during the year	No. of Meetings Attended
Mrs. Sejal Sagar Modi	Chairman	1	1
Mr. Anil Kumar Agarwal	Member	1	1
Ms. Riddhi Vakharia	Member	1	1

All the members of the Share Transfer Committee are financially literate and have Accounting or related financial management expertise.

(e) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

(i) TERMS OF REFERENCE:

The Board of Directors of the Company had Constituted the Corporate Social Responsibility Committee in accordance with provision of section 135 of the companies Act, 2013 ("the Act").

The CSR Committee confirms that the implementation and monitoring of the CSR Activities of the Company are in Compliance with the CSR Objectives and CSR Policy of the Company.

(ii) COMPOSITION:

The Composition of the Corporate Social Responsibility Committee as on **31.03.2019** is as follows:-

Sr. No.	Name of the Director	Composition
1.	Mrs. Sejal Sagar Modi	Chairman (Executive Director)
2.	Mr. Ladhu Lal Soni	Member (Non – Executive Director)
3.	Mr. Anil Kumar Agarwal	Member (Non – Executive, Independent Director)

(iii) MEETING AND ATTENDANCE:

The Committee met 1 (One) times during the year on 14th February, 2019.

The Attendances of the Members at the meetings were as follows:-

Name of the Director	Status	No. of Meetings during the year	No. of Meetings Attended
Mrs. Sejal Sagar Modi	Chairman	1	1
Mr. Ladhu Lal Soni	Member	1	1
Mr. Anil Kumar Agarwal	Member	1	1

All the members of the Corporate Social Responsibility Committee are financially literate and have Accounting or related financial management expertise.

(f) RISK MANAGEMENT POLICY:

During the Year, your Directors have formulated the Risk Management Policy at Board Meeting, which has been entrusted with the responsibility to assist the Board:

1. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management and
2. To establish a framework for the Company's risk management process and to ensure its implementation
3. To enable compliance with appropriate regulations, wherever applicable.
4. To assure business growth with financial stability.

5. SHAREHOLDERS MEETINGS:

The date, time and venue of the Annual General Meetings for last three years are given below:

Financial Year	Date	Time	Venue
2015-2016 (Annual General Meeting)	30.09.2016	01:00 p.m.	Registered Office
2016-2017 (Annual General Meeting)	28.09.2017	01:00 p.m.	Registered Office
2017-2018 (Annual General Meeting)	28.09.2018	01:00 p.m.	Registered Office

All resolutions moved at the Last Annual General Meeting were passed with Requisite Majority.

6. SECRETARIAL AUDIT:

Secretarial Audit is being carried out by Company Secretary in practice to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) & Central Depository Services Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number in physical form and total number of dematerialized shares held with NSDL & CDSL.

7. CERTIFICATE FROM PRACTISING COMPANY SECRETARY:

A certificate from M/s. Abhik Jain & Associates, Practising Company Secretary (Membership No.: 37412, CP No.: 20056) to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms a part of this Report.

8. DISCLOSURES:

i) The Company did not have any material significant related party transaction having a potential conflict with the interest of the Company at large.

ii) The financial statements have been prepared in accordance with the Accounting Standards and policies generally accepted in India.

iii) There was no non-compliance by the Company on any matter related to the Capital Markets, resulting in disciplinary action against the Company by the Stock Exchanges or SEBI or any other statutory authority, during the last three years.

iv) The Company has implemented the mandatory requirements of Corporate Governance as set out in SEBI (LODR) Regulation, 2015. The annual financial results are published in English and Marathi newspapers.

v) The Company has a Risk Management Policy Framework for risk identification, assessment and control to effectively manage risks associated with the business of the Company.

vi) Vigil Mechanism/ Whistle Blower Policy:

Pursuant to Section 177 (9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulation, 2015 the Company has adopted a Vigil Mechanism/ Whistle Blower Policy. The Company believes in professionalism, transparency, integrity and ethical behavior and had thus 'Whistle Blower Policy' to facilitate employees to report concerns of any unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No employee of the Company has been denied access to the Audit Committee of the Board of Directors. The same is also posted on the website of the Company.

vii) Proceeds From Public Issue:

The Company has not made any Public issue during the financial year **March 31st, 2019**.

viii) CEO/CFO Certification:

As required under Regulation 17(8) of the SEBI (LODR) Regulation, 2015, the CEO/CFO certification is annexed.

ix) COMPLIANCE CERTIFICATE OF THE AUDITORS ON CORPORATE GOVERNANCE:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance laid down in the Listing Regulations. This certificate is annexed to the Report.

9. MEANS OF COMMUNICATION:

i.) The quarterly/annual financial results are regularly submitted to the Stock Exchanges and published in one English daily and one Marathi daily.

ii) The Management Discussion and Analysis Report, in compliance with requirements of SEBI (LODR) Regulation, 2015 is annexed to the Directors' Report and forms part of the Annual Report being sent to all the members of the Company.

iii) Website of the Company: www.nidhi.net.in

10. DISCLOSURE OF EVENTS OR INFORMATION:

In accordance with Regulation 30(4)(ii) of Listing Regulation, the Company has framed a policy for determination of materiality, based on criteria specified in Regulation 30(4)(i), duly approved by the Board of Directors, which shall be disclosed on the Company's Website www.nidhi.net.in

Further, the Company has authorized KMP'S for the purpose of determining the materiality of an event or information and for the purpose of making disclosure to stock exchange(s) under the said Regulation and the contact details of such personnel has been disclosed to the stock exchange(s) and as well is placed on the Company's Website www.nidhi.net.in.

11. DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSE (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN THE SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT:

Company has complied with the corporate Governance Requirements specified in Regulation 17 to 27 and in accordance with Regulation 46(2) of SEBI (LODR) Regulation, 2015 required information has been hosted on the Company's website www.nidhi.net.in.

12. GENERAL SHAREHOLDER INFORMATION:

1.	33 rd Annual General Meeting	
	- Date & Time	30.09.2019 & 1:00 p.m.
	- Venue	B/306-309, Dynasty Business Park, Opp. Sangam Cinema, A. K. Road, Andheri (E), Mumbai - (M.H.) - 400059.
2.	Book Closure Date	24.09.2019 to 30.09.2019 (Both days inclusive)
3.	The listing fees has been paid up to the date to all the stock exchanges	Yes
4.	Scrip Code: Calcutta Stock Exchange Ltd. (CSE)	24132

13. DISTRIBUTION OF EQUITY SHARE AS ON 31ST MARCH, 2019:

Sr. No.	Category	Shareholder		Shareholding	
		Number	%	Number	%
1.	1-500	119	76.2821	37005	0.5892
2.	501-1000	4	2.5641	3300	0.0525
3.	1001-2000	1	0.6410	1500	0.0239
4.	2001 - 4000	2	1.2821	6650	0.1059
5.	4001 - 5000	2	1.2821	10000	0.1592
6.	5001 - 10000	7	4.4872	52000	0.8280
7.	10001- Above	21	13.4615	6170000	98.2413
	Total	156	100	6280455	100.0000

14. PATTERN OF SHAREHOLDING AS ON 31ST MARCH, 2019:

Category	No. of shares held	% of Share holding
PROMOTERS HOLDINGS		
a) Individual	Nil	Nil
b) Body Corporate	1765000	28.10%
PUBLIC HOLDINGS		
a) Institutions	Nil	Nil
b) Non Institutions		
• Body Corporate	4478400	71.31%
• Individual		
a) Shareholders Nominal Share upto 2 lacs.	37055	0.59%
b) Shareholders Nominal Share more than 2 lacs.	Nil	Nil
c) Any Other	NIL	Nil
Total	6280455	100%

15. DETAILS OF DEMAT SHAREHOLDING:

As on 31st March, 2019, 62,27,000 Shares representing 99.15% of total Equity Share were held in dematerialized form with NSDL.

16. REGISTRARS AND TRANSFER AGENTS:

M/s Bigshare Services Pvt. Ltd
 Bharat Tin Works Building, 1st Floor,
 Opp. Vasant Oasis, Makwana Road, Marol,
 Andheri – East, Mumbai – 400059
 Tel: 022 - 62638200
 Email: info@bigshareonline.com

17. ADDRESS FOR CORRESPONDENCE:

Requests or complaints in other matters such as Unpaid/Unclaimed Dividend/Change of Address/Splitting of shares etc. be sent to:

Nidhi Mercantiles Limited
 B/306-309, Dynasty Business Park,
 Opp. Sangam Cinema, A.K. Road,
 Andheri (E), Mumbai - 400059
 Tel.: 022 61115222
 Email: nml.mumbai@gmail.com
 Website: www.nidhi.net.in

18. LISTING OF SHARES AND OTHER DETAILS:

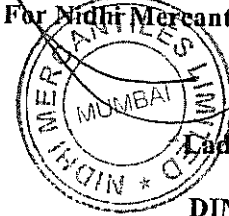
- The Equity Shares of the Company are listed on The Calcutta Stock Exchange Ltd. having Scrip Code : 24132
- ISIN Number of the Company : INE380R01020 (having Face Value of Rs. 2/- each)
- Corporate Identity Number (CIN) : L51909MH1985PLC138577
- The Company has paid Listing Fees upto 31st March, 2019 to The Calcutta Stock Exchange Ltd.

19. DECLARATION:

All the members of the Board and senior Management Personnel of the Company have affirmed due observation of the code of the conduct, framed pursuant to Regulation 26(3) of the SEBI (LODR), Regulation, 2015 with Stock Exchange is so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2019.

Date: 30th May, 2019
Place: Mumbai

**For and on behalf of Board of Directors
For Nidhi Mercantiles Limited**



Ladhu Lal Soni
Chairman
DIN: 00131787

CIN: L51909MH1985PLC138577

REGISTERED OFFICE:

B/306-309, Dynasty Business Park,
Opp. Sangam Cinema, Andheri (E),
Mumbai - 400059

Email id: nml.mumbai@gmail.com, Website: www.nidhi.net.in.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**BUSINESS REVIEW:**

The Company was incorporated mainly for dealing and trading in cotton product, fibrous material, engineering goods & cast iron items. In order to augment its resource, the company has diversified its business and has entered into the business of purchase or acquisition of land, building and to carry on the business of builders and estate agents as empowered by the Memorandum of Association.

