

ANNUAL REPORT

2014-2015

ADARSH MERCANTILE LIMITED

ADARSH MERCANTILE LIMITED

BOARD OF DIRECTORS

POTHERA NARAYANAN
GAUTAM AGARWALA
SUCHITA CHHAWCHHARIA
SUNDAR LAL MOHTA

CHIEF FINANCIAL OFFICER

SOURABH RUNGTA

COMPANY SECRETARY

KALPANA TEKCHANDANI

COMPANY IDENTIFICATION NUMBER

L51109WB1992PLC055082

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REGISTRAR

NICHE TECHNOLOGIES PRIVATE LIMITED
D-511, BAGREE MARKET, 71, B.R.B.B
ROAD, 5TH FLOOR, KOLKATA-700001

AUDITORS

S RAY & CO.
CHARTERED ACCOUTANTS
21A, SHAKESPEARE SARANI, FLAT 8C, 8TH
FLOOR, KOLKATA 700017

REGISTERED OFFICE

8A & 8B, SATYAM TOWERS
3, ALIPORE ROAD
KOLKATA – 700 027

ADARSH MERCANTILE LIMITED

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of M/s. **ADARSH MERCANTILE LIMITED** will be held at the Registered Office of the Company at 8A & 8B, Satyam Towers, 3, Alipore Road, Kolkata – 700027 on Tuesday the 29th day of September, 2015 at 11.00 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement of the Company including Audited Balance Sheet as at 31st March, 2015, Audited Profit & Loss Account and the Cash Flow statement for the year ended as on that date together with Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Suchita Chhawchharia (DIN 00044063), who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company until the conclusion of next AGM and to fix their remuneration and in this respect, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee of the Company, the appointment of M/s. Ray & Co., Chartered Accountants (Registration No. 313124E), as the Statutory Auditors of the Company, be and is hereby ratified to hold office of Auditors from the conclusion of this Annual General Meeting (AGM) until the conclusion of next Annual General Meeting and the Board of Directors be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS:

4. APPOINTMENT OF MRS. SUCHITA CHHAWCHHARIA AS AN EXECUTIVE DIRECTOR

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

“ RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mrs. Suchita Chhawchharia (holding DIN 00044063), as an Executive Director and also designated as Key managerial personnel (KMP), of the Company for a period of 3 (three) years with effect from 1st April, 2015 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with liberty to the Board to alter and vary the terms and conditions

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of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mrs. Suchita Chhawchharia, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. APPOINTMENT OF MR. SUNDAR LAL MOHTA AS AN INDEPENDENT DIRECTOR

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

“**RESOLVED THAT** pursuant to Section 149, 152 and 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Mr. Sundar Lal Mohta (holding DIN 05122250), be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) years from March 31, 2015 till March 30, 2020 and shall not be liable to retire by rotation.”

6. APPOINTMENT OF MR. NARAYANAN POTHERA AS AN INDEPENDENT DIRECTOR

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

“**RESOLVED THAT** pursuant to Section 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Mr. Narayanan Pothera (holding DIN 01245854), be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto March 30, 2020 and shall not be liable to retire by rotation.”

*By Order of the Board of Directors
For Adarsh Mercantile Limited*

*Kalpana Tekchandani
Company Secretary*

Place: Kolkata

Date: 14th August, 2015

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxies to be effective must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. **A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBERS HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.**
4. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
5. The Register of Members and Transfer Books of the Company will be closed from 23.9.2015 to 29.9.2015 (both days inclusive) for the AGM and for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
6. There is no un-paid or un-claimed dividend for any of the dividend declared in the earlier years.
7. Members holding shares in physical form are requested to intimate, indicating their respective folio number, the change of their addresses, the change of Bank Accounts etc. to M/s Niche Technologies Pvt. Ltd., D511, Bagri Market, 71, B.R.B. Basu Road, Kolkata – 700 001, the Registrar and Transfer Agents of the Company, while members holding shares in electronic form may write to their respective Depository Participant for immediate updation, so as to enable the Company to dispatch dividend warrants to the correct address.
8. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
9. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. **The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the Annual Reports, Notices and other communications via email. All the physical shareholders who have not registered their e-mail addresses so far are requested to register their e-mail address for**

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receiving all communication including Annual Report, Notices, etc. from the Company, electronically.

12. 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.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant(s) and Members holding shares in physical form are requested to submit their PAN details to the Company/R&TA.

14. All Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all the working days during business hours upto the date of meeting.

15. Voting Through Electronic Means

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 Clause 35B of the Listing Agreement, 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.

III. The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period commences on 26th September, 2015 (10:00 am) and ends on 28th September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.

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- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (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 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p>
BANK ACCOUNT NUMBER (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none">Please Enter the DOB or Bank Account Number in order to Login.If both the details are not recorded with the depository or company then please enter the member-id/ folio number in the Bank account number details field as mentioned in above instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 “Adarsh Mercantile Limited” on which you choose to vote.

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- (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 same 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) Note for Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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 they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xix) 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
15. 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 santibrewalla@gmail.com with a copy mark to helpdesk.evoting@cdslindia.com on or before 28.9.2015 upto 5.00 p.m. without which the vote shall not be treated as valid.
16. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2015.

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17. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 22nd September, 2015 are requested to send the written / email communication to the Company at www.adarshmercantile.in and to the RTA at nichetechpl@nichetechpl.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
18. The shareholders shall have one vote per equity share held by them as on the cut-off date of 22nd September, 2015. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
19. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.
20. However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.
21. Mr. Santosh Kumar Tibrewalla, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 3(three) days of conclusion of the meeting make a consolidated scrutinizer's Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.
22. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adarshmercantile.in and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to The Bombay