INDUSTRY STRUCTURE AND REVIEW:

The Economic fundamentals of the Indian economy has improved during the year under review, supported by the Government Policy reforms, thereby improving the business outlook.

The year 2017-18 witnessed implementation of two major regulatory reforms – GST and RERA. The rollout of the GST was a landmark accomplishment despite of initial glitches and will enhance efficiency, create a common national market, and improve tax buoyancy.

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

The Company is consolidating its resources to build a market presence in the national area. The results are reflected in steady growth in the last years as also continuing in the current year.

OPPORTUNITIES/THREATS/RISKS/CONCERNS:

However, the growth is expected to revive gradually in the next fiscal year. This expectation would ride on the back of increase in investments in a favorable interest rate regime, normal monsoons and gradual recovery in industrial production. Above all, it is assumed that the government will expedite the capital projects, there system of approval of project, increasing construction cost etc that have been held up on account of fiscal constraints.

OPERATING & FINANCIAL PERFORMANCE:

- Company's Gross Revenue from operation as on 31st March, 2019 stand at Rs. 3,55,40,000/- against Rs. 14,08,48,723/- recorded in the previous year.
- The Company has been able to post Net Profit of Rs. 2,75,81,710/- as against Net Profit of Rs. 4,30,36,291/- of previous year.

DEBT STRUCTURE:

The Company has taken Secured Bank Loan from Bank for its commercial project.

OUTLOOK:

The Company has plans to continue Goods trading Business and construct residential units and commercial shops which will be sold out. The revenue from these operations is expected by the end of the next financial year.

SEGMENT WISE PERFORMANCE:

- a) Trading Segment includes sale & purchase of traded items mainly MS Scrap, TMT Bars & Plots.
- b) Real Estate development segment includes the business of development and sale of real estate.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To

maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

HUMAN RESOURCES:

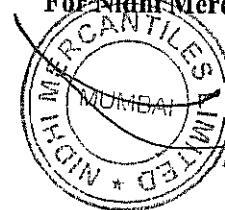
Your Company recognizes the employees as the real assets of the organization and lays due emphasis on all round development of its human resources. Various HR initiatives are taken to align the HR Policies according to the emerging requirement including training programmes to upgrade their professional, inter-personal and management skills. Our relationship with the employees continues to remain cordial throughout the year.

CAUTIONARY NOTE:

Certain Statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by the applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis, of any subsequent developments, events or information.

For and on behalf of Board of Directors
For Nidhi Mercantiles Limited

Date: 30th May, 2019
Place: Mumbai



Ladhu Lal Soni
Chairman
DIN: 00131787

CIN: L51909MH1985PLC138577

REGISTERED OFFICE:

B/306-309, Dynasty Business Park,
Opp. Sangam cinema, Andheri(E),
Mumbai - 400059

Email id: nml.mumbai@gmail.com, Website: www.nidhi.net.in

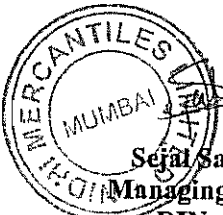
ANNEXURE TO CORPORATE GOVERNANCE REPORT

CHIEF EXECUTIVE OFFICER'S DECLARATION ON CODE OF CONDUCT

In accordance with Regulation 34(3) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 code of Conduct as approved by the Board of Directors of the Company had been displayed at the Company's Website. All the members of the Board and Management personnel affirmed compliance with the code for the year ending **31st March, 2019**.

**For and on behalf of Board of Directors
For Nidhi Mercantiles Limited**

**Date: 30th May, 2019
Place: Mumbai**


**Sejal Sagar Modi
Managing Director
DIN: 06684211**

CERTIFICATE

BY CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER

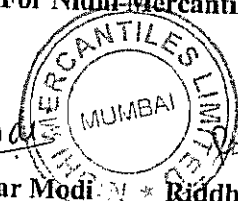
To,
The Board of Directors,
Nidhi Mercantile Limited
B/306-309, Dynasty Business Park,
Opp. Sangam Cinema, A.K. Road,
Andheri (E), Mumbai - 400059

We, Sejal Sagar Modi, Managing Director & Riddhi Vakharia, Chief Finance Officer of Nidhi Mercantile Limited, to the best of our knowledge and belief, certify that:

- a) We have reviewed the attached Financial statements and the Cash Flow statement of the company for the year ended **31st March, 2019** and that to the best of our knowledge and belief:
- I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
- II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting standards, applicable laws and regulations.
- b) These are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate Internal Controls over financial reporting.
- d) We have indicated to the auditors and the Audit committee:-
- (i) Significant changes, if any in internal controls over financial reporting during the year.
- (ii) Significant changes, if any in Accounting Policies during the year and that the same have also been disclosed in the notes to the accounts to the Financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the Involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Director
For Nidhi Mercantile Limited**

**Date: 30th May, 2019
Place: Mumbai**


Sejal Sagar Modi * **Riddhi Vakharia**
Managing Director **Chief Financial**
DIN: 06684211 **Officer (CFO)**

Abhik Jain & Associates

Practicing Company Secretaries
A-31, Kashipuri, Bhilwara, Rajasthan-311001
E-mail- abhikjain100@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To

The Members,

(L51909MH1985PLC138577)
NIDHI MERCANTILES LIMITED
B/306-309, DYNASTY BUSINESS PARK
OPP. SANGAM CINEMA, A. K. ROAD,
ANDHERI (E) MUMBAI,
MH 400059 IN.

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of "NIDHI MERCANTILES LIMITED" having CIN L51909MH1985PLC138577 and having registered office at B/ 306-309, DYNASTY BUSINESS PARK, OPP. SANGAM CINEMA, A. K. ROAD, ANDHERI (E) MUMBAI, Mumbai City MH 400059 IN. (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1.	LADHU SONI LAL	00131787	20/01/2007
2.	RAMESH CHANDRA BANGER	01269363	02/02/2009
3.	SEJAL SAGAR MODI	06684211	12/02/2015
4.	SHIV RAJ SHARMA	08416019	15/04/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of

Abhik jain
ACS,MBA,BBM,LLB
Company Secretary

Abhik Jain & Associates

Practicing Company Secretaries
A-31,Kashipuri,Bhilwara,Rajasthan-311001
E-mail- abhikjain100@gmail.com

the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of

Abhik Jain & Associates

For Abhik Jain & Associates
Practicing Company Secretary



Abhik Jain

Practicing Company Secretary

A-31, Kashipuri, Bhilwara, Rajasthan-311001

Name:- Abhik Jain

Address: A-31,Kashipuri,
Bhilwara,Rajasthan-311001.

Dated: 18/05/2019

Place: BHILWARA



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NIDHI MERCANTILES LIMITED

Opinion

We have audited the accompanying financial statements of Nidhi Mercantiles Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to financial statements and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p>Accounting for investments</p> <p>The Company has investments in equity shares listed and unlisted. These investments are measured either at Fair Value through Profit and Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI) based on fulfilment of required criteria which involve management judgment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Read the minutes of the meetings authorising the investment. • Performed test of controls on the operating effectiveness of internal controls on investments. • Obtained management representations on the judgments exercised for classification of investments, including indicative yields and maturity periods considered for amortised cost workings. • Tested the disclosures made by the Company.



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises Board's Report, Report on Corporate governance and Business Responsibility report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

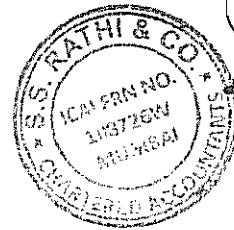
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 with reference to financial statements 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 Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) 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 knowledge and belief and according to the information and explanations given to us:



- i. The Company has disclosed the impact, if any, of pending litigations as on 31st March, 2019 on its financial position vide Note 25 to the Ind AS financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has not been an occasion in case of the Company during the year under report to transfer any amounts to the Investor Education & Protection Fund and, therefore, the question of delay in transferring such amounts does not arise.

For S. S. Rathi & Co
Chartered Accountants
(Firm Regn. No.108726W),



[Handwritten Signature]
D. P. Rathi
Partner
M. No. 042068

Place : Mumbai
Dated : 30th May, 2019

**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph (10) of our Report of even date)**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Management has physically verified fixed assets during the year and no discrepancies have been noticed. In our opinion, the frequency of physical verification of fixed assets is reasonable.
 - (c) According to the information and explanations given to us and the records of the Company examined by us, we report that, the title deeds of immovable properties are held in the name of the Company.
2. (a) As explained to us, the inventory has been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company & the nature of its business.
 - (c) The Company is maintaining proper records of inventory. No discrepancies have been noticed on reconciliation of physical inventories with the book records.
3. As informed to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. Further, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of the loans given or investments made and guarantees or security provided by it.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified.
6. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for certain products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues applicable to it with the appropriate authorities though there has been minor delay in some cases.

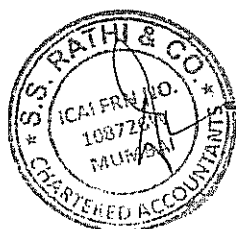
No undisputed amounts payable in respect of statutory dues applicable to the Company were in arrears as at 31st March, 2019 for period of more than six months from the date they became payable.



(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Service Tax, Customs Duty, Excise Duty, Goods and Service Tax & Value Added Tax that have not been deposited with the appropriate authorities on account of any dispute. Details of dues towards Sales Tax that have not been deposited on account of dispute are as stated below:

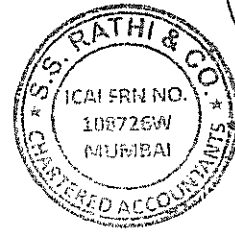
Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which it relates	Forum where dispute is pending
The BST Act, 1959	Sales Tax	12,54,693/-	F.Y.2004-05	Asst. Commissioner of Sales Tax (Appeal)-VI, Mumbai

8. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution and banks. The Company does not have any loans or borrowings from government and has not issued any debentures.
9. In our opinion and according to the information and explanations given to us, majority of the term loans have been applied by the Company during the year for the purpose other than the purpose for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company (as defined under Companies Act, 2013 and Companies (Nidhi Companies) Rules, 2014). Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.



15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under section 45 -IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For S. S. Rathi & Co
Chartered Accountants
(Firm Regn. No.108726W)



D. P. Rathi

D. P. Rathi
Partner
M. No. 042068

Place : Mumbai
Dated : 30th May, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

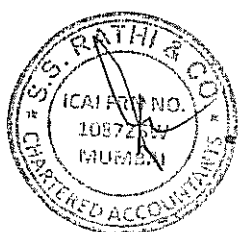
1. We have audited the internal financial controls over financial reporting of Nidhi Mercantiles Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of 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 (the "Guidance Note"). 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 Act.

Auditors' Responsibility

3. 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 Standards on Auditing prescribed under section 143(10) of Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. 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.
4. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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.

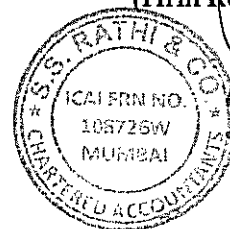
Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. In our opinion, to the best of our information and according to the explanations given to us, 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 31st March, 2019, based on the criteria for internal control over financial reporting criteria established by the Company considering the essential components of 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 S. S. Rathi & Co
Chartered Accountants
(Firm Regn. No.108726W),



[Handwritten Signature]
D. P. Rathi
Partner
M. No. 042068

Place : Mumbai
Dated : 30th May, 2019

NIDHI MERCANTILES LIMITED
Balance Sheet as at 31st March, 2019

	Note	As at 31st March, 2019 Amt. (Rs)	As at 31st March, 2018 Amt. (Rs)
ASSETS			
Non-current Assets			
(a) Property, Plant & Equipment	2	91,00,974	97,10,862
(b) Investment Property	3	19,016	20,325
(c) Financial Assets			
(i) Investments	4	42,30,39,900	76,45,25,860
(d) Current Tax Assets (Net)	5	NIL	5,83,350
(e) Other Non-current Assets	6	28,000	28,000
Sub-total - Non-current Assets		43,21,87,891	77,48,68,397
Current Assets			
(a) Inventories	7	9,73,58,161	10,87,30,196
(b) Financial Assets			
(i) Trade Receivables	8	9,83,87,749	12,49,00,274
(ii) Cash and Cash Equivalents	9	11,25,634	(2,14,47,481)
(iii) Other Balances with Bank	10	2,00,000	1,00,000
(iv) Loans	11	27,47,77,745	23,95,20,101
(v) Other Financial Assets	12	6,73,741	5,52,948
(c) Other Current Assets	13	21,737	9,15,670
Sub-total - Current Assets		47,25,44,766	45,32,71,708
TOTAL ASSETS		90,47,32,657	1,22,81,40,106
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	1,25,60,910	1,25,60,910
(b) Other Equity	15	72,31,50,810	95,74,07,051
Sub-total -Shareholders' Funds		73,57,11,720	96,99,67,961
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	3,87,62,482	7,22,50,920
(ii) Other Financial Liabilities	17	28,58,524	26,10,525
(b) Deferred Tax Liability (net)	18	10,76,153	10,68,379
(c) Other Non-current Liabilities	19	13,49,618	16,19,541
Sub-total - Non-current Liabilities		4,40,46,778	7,75,49,365
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	Nil	3,54,06,457
(ii) Trade Payables			
- Due to Micro Enterprises & Small Enterprises	21	Nil	Nil
- Due to Others		68,40,996	84,59,074
(iii) Other Financial Liabilities	22	4,14,54,273	3,16,71,500
(b) Other Current Liabilities	23	7,01,11,510	8,78,86,178
(c) Current Tax Liabilities (Net)	24	65,67,381	1,71,99,571
Sub-total - Current Liabilities		12,49,74,160	18,06,22,779
TOTAL EQUITY AND LIABILITIES		90,47,32,657	1,22,81,40,106

Basis of preparation, measurement and significant accounting policies 1

The accompanying notes form an integral part of the Financial Statements.

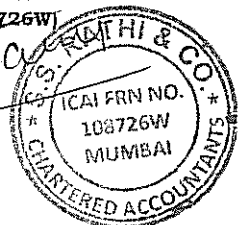
As per our report of even date

For S. S. Rathi & Co

Chartered Accountants

(Firm Regn. No. 108726W)

D. P. Rathi
Partner
M. No. 042068



For and on Behalf of Board of Directors
For Nidhi Mercantiles Limited

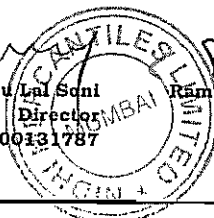
Sejal Sagar Modi
Managing Director
DIN: 06684211

Riddhi Vakharia
Company Secretary & CFO

Place : Mumbai
Dated : 30th May, 2019

Ladhu Lal Soni
Director
DIN: 00131787

Ramesh Chandra Banger
Director
DIN : 01269363



NIDHI MERCANTILES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2019

Particulars	Note	Year ended 31.03.2019 Amt (Rs.)	Year ended 31.03.2018 Amt (Rs.)
Revenue			
Revenue from Operations	26	3,55,40,000	14,08,48,723
Other Income	27	3,62,47,162	4,35,11,059
Total Revenue		7,17,87,162	18,43,59,781
Expenses			
Purchases of Stock-In-Trade		Nil	2,69,82,811
Cost of Sales	28	1,40,12,724	6,90,79,674
Changes-in-Inventories	29	19,61,648	16,22,356
Employee Benefits Expenses	30	25,61,048	21,63,020
Financial Costs	31	1,19,11,950	1,78,70,215
Depreciation	32	6,11,197	7,22,407
Other Expenses	33	34,64,996	36,84,405
Total Expenses		3,45,23,563	12,21,24,888
Profit Before Tax		3,72,63,599	6,22,34,894
Tax Expense:			
- Current Tax		89,87,053	1,90,52,666
- Deferred Tax	18	7,774	(2,01,874)
- Tax paid for earlier year/s		6,87,061	3,47,810
Profit For the Year (A)		2,75,81,710	4,30,36,291

OTHER COMPREHENSIVE INCOME

Items that will not be reclassified subsequently to profit & loss

Net fair value gain/(loss) on investments in equity

instruments through OCI	(26,35,97,032)	(77,52,40,322)
Gain on sale of Equity Shares	17,59,080	Nil

OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)

(26,18,37,952) **(77,52,40,322)**

TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)

(23,42,56,242) **(73,22,04,031)**

Earnings per equity share of face value of Rs. 2/-each

Basic and Diluted (Rs.)	39	4.39	6.85
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Basis of preparation, measurement and significant accounting policies

1

The accompanying notes form an integral part of the Financial Statements.

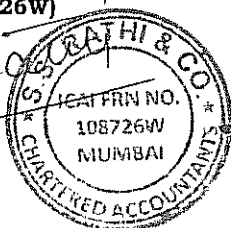
As per our report of even date

For S. S. Rathi & Co

Chartered Accountants

(Firm Regn. No. 108726W)

D. P. Rathi
Partner
M. No. 042068



For and on Behalf of Board of Directors

For Nidhi Mercantiles Limited

Sejal Sagar Modi Riddhi Vakharia
Managing Director Company Secretary & CFO
DIN: 06684211

Ladhu Lal Sorli Ramesh Chandra Banger
Director Director
DIN: 00131787 DIN: 01269363

Place : Mumbai
Dated : 30th May, 2019

NIDHI MERCANTILES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	As At 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a) Net Profit before Taxes	3,72,63,599	6,22,34,894
<u>Adjustments for</u>		
Interest Received	(2,35,26,913)	(2,56,87,503)
Fair value (gain)/loss on investments	(25,51,993)	(23,30,587)
Rent on amortisation of Security Deposits	(2,69,924)	(2,69,924)
Interest on deferment of advance tax	10,42,619	25,70,707
Interest Paid (including fair value change in financial instruments)	1,08,69,332	1,52,99,508
Dividend	(49,12,333)	(1,01,72,966)
Depreciation	6,11,197	7,22,407
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,85,25,584	4,23,66,536
<u>Adjustments for</u>		
Decrease/(Increase) in Inventories	1,13,72,036	1,79,95,524
Decrease/(Increase) in Other Non-current Assets	NIL	10,27,327
Increase/(Decrease) in Trade Payables	(16,18,078)	(7,32,28,499)
Decrease/(Increase) in Trade Receivables	2,65,12,525	(10,94,954)
Decrease/(Increase) in Other Current Financial Assets	(1,20,793)	2,26,823
Decrease/(Increase) in Other Current Assets	8,93,933	(8,82,947)
Increase/(Decrease) in Other Current Financial Liabilities	(2,17,227)	(12,97,506)
Increase/(Decrease) in Other Current Liabilities	(1,77,74,668)	15,36,808
Increase/(Decrease) in Other Non-current Liabilities	NIL	2,00,000
CASH GENERATED FROM OPERATIONS	3,75,73,312	(1,31,50,888)
Direct Tax (Paid)/Refund	(2,07,65,573)	(3,52,22,572)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	1,68,07,739	(4,83,73,460)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Investments	8,22,00,000	NIL
Purchase of Investments	NIL	(1,00,000)
Interest Received	2,35,26,913	2,56,87,503
Dividend Received	49,12,333	1,01,72,966
Maturity of/(Investment in) Bank Deposits	(1,00,000)	(1,00,000)
Movement in Loans and Advances	(3,52,57,644)	(6,83,67,142)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	7,52,81,602	(3,27,06,673)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long-term borrowings	(2,34,88,438)	10,19,10,607
Repayment of Short-term borrowings	(3,54,06,457)	(5,06,92,178)
Interest Paid	(1,06,21,332)	(1,50,73,024)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(6,95,16,227)	3,61,45,405
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,25,73,114	(4,49,34,728)
CASH AND CASH EQUIVALENTS (At the beginning of the year)	(2,14,47,481)	1,33,69,846
CASH AND CASH EQUIVALENTS (At the end of the year)	11,25,633	(3,15,64,882)

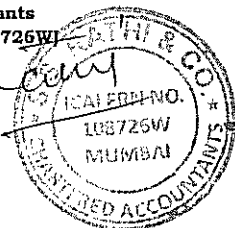
Notes:

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Previous Year's figure have been regrouped/ rearranged, wherever necessary, to correspond with the current year's classification /disclosure.

As per our Report of even date

For S. S. Rathi & Co
Chartered Accountants
(Firm Regn. No. 108726W)

D. P. Rathi
Partner
M. No. 042068



For and on Behalf of Board of Directors
For Nidhi Mercantiles Limited

Sejal Sagar Modi
Managing Director
DIN: 06684211

Ladhu Lal Soni
Director
DIN: 00131787

Riddhi Vakharia
Company Secretary & CFO
DIN: 01269363

Ramesh Chandra Banger
Director
DIN: 01269363

Place : Mumbai
Dated : 30th May, 2019

NIDHI MERCANTILES LIMITED
Notes to the financial statements for the year ended 31st March, 2019

Note 1

COMPANY INFORMATION

Nidhi Mercantiles Limited was incorporated as a public limited company on 6th February, 1985 for the purpose of dealing and trading in cotton products, fibrous material, engineering goods & cast iron items. In order to augment its resource, the Company has diversified its business and has entered into the business of purchase or acquisition of land, building and to carry on the business of builders and estate agents as empowered by the Memorandum of Association. The securities of the Company are listed on the Calcutta Stock Exchange (CSE).

BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

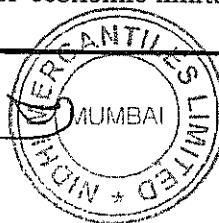
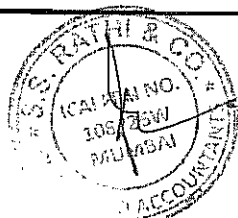
The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and Trading business is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

(b) KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised.

The following are significant management judgments, estimates & assumptions in applying the accounting policies of the Company that have a significant effect on the financial statements:

- i Determination of revenue under the satisfaction of performance obligation at a point in time method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The Company recognises revenue when the Company satisfies its performance obligation.
- ii Investment property is stated at carrying amount. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Company engaged an independent valuation specialist to determine the fair value of its investment property as at the reporting date.
- iii The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in tax jurisdictions.



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

- iv Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.
- v The carrying amounts of trade receivables, trade payables, other payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits is calculated based on cash flows discounted using a current lending rate. This is classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.
- vi Inventory is stated at the lower of cost & net realisable value (NRV). NRV for completed inventory property is assessed including but not limited to market conditions and prices existing at the reporting date and is determined by the Company based on net amount that it expects to realise from the sale of inventory in the ordinary course of business. NRV in respect of inventories under construction is assessed with reference to market prices (reference to the recent selling prices) at the reporting date less estimated costs to complete the construction, and estimated cost necessary to make the sale. The costs to complete the construction are estimated by the management.
- vii The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

(c) SIGNIFICANT ACCOUNTING POLICIES

i Property, Plant and Equipment

The Company had applied for one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

A new item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Depreciation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013. Useful life considered for calculation of depreciation for various assets class are as follows:

- Non- factory Building -60 years
- Vehicles- 8 years
- Computers-3 years
- Office Equipments-5 years

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

ii Investment Property

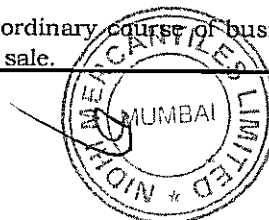
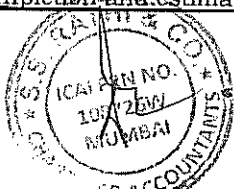
Property that is held for capital appreciation and that is not occupied by the Company is classified as investment property. Investment property is measured at its cost, including related transaction costs and, where applicable, borrowing costs less depreciation and impairment, if any. Depreciation is recognised using written down value method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value for its investment property recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment property.

iii Inventories

Inventory comprises Trading Stocks, Plots, property under construction (work-in-progress) and completed flats/units.

- a. Inventories of Trading Stocks, Plots and completed unsold flats/units are valued at lower of cost & net realisable value after providing for obsolescence & other losses, wherever considered necessary. In respect of plots, the cost includes cost of development of the same.
- b. Work-in-progress in respect of property under construction is valued at cost till major portion of the job is completed and thereafter at net realisable value. Cost comprises cost of land (including leasehold & development rights), materials, services, overheads related to projects under construction and borrowing costs.
- c. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

iv Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cheques in hand, bank balances and demand deposits with bank where original maturity is three months or less from the date of acquisition and other short-term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

v Financial Instruments:

Financial Assets

Initial recognition :-

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value measured on initial recognition of financial asset. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input). In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement:

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both:

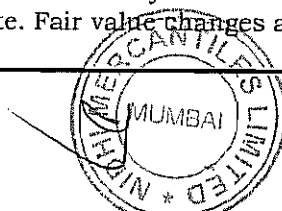
- (a) the company's business model for managing the financial assets, and
- (b) the contractual cash flow characteristics of the financial assets.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss. This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any, are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss. On derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

(c) Measured at fair value through profit & loss: A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI. This is a residual category applied to all other investments of the Company excluding investments in subsidiary. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in the Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value. Transaction costs that are directly attributable to the financial liabilities which are not at fair value through profit or loss, are deducted from the fair value measured on initial recognition of financial liability.

The Company's financial liabilities includes trade and other payables, loans and borrowings.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

vi FAIR VALUE MEASUREMENT:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

vii Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

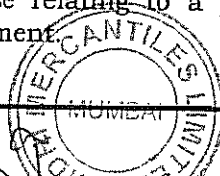
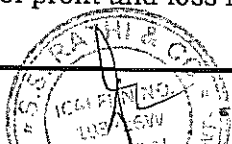
Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

viii Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed. When the Company expects some or all of a provision to be reimbursed, reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

ix Revenue recognition:

Effective 1st April, 2018 the Company adopted IND AS 115, "Revenue from contracts with customers". The effect of adoption of Ind AS 115 was insignificant. The following is a summary of new and /or revised significant accounting policies related to revenue recognition.

- a. Revenue in respect of trading activity and provision of services is recognised upon transfer of control of promised product or services to customer in an amount that reflects the consideration Company expect to receive in exchange for those product or service, regardless of when the payment is received. Revenue is measured at the transaction price, excluding amounts collected on behalf of the third parties.
- b. Revenue in respect of real estate project is recognised on satisfaction of performance obligation at a point in time by transferring a promised good or services (i.e. an asset) to a customer and the customer obtains control of that asset.

To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the Company considers following indicators of the transfer of control to customers:

- (a) the Company has a present right to payment for the asset.
- (b) the Company has transferred to the buyer the significant risks and rewards of ownership of the asset;
- (c) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the asset sold;
- (d) the amount of revenue can be measured reliably;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- (f) the customer has accepted the asset.

The satisfaction of performance obligation and the control thereof is transferred from the Company to the buyer upon possession or upon issuance of letter for offer of possession ("deemed date of possession"), whichever is earlier, subject to realisation/ certainty of realisation.

- c. Dividend income on investments is recognised when the right to receive dividend is established.
- d. Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate method to the net carrying amount of the financial assets.
- e. Rental Income is recognised on a time proportion basis as per the contractual obligations agreed with the respective tenant.

x Borrowing costs :

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

xi Expenditure:

Expenses are accounted on accrual basis.

xii Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

xiii Segment Reporting: Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

xiv Earnings Per Share:

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.
The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

xv Cash flows Statement

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xvi Recent accounting pronouncements

The MCA has notified below amendments which are effective 1st April, 2019:

- Appendix C to Ind AS 12, Income taxes
- Amendment to Ind AS 103, Business Combinations
- Amendment to Ind AS 109, Financial Instruments
- Amendment to Ind AS 111, Joint Arrangements
- Amendment to Ind AS 19, Employee Benefits
- Amendment to Ind AS 23, Borrowing Costs
- Amendment to Ind AS 28, Investments in Associates and Joint Ventures

Based on preliminary work, the Company does not expect these amendments to have any significant impact on its Financial Statements.



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

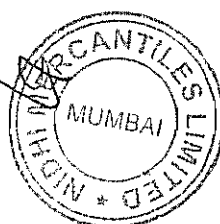
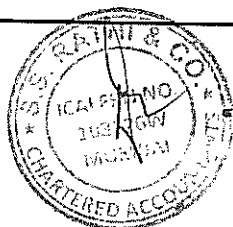
Statement of Changes in Equity for the year ended 31st March, 2019

A. EQUITY SHARE CAPITAL

	As at 31st March, 2019 Amt (Rs.)	As at 31st March, 2018 Amt (Rs.)
Balance at the beginning of the reporting year		
Equity shares of Rs.2/- each issued, subscribed and paid-up	1,25,60,910	1,25,60,910
Changes in Equity Share capital during the year	Nil	Nil
Balance at the end of the reporting year	1,25,60,910	1,25,60,910

B. OTHER EQUITY

	Reserves and Surplus		Items of Other Comprehensive Income (OCI)	Total
	General Reserve	Retained Earnings	Equity instruments through OCI	
Balance as at 1st April, 2017	9,08,59,225	1,47,30,72,814	12,56,79,044	1,68,96,11,083
Profit for the year	-	4,30,36,291	-	4,30,36,291
Other comprehensive income for the year	-	-	(77,52,40,322)	(77,52,40,322)
Total comprehensive income for the year	-	-	-	(73,22,04,031)
Balance as at 31st March, 2018	9,08,59,225	1,51,61,09,105	(64,95,61,279)	95,74,07,052
Balance as at 1st April, 2018	9,08,59,225	1,51,61,09,105	(64,95,61,279)	95,74,07,052
Profit for the year	-	2,75,81,710	-	2,75,81,710
Other comprehensive income for the year	-	-	(26,18,37,952)	(26,18,37,952)
Total comprehensive income for the year	-	-	-	(23,42,56,242)
Balance as at 31st March, 2019	9,08,59,225	1,54,36,90,815	(91,13,99,231)	72,31,50,810

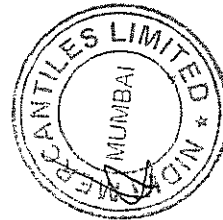
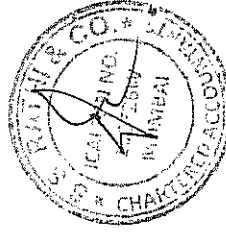


NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-2 Property, Plant & Equipment

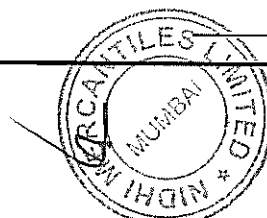
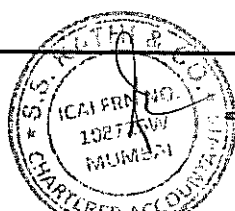
Description	GROSS BLOCK		DEPRECIATION			NET BLOCK		Amt. (Rs.)
	AS AT 01/04/18	ADDITIONS/ (DELETIONS) AS AT 31/03/2019	AS AT 01/04/18	FOR THE YEAR 31/03/2019	AS AT 31/03/2019	AS AT 31/03/2019	AS AT 31/03/18	
Office Premises	1,63,62,960	NIL	71,53,482	4,46,644	76,00,126	87,62,834	92,09,478	
Office Equipments	3,13,178	NIL	2,55,027	26,208	2,81,235	31,943	58,151	
Computer	89,250	NIL	84,787	-	84,787	4,463	4,463	
Motor Car	13,06,889	NIL	8,68,119	1,37,036	10,05,155	3,01,734	4,38,770	
Total	1,80,72,277	NIL	83,61,415	6,09,888	89,71,303	91,00,974	97,10,862	
Previous Year	1,80,72,277	NIL	76,40,407	7,21,008	83,61,415	97,10,862	1,04,31,870	



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	As At 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
Note - 3		
Non-current Investments		
Investment in Immovable Property		
Office Building at Bhilwara, Rajasthan	23,220	23,220
- Gross Value of Carrying Amount	23,220	23,220
Depreciation		
Amount brought forward	2,895	1,495
Addition during the year	1,309	1,399
Accumulated Depreciation	4,204	2,895
Net Carrying Value	19,016	20,325
Fair Value of investment property is Rs 2,33,526/- (P.Y. Rs. 2,33,516/-). The fair value measurement is categorised in level 3 fair value hierarchy.		
Note-5		
Current Tax Assets (Net)		
--Advance Income Tax , TDS (Net of Provision)	NIL	5,83,350
	NIL	5,83,350
Note-6		
Other Non-current Assets		
(Unsecured, considered good)		
Security Deposits	28,000	28,000
	28,000	28,000
Note-7		
Inventories		
Stock-in-trade (Plots)	72,78,700	84,95,044
Finished Row Houses	70,70,050	78,15,354
Finished Shops	8,25,29,099	NIL
Work-in- progress		
-- Commercial Complex under construction	4,80,312	9,24,19,799
	9,73,58,161	10,87,30,196
Note-8		
Trade Receivables		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	9,19,62,749	2,67,28,962
Other Debts	64,25,000	9,81,71,312
	9,83,87,749	12,49,00,274
Note-9		
Cash and Cash Equivalents		
Cash Balance		
Cash on Hand	73,182	64,843
Balance with Bank		
In Current Account	10,52,452	(2,15,12,324)
	11,25,634	(2,14,47,481)
Note-10		
Other Balances with Bank		
In Fixed Deposits maturing between 3-12 months	2,00,000	1,00,000
	2,00,000	1,00,000

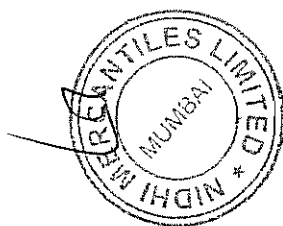
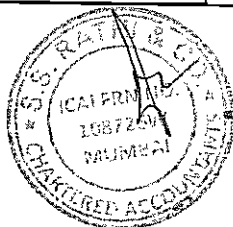


NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	As At 31.03.2019		As At 31.03.2018	
	No. of Sh	Amt (Rs.)	No. of Sh	Amt (Rs.)
Note- 4				
Non-current Investments				
Investment in Equity Instruments				
Non-trade Investments				
Investments measured at fair value through other comprehensive income				
Quoted Equity Shares				
Eq. Sh. of Rs. 10/- each of Sangam India Ltd.*	4898833	32,11,18,503	4898833	58,54,10,544
		<u>32,11,18,503</u>		<u>58,54,10,544</u>
Unquoted Equity Shares				
Eq. Sh. of Rs. 100/- each of Hawamahal Finance Pvt. Ltd.	30000	1,39,63,800	30000	1,37,40,000
Eq. Sh. of Rs. 100/- each of Finworth Investment Pvt. Ltd.	20000	57,89,200	20000	56,91,600
Eq. Sh. of Rs. 10/- each of Laddha Construction Company Pvt.Ltd.	1800	37,620	1800	-
Eq. Sh. of Rs. 10/- each of Parishray Elegancy Pvt. Ltd.	20000	5,97,000	20000	13,18,800
Eq. Sh. of Re. 10/- each of Rebeca Expo Investment Co. Pvt. Ltd.	29500	14,84,735	29500	14,83,555
Eq. Sh. of Rs. 10/- each of Sangam Infratech Ltd.	NIL	NIL	822000	8,04,40,920
Eq. Sh. of Rs. 10/- each of Sapatrishi Commercial Co. Ltd.	22700	1,78,76,250	22700	1,76,66,502
Eq. Sh. of Rs. 10/- each of Sangam Ananya Developers Pvt Ltd.	7500	43,350	7500	49,950
Eq. Sh. of Rs. 20/- each of The A P Mahesh Bank Co-op Bank Ltd.	5000	1,00,000	5000	1,00,000
Eq. Sh. of Rs. 10/- each of Marigold Investrade Pvt. Ltd.	508012	3,26,14,370	508012	3,17,60,910
		<u>7,25,06,325</u>		<u>15,22,52,237</u>
Investments measured at fair value through profit and loss				
Unquoted Pref. Shares				
Pref. Sh. of Rs. 10/- each of Keti Sangam Infrastructure I Ltd.	386200	2,94,15,072	386200	2,68,63,079
		<u>2,94,15,072</u>		<u>2,68,63,079</u>
Total Non-current Investments		<u>42,30,39,900</u>		<u>76,45,25,860</u>
Aggregate book value of quoted investments		<u>32,11,18,503</u>		<u>58,54,10,544</u>
Market value of quoted investments		<u>32,11,18,503</u>		<u>58,54,10,544</u>
Aggregate book value of unquoted investments		<u>10,19,21,397</u>		<u>17,91,15,316</u>

* NIL (P.Y. 9 Lacs) shares pledged with IIFL Wealth Finance Ltd. for credit facility availed by the Company.
Investment are valued at Fair Value as per IND AS policy.



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

As At	As At
31.03.2019	31.03.2018
Amt (Rs.)	Amt (Rs.)

Note -11

Loans

(Unsecured, considered good)
-- Loans to Others

27,47,77,745	23,95,20,101
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<u>27,47,77,745</u>	<u>23,95,20,101</u>
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Note-12

Other Financial Assets

Other Receivables

6,73,741	5,52,948
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<u>6,73,741</u>	<u>5,52,948</u>
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Note-13

Other Current Assets

Advances recoverable in cash or in kind or for value to be received
Interest accrued on Bank Deposits

NIL	9,04,036
21,737	11,634

<u>21,737</u>	<u>9,15,670</u>
---------------	-----------------

Note-14

Equity Share capital

Authorized :

6300000(P.Y. 6300000) Equity Shares of Rs. 2/- (P.Y. Rs. 2/-) each

<u>1,26,00,000</u>	<u>1,26,00,000</u>
--------------------	--------------------

Issued, Subscribed and Paid-up:

6280455 (P.Y. 6280455) Equity Shares of Rs. 2/- (P.Y. Rs. 2/-) each

1,25,60,910	1,25,60,910
-------------	-------------

<u>1,25,60,910</u>	<u>1,25,60,910</u>
--------------------	--------------------

- a. The number of shares and amount outstanding at the beginning and at the end of the reporting year is same.
b. The Company has only one class of equity shares having a par value of Rs. 2/- per share (P.Y. Rs. 2/- per share). Each holder of equity share is entitled to same rights based on the number of shares held.

c. **Shareholding More than 5%**

None of the Shareholders are holding more than 5% of the Share Capital .

Note-15

Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity balance.

A. Summary of Other Equity balance

As At	As At
31.03.2019	31.03.2018
Amt (Rs.)	Amt (Rs.)

a. General Reserve	9,08,59,225	9,08,59,225
b. Retained Earnings	1543690815	1,51,61,09,105
c. Items of Other Comprehensive Income		
- Fair value of Equity Instruments through OCI	(91,13,99,231)	(64,95,61,279)

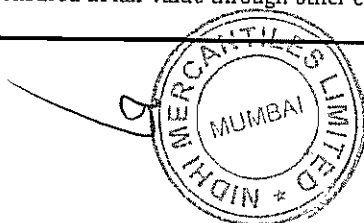
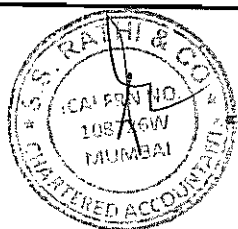
<u>72,31,50,810</u>	<u>95,74,07,051</u>
---------------------	---------------------

B Nature and purpose of reserves

(a) General Reserve: This represent Amalgamation Reserve.

(b) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(c) Equity Instruments through Other Comprehensive Income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option.



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

As At	As At
31.03.2019	31.03.2018
Amt (Rs.)	Amt (Rs.)

Note-16

Non-current Borrowings

Secured loans

Term Loan

-From The A P Mahesh Co-op Bank Ltd	7,87,62,482	10,22,50,920
-From Kotak Mahindra Prime Ltd.	Nil	Nil
	<u>7,87,62,482</u>	<u>10,22,50,920</u>
Less: Amount disclosed under the head Other Current Financial Liabilities (Refer Note 22)	4,00,00,000	3,00,00,000
	<u>3,87,62,482</u>	<u>7,22,50,920</u>

a) The term loan is secured against First Charge on inventory of unsold commercial shops in basement & ground floor and available FSI of 1st & 2nd floor of "Nidhi Trade Centre" Complex on Plot No. 1, Sy. No.143PT, 144/2 PT, Hingoli District, Aurangabad, Maharashtra.

b) The term loan is guaranteed by others.

Terms of Repayment: 14 Equated Quarterly instalments starting from September, 2018. The inventory of unsold units given as security, when sold then the Company has to remit Rs. 1500/- per sq. ft. to the bank for obtaining NOC for release of each shop towards repayment of the term loan which amount will be adjusted against the respective installment.

c) Current maturity of loan due and payable within a year is classified as other current financial liabilities (Note 22)-

Note-17

Other Non-current Financial Liabilities

Security Deposits	28,58,524	26,10,525
	<u>28,58,524</u>	<u>26,10,525</u>

Note-19

Other Non-current Liabilities

Deferred Income	13,49,618	16,19,541
	<u>13,49,618</u>	<u>16,19,541</u>

Note-20

Current Borrowings

Secured Loan		
Term Loan from IIFL Wealth Finance Ltd.**	Nil	3,54,06,457
	<u>Nil</u>	<u>3,54,06,457</u>

**Secured against pledge of investment interalia in NIL (P.Y. 9 Lacs) equity shares of Sangam (India) Ltd.

Note-21

Trade Payables

Due to Micro Enterprises & Small Enterprises	Nil	Nil
Due to Others (including Acceptances)	68,40,996	84,59,074
	<u>68,40,996</u>	<u>84,59,074</u>

Note-22

Other Current Financial Liabilities

Current maturity of long-term borrowings (Refer Note 16)	4,00,00,000	3,00,00,000
Interest accrued on borrowings	9,92,072	12,44,142
Other Payables	4,62,201	4,27,358
	<u>4,14,54,273</u>	<u>3,16,71,500</u>

Note-23

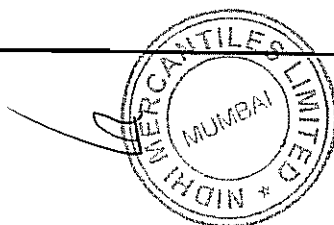
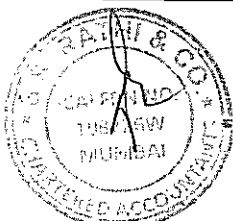
Other Current Liabilities

Statutory dues	1,02,207	2,78,125
Advance received from Customers	6,91,27,124	8,72,12,662
Other Payables	8,82,179	3,95,391
	<u>7,01,11,510</u>	<u>8,78,86,178</u>

Note-24

Current Tax Liabilities (Net)

Provision for Tax (net of taxes paid)	65,67,381	1,71,99,571
	<u>65,67,381</u>	<u>1,71,99,571</u>



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note- 18 -INCOME TAXES

A. The major components of income tax expense for the year are as under

	Year ended 31.03.2019 Amt(Rs.)	Year ended 31.03.2018 Amt(Rs.)
I. Income Tax Expenses recognised in the Statement of Profit and Loss		
Current tax		
In respect of Current year	89,87,053	1,90,52,666
Adjustments/(credits) related to previous years - (net)	6,87,061	3,47,810
Deferred tax		
In respect of current year	7,774	(2,01,874)
Income Tax Expenses recognised in the Statement of Profit and Loss	96,81,889	1,91,98,602

B. RECONCILIATION OF EFFECTIVE TAX RATE

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

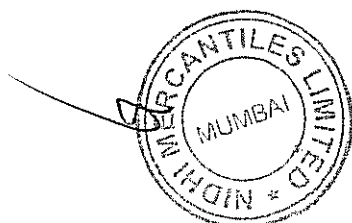
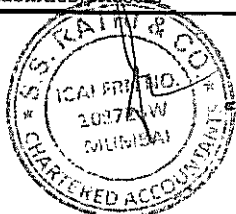
	Year ended 31st March, 2019	Year ended 31st March, 2018
Statutory income tax rate	27.820%	33.063%
Profit before tax	3,72,63,599	6,22,34,894
Income tax as per above rate	1,03,66,733	2,05,76,723
Adjustments:		
Expenses not deductible for tax purposes	10,70,201	30,56,030
Tax effect due to exempt income	-13,66,611	-33,63,488
Tax benefits for income assessed under house property	-3,59,796	-4,32,662
Effect of Investment measured at FVTPL	-7,09,964	-7,70,562
Rental Income on a/c of measurement of lease deposits at fair value	-75,093	-89,245
Deferred tax credit for the year	Nil	-2,01,874
Finance costs on a/c of measurement of lease deposit at fair value	68,994	74,882
Others	364	988
Income tax as per statement of profit and loss	89,94,828	1,88,50,792
Adjustments in respect of current income tax of previous year	6,87,061	3,47,810
Income tax as per statement of profit and loss	96,81,889	1,91,98,602

C. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:
As at 31st March, 2019

Particulars	Balance Sheet 1.4.2018 Amt (Rs.)	Profit and Loss Amt (Rs.)	Balance Sheet 31.03.2019 Amt (Rs.)
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961.	(10,68,379)	(7,774)	(10,76,153)
Deferred Tax (Expense)/Benefit		(7,774)	
Deferred Tax (Liabilities)/Assets	(10,68,379)		(10,76,153)

As at 31st March, 2018

Particulars	Balance Sheet 1.4.2017 Amt (Rs.)	Profit and Loss Amt (Rs.)	Balance Sheet 31.03.2018 Amt (Rs.)
Difference between written down value of fixed assets as per the books of accounts and Income Tax Act,1961.	(12,70,253)	2,01,874	(10,68,379)
Deferred Tax (Expense)/Benefit		2,01,874	
Deferred Tax (Liabilities)/Assets	(12,70,253)		(10,68,379)



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

As At 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
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Note-25

Contingent Liabilities and Commitments

- a. Corporate guarantees issued-Rs. 313 Crs. (P.Y. Rs. 313 Crs.)
- b. Demand raised by the Sales Tax Department under the provisions of BST Act, 1959 for F.Y.2004-05 of Rs. 12,54,693/- (P.Y. Rs. 12,54,693/-) which is disputed by the Company in 2nd appeal. After the close of the year, the Company has filed an application on 21.05.2019 for withdrawal of the appeal and to avail the benefit under the under Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late fee Ordinance, 2019 and will pay Rs. 3,99,029/- as full and final settlement of the said demand.

Note-26

Revenue from Operations

Sales of Products

Real Estate:

--Shop Sales

--Row Houses

Trading:

--Plots Sales

--Trading Goods

Year ended 31.03.2019 Amt (Rs.)	Year ended 31.03.2018 Amt (Rs.)
3,00,20,000	Nil
15,00,000	10,57,20,200
40,20,000	78,80,000
Nil	2,72,48,523
3,55,40,000	14,08,48,723

Note-27

Other Income

- Rent Income
- Rent on amortisation of Security Deposits
- Interest Earned
- Miscellaneous Income
- Dividend - on Non-current Investments
- Investments measured at fair value through profit & loss

43,11,000	43,62,000
2,69,924	2,69,924
2,35,26,913	25687503
6,75,000	6,88,079
49,12,333	10172966
25,51,993	23,30,587
3,62,47,162	4,35,11,059

Note-28

Cost

Work in Progress

Opening work-in-progress

- Row houses under construction

- Commercial Complex under construction

Nil	7,71,88,134
9,24,19,799	4,95,37,586
9,24,19,799	12,67,25,721

Add : Addition to work-in-progress during the year

- Row houses under construction

- Commercial Complex under construction

Nil	(2,93,107)
46,02,336	4,28,82,213
9,70,22,135	16,93,14,826

Less : Closing Work in Progress

- Commercial Complex under construction

- Transferred to Finished Stock- Row Houses

- Transferred to Finished Stock- Shops

4,80,312	9,24,19,799
Nil	78,15,354
8,25,29,099	Nil
8,30,09,411	10,02,35,153

1,40,12,724	6,90,79,674
--------------------	--------------------

Note-29

Changes-in-Inventories

Opening Stock-in-trade (Plots)

Opening Stock of Finished Row Houses

84,95,044	1,01,17,400
78,15,354	Nil

Add: Transferred from Work-in-Progress

1,63,10,397	1,01,17,400
8,25,29,099	78,15,354
(1) 9,88,39,497	1,79,32,754

Closing Stock-in-trade (Plots)

Closing Stock of Finished Row Houses

Closing Stock of Finished Shops

72,78,700	84,95,044
70,70,050	78,15,354
8,25,29,099	Nil
(2) 9,68,77,849	1,63,10,397

(1)-(2) 19,61,648 16,22,356

Inventory comprises of unsold commercial shops in basement & ground floor of "Nidhi Trade Centre" Complex are mortgaged to lender for availing term loan [refer note 16(a)]

Note-30

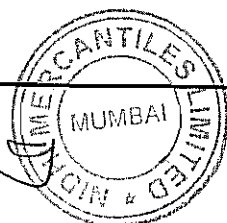
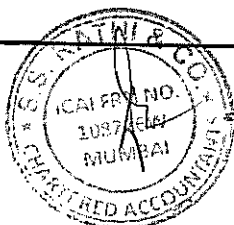
Employee Benefits Expenses

Salary

Director's Remuneration

Staff Welfare

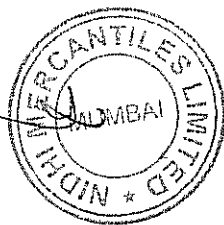
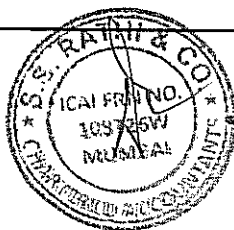
12,79,211	10,46,416
12,54,000	11,04,000
27,837	12,604
25,61,048	21,63,020



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	As At 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
	Year ended 31.03.2019 Amt (Rs.)	Year ended 31.03.2018 Amt (Rs.)
Note-31		
Financial Costs		
Interest on Borrowings	1,41,94,966	16021272
Interest on delayed payment of Statutory Dues	NIL	30,187
Interest on deferment of advance tax	10,42,619	25,70,707
Other Finance Costs	2,48,000	11,56,484
	<u>1,54,85,584</u>	<u>1,97,78,650</u>
Less : Transferred to Project Work-in-progress	35,73,634	19,08,435
	<u>1,19,11,950</u>	<u>1,78,70,215</u>
Note-32		
Depreciation		
- on Property, Plant and Equipments (Note 2)	6,09,888	7,21,008
- on Investment Property (Note 3)	1,309	1,399
	<u>6,11,197</u>	<u>7,22,407</u>
Note-33		
Other Expenses		
Advertisement Expenses	1,19,550	1,41,906
Remuneration to Auditors'		
- For Audit	76,040	59,000
- For Tax Audit	10,000	10,000
- For Other Matters	45,400	NIL
Professional Fees	1,18,928	2,64,418
Legal Charges	50,000	10,000
Society Maintenance Charges	3,26,952	3,22,411
Property tax	2,28,634	2,21,371
Electricity Charges	5,97,630	6,81,910
Demat Charges	43,059	1,45,387
Custodial Fees	53,956	82,800
Conveyance & Vehicle Running Expenses	39,120	55,741
Bank Charges	4,054	11,701
Telephone Expenses	87,595	1,03,541
Miscellaneous Expenses / office Expenses	1,65,592	1,05,525
Travelling Expenses	5,682	44,725
Listing Fees	29,500	28,750
Insurance	30,242	33,719
Business Promotion Expenses	NIL	30,000
Computer Repairs & Maintenance	10,500	10,500
Software Expenses	NIL	10,800
ROC Filing Fees	3,600	10,200
Repairs & Maintenance	1,18,962	NIL
Corporate Social Responsibility Expenses	13,00,000	13,00,000
	<u>34,64,996</u>	<u>36,84,405</u>



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

Note 34

FINANCIAL INSTRUMENTS

ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

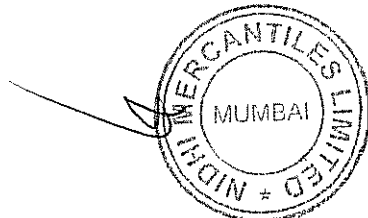
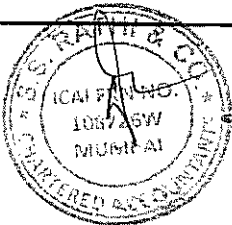
The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

	Carrying value /Fair value		Level
	As at	As at	
	31st March , 2019 Amt.(Rs.)	31st March, 2018 Amt.(Rs.)	
FINANCIAL ASSETS			
Financial assets measured at fair value			
Investments measured at			
i. Fair value through other income	39,36,24,829	73,76,62,781	Quoted Equity Investment- Level 1; Unquoted Equity investment- Level-3
Financial assets measured at amortised cost/ carrying amount			
Investments	2,94,15,072	2,68,63,079	
Trade Receivables	9,83,87,749	12,49,00,274	
Cash and Cash Equivalents	11,25,634	(2,14,47,481)	
Other Balances with Bank	2,00,000	1,00,000	
Loans	27,47,77,745	23,95,20,101	
Other Financial Assets	6,73,741	5,52,948	
	79,82,04,769	1,10,81,51,702	
FINANCIAL LIABILITIES			
Financial Liabilities measured at amortised cost			
Borrowings	3,87,62,482	10,76,57,377	
Trade Payables	68,40,996	84,59,074	
Security Deposits	28,58,524	26,10,525	
Other Financial Liabilities	4,14,54,273	3,16,71,500	
	8,99,16,275	15,03,98,476	



NIDHI MERCANTILES LIMITED
Notes to the financial statements for the year ended 31st March, 2019

Note 35

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

- (i) **Credit Risk:** Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in securities, loan given to corporate parties, trade receivables, unbilled work-in-progress, and cash and cash equivalents.

The carrying amounts of financial assets represent the maximum credit exposure.

Trade Receivables:

Real Estate Business: The Company's trade receivables does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and there are no recoveries from receivables previously written off.

Trading Business: The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank guarantee/letter of credit or security deposits.

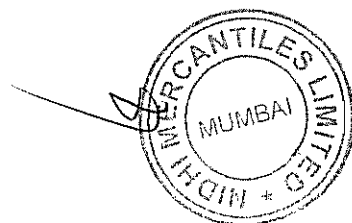
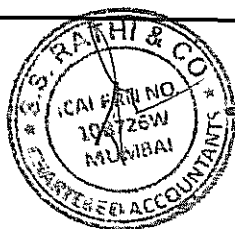
Rental Business: Credit risk is almost negligible in case of rental business as Company holds security deposits equivalents ranging from three to six months rentals.

Based on the historical data, loss on collection of receivable is not material hence no additional provision is made.

Ageing of Account receivables :	31.03.2019	31.03.2018
	Amt (Rs.)	Amt (Rs.)
Outstanding for a period exceeding six months from the date they are due for payment	9,19,62,749	2,67,28,962
Other Debts	64,25,000	9,81,71,312
TOTAL	9,83,87,749	12,49,00,274

- (ii) **Liquidity Risk :** Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management and finance department is responsible for liquidity, funding as well as settlement management. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates.

Maturities of financial liabilities: The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

31-Mar-19	Less than 1 year Amount (Rs.)	1-5 years Amount (Rs.)	Total Amount (Rs.)
Borrowings	4,00,00,000	3,87,62,482	7,87,62,482
Trade Payables	68,40,996	Nil	68,40,996
Other Financial Liabilities	14,54,273	28,58,524	43,12,797
Total	4,82,95,269	4,16,21,006	8,99,16,275
31-Mar-18	Less than 1 year Amount (Rs.)	1-5 years Amount (Rs.)	Total Amount (Rs.)
Borrowings	6,54,06,457	7,22,50,920	13,76,57,377
Trade Payables	84,59,074	Nil	84,59,074
Other Financial Liabilities	16,71,500	26,10,525	42,82,025
Total	7,55,37,031	7,48,61,445	15,03,98,476

(iii) Market risk : Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to interest rate risk and the market value of certain commodities. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure to these risks in Company's revenues and costs.

a. Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk: The Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	31.03.2019 Amt (Rs.)	31.03.2018 Amt (Rs.)
Fixed-rate instruments- Financial Liabilities	7,87,62,482/-	13,76,57,377/-

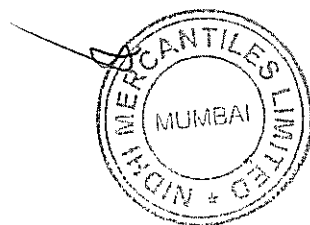
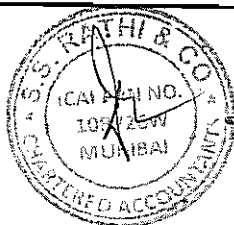
b. Foreign Currency Risk: The Company's foreign currency exposure is NIL.

c. Commodity Price Risk:

The Company's activities are exposed to steel and cement price risks and therefore its overall risk management program focuses on the volatile nature of the steel and cement market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

d. Equity Price Risks:

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade in these investments.



NIDHI MERCANTILES LIMITED

Notes to the financial statements for the year ended 31st March, 2019

(iv) Regulatory risks:

The Company is exposed to risks attached to various statutes, laws and regulations including the Competition Act. The Company is mitigating these risks through regular review of legal compliances carried out through internal scrutiny as well as external compliance audits.

(v) Capital management

The Company's policy is to maintain a strong capital base so as to safeguard their ability to continue as a going concern and maintain an optimal capital structure to reduce the cost of capital.

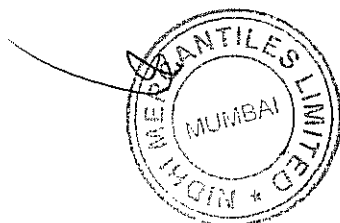
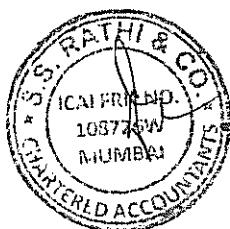
The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Net Gearing Ratio at the end of the reporting period was as follows:

Particulars	31.03.2019	31.03.2018
Net Debt	7,86,28,920	16,03,49,000
Total Equity	73,57,11,720	96,99,67,961
Net Debt to Equity ratio	0.11	0.17

* Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents.



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-36

Segment Reporting

The Company has identified business segments as its primary segment and since Company only operates in India, geographic segments are not applicable. The Company has identified two reportable business segments viz. Trading & Real Estate Development Segments in line with Ind AS-108 'Operating Segement' issued by the Institute of Chartered Accountants of India, taking into account nature of products and services, the different risks and returns and internal organisation & management. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

Primary Segment Information:

Particulars	Trading		Real Estate Development		Unallocable		Amount Rs. in Lacs	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	Total	
A. REVENUE								
- External Sales	40.20	351.29	315.20	1057.20				
- Inter-segment Sales	Nil	Nil	Nil	Nil	Nil	Nil	355.40	1408.49
Total Revenue	40.20	351.29	315.20	1057.20	Nil	Nil	Nil	Nil
							355.40	1408.49
B. RESULTS								
- Segment result before interest and tax	28.04	65.23	203.36	385.49				
- Finance Costs	Nil	Nil	(35.74)	(19.08)	296.10	369.41	527.49	820.14
					(119.12)	(178.70)	(154.86)	(197.79)
Profit before Tax								
- Taxes							372.64	622.35
							(96.82)	(191.99)
Net Profit	28.04	65.23	167.62	366.41	176.98	190.71	275.82	430.36
C. OTHER INFORMATION								
- Segment Assets	75.96	352.24	1881.50	1979.26	7089.87	9949.90	9047.33	12281.40
- Segment Liabilities	520.04	595.79	457.07	642.21	713.10	1343.72	1690.21	2581.72
- Segment Depreciation	-	-	-	-	6.11	7.22	6.11	7.22

Notes :

- Trading Segment includes sale & purchase of traded items mainly TMT Bars & Plots.
- Real Estate Development Segment includes the business of development and sale of real estate.
- Unallocable amount includes expenditure incurred & income received for the Company as a whole.
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments.
- Investment, Tax related assets & other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Note-37

Related Party Transaction

i. List of Related Parties with whom transaction have taken place & Relationship:

Name of the Related Parties

Sejal Sagar Modi
Riddhi Vakharia

Relationship

Key Managerial Person (Managing Director)
Key Managerial Person (CFO & CS appointed on 30.05.2017)

ii. Transaction with Related Parties during the year :-

Key Management Personnel

Salary

Director's Remuneration

Amt(Rs.)

2018-19

7,23,500

12,54,000

Amt(Rs.)

2017-18

6,57,500

11,04,000

iii. Balance outstanding at the year end is as under :

Key Management Personnel

Director's Remuneration Payable

Salary Payable

Conveyance Allowance Payable

67,500

57,688

17,000

46,000

50,229

17,000

Note-38

Earnings Per Share (EPS)

a) Weighted Average Number of Equity Shares outstanding during the year

2018-19

6280455

2017-18

6280455

b) Net Profit after tax available for Equity Shareholders (Rs.)

2,75,81,710

4,30,36,291

c) Basic and Diluted Earnings Per Share (Rs.)

4.39

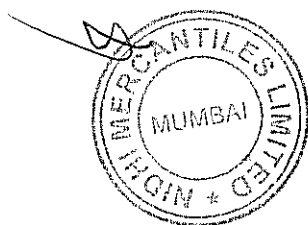
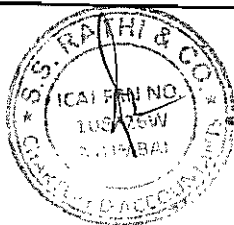
6.85

d) Nominal Value per Share (Rs.)

2/-

2/-

The Company does not have any outstanding dilutive potential equity shares.



NIDHI MERCANTILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-39

Revenue from Contracts with Customers

i) Revenue from Operations	2018-19	2017-18
	Amt(Rs.)	Amt(Rs.)
Revenue from contract with customers	3,15,20,000	10,57,20,200

ii) Contract Balances

The table that provides information about receivables and contract liabilities from contract with customers is as follows:

	Amt(Rs.)
	2018-19
Trade Receivables	9,80,70,562
Contract Liabilities	1,91,27,124

Changes in the contract liabilities balances during the year is as follows:

	Amt(Rs.)
	2018-19
Opening Balance	2,89,94,124
Less : Revenue recognised during the year from balance at the beginning of the year	1,38,92,000
Add : Advance received during the year not recognised as revenue	40,25,000
	<u>1,91,27,124</u>

Note-40

Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend Rs. 13.41 lacs (P.Y. Rs. 12.20 lacs) on Corporate Social Responsibility (CSR) activities.

	2018-19			2017-18		
	In Cash	Yet to be Paid in Cash	Total	In Cash	Yet to be Paid in Cash	Total
Amount spent during the year on:						
Construction of Hostel for Higher Education	1200000	41000	1241000	1000000	Nil	1000000
Upliftment of backward caste in rural areas.	Nil	Nil	Nil	300000	Nil	300000
Skill Development Institute by Pradhan Mantri Yojana	100000	Nil	100000	Nil	Nil	Nil
	<u>1300000</u>	<u>41000</u>	<u>1341000</u>	<u>1300000</u>	<u>Nil</u>	<u>1300000</u>

Note-41

Previous year figures

Previous Year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosures.

As per our report of even date

For S. R. Rath & Co
Chartered Accountants
(Firm Regn. No. 108726W)



D. P. Rath
Partner
M. No. 042068

Place : Mumbai
Dated : 30th May, 2019

For and on Behalf of Board of Directors
For Nidhi Mercantiles Limited

Sejal Sagar Modi
Sejal Sagar Modi
Managing Director
DIN: 06684211

Riddhi Vakharia
Riddhi Vakharia
Company Secretary & CFO

Ladhu Lal Sgani
Ladhu Lal Sgani
Director
DIN: 00131787

Ramesh Chandra Banger
Ramesh Chandra Banger
Director
DIN: 01269363

NIDHI MERCANTILES LIMITED

Regd. Off: B/306-309, Dynasty Business Park, Opp. Sangam Cinema, Andheri (E), Mumbai - 400 059.
CIN : L51909MH1985PLC138577, Tel. No. : 022- 61115222, Fax no.022-28227865, Email id: nml.mumbai@gmail.com

ATTENDANCE SLIP
33RD ANNUAL GENERAL MEETING
Monday, September 30th, 2019

Registered Folio/
DP ID and Client ID.

Name and address of the
Sole/ First Shareholder

Joint Holder 1

Joint Holder 2

I/ We hereby record my /our presence at the 33rd ANNUAL GENERAL MEETING of the Company on Monday, September 30th, 2019 at B/306-309, Dynasty Business Park, Opp. Sangam Cinema, Andheri (E), Mumbai - 400059 at 01:00 p.m.

Member's folio /DP ID client
ID No.

Member's /Proxy name in Block
Letters.

Members/Proxy Signature

NOTES:

1. Please complete the folio /DP ID/ Client ID No. and the name of the Member/ Proxy, sign this Attendance slip and hand it over, duly signed, at the entrance of the Meeting Hall.
2. Shareholder/ Proxy holder desiring to attend the meeting should bring his/ her copy of the Annual Report for reference at the meeting.

NIDHI MERCANTILES LIMITED

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(Annexure to the Notice for the 33rd Annual General Meeting of the Company to be held on Monday, 30th September, 2019)

Name & Registered Address
of Sole/First named Member :

Joint Holders Name (If any) :

Folio No. / DP ID & Client ID :

No. of Equity Shares Held :

Dear Shareholder,

Subject: Process and manner for availing E-voting facility:

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on **Monday, 30th September, 2019 at 01:00 p.m.** registered office of the Company at B/306-309, Dynasty Business Park, Opp. Sangam cinema, Andheri (E), Mumbai (M.H.) - 400059 and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

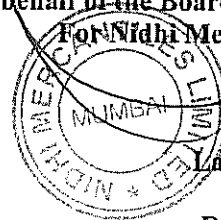
EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.
190826035		

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
27 th September, 2019 at 9:00 A.M. (IST)	29 th September, 2019 at 5:00 P.M. (IST)

Please read the instructions mentioned in the Notice of the AGM before exercising your vote.

For and on behalf of the Board of Directors
For Nidhi Mercantiles Ltd.



Ladhu Lal Soni
Chairman
DIN: 00131787

Place: Mumbai
Date : 04th September, 2019

Encl: AGM Notice/Attendance Slip/Proxy Form/Annual Report.

NIDHI MERCANTILES LIMITED

Regd. Off: B/306-309, Dynasty Business Park, Opp. Sangam Cinema, Andheri (E), Mumbai - 400 059.
CIN : L51909MH1985PLC138577, Tel. No. : 022- 61115222, Fax no.022-28227865, Email id: nml.mumbai@gmail.com

FORM MGT-11

PROXY FORM

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

33rd ANNUAL GENERAL MEETING (Monday, September 30th, 2019)

Name of the member (s) :

Registered address:

Email id:

Folio No./DP. ID Client ID no.

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name

Address:

E mail id:

Signature: _____ or failing him/her

2. Name

Address:

E mail id:

Signature: _____ or failing him/her

As my/or proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on **Monday, September 30th, 2019 at 01:00 p.m.** at the registered office of the company and any adjournment thereof in respect of the resolutions as are indicated below:-

Resolution No.	Description of Resolution	For	Against
Ordinary Business			
01	To approve and adopt Audited Financial statement for the year ended 31 st March, 2019 and reports of the Board of Directors and Auditors thereon.		
02	To Re-appoint Mr. Ladhu Lal Soni (DIN: 00131787), who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
03	To appoint Mr. Ramesh Chandra Banger (DIN: 01269363) as an Independent Director of the Company to hold office for Second Term upto the Conclusion of the 38 th Annual General Meeting of the Company.		
04	To appoint Mr. Shiv Raj Sharma (DIN: 08416019) as an Independent director upto the Conclusion of the 38 th Annual General Meeting of the Company.		

Affixed
Revenue
Stamp of Rs. 1

Signed this _____ day of _____, 2019.

Signature of the shareholder: _____

Signature of the proxy holder

NOTE:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY WITHIN 48 HOURS FROM THE COMMENCEMENT OF THE MEETING.

FORM NO. MGT- 12

POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: NIDHI MERCANTILES LIMITED		
Registered Office:	B/306-309, Dynasty Business Park, Opp. Sangam Cinema, A.K. Road, Andheri (E), Mumbai (M.H.) - 400059	
CIN:	L51909MH1985PLC138577	
BALLOT PAPER (To be returned to the Scrutinizer appointed by the Company)		
Sr. No.	Particulars	Details
1.	Name (s) of the Member(s)	
2.	Registered Address of the Members	
3.	Registered Folio No/ DP ID/ Client ID:	

I/We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the 33rd Annual General Meeting of the Company to be held on **Monday, September 30th, 2019** at **01:00 p.m.** at B/306-309, Dynasty Business Park, Opp. Sangam Cinema, A.K. Road, Andheri (E), Mumbai (M.H.) - 400059 in respect of the businesses as stated in the Notice dated **04th September, 2019** by conveying my / our assent or dissent to said resolution (s) by placing the tick (✓) mark in the box against the respective matters.

Sr. No.	Resolutions	No. of Shares held	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
Ordinary Business :				
1.	To approve and adopt Audited Financial statement for the year ended 31st March, 2019 and reports of the Board of Directors and Auditors thereon.			
2.	To Re-appoint Mr. Ladhu Lal Soni (DIN: 00131787) , who retires by rotation and being eligible, offers himself for re-appointment.			
Special Business:				
3.	To appoint Mr. Ramesh Chandra Banger (DIN: 01269363) as an Independent Director of the Company to hold office for Second Term upto the Conclusion of the 38th Annual General Meeting of the Company.			
4.	To appoint Mr. Shiv Raj Sharma (DIN: 08416019) as an Independent director upto the Conclusion of the 38th Annual General Meeting of the Company.			

Place: Mumbai

Date:

Signature of the Member

NIDHI MERCANTILES LIMITED

Regd. Off: B/306-309, Dynasty Business Park, Opp. Sangam Cinema, Andheri (E), Mumbai- 400059.
CIN: L51909MH1985PLC138577, Tel. No. : 022- 61115222, Fax no.022-2822-7865.

FOR KIND ATTENTION OF SHAREHOLDERS**Dear Shareholders,**

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the Company needs to update its 'Register of Members' to incorporate certain new details, as are required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No. 17/2011 dated 21/04/2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We, therefore request you to furnish the following details for updation of Register of Members and enable the Company to send all communication to you through electronic mode:

Folio No.	
Name of the Member	
Father's/Mother's/Spouse's Name	
Address (Registered Office Address in case the Member is a Body Corporate)	
E-mail Id	
PAN or CIN	
UIN (Aadhar Number)	
Occupation	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Date of birth of the Member	

Date:
Place:

Signature of the Member

If Undelivered, please return to:

Nidhi Mercantiles Limited

B/306-309, Dynasty Business Park,

Opp. Sangam cinema, Andheri (E),

Mumbai (M.H) - 400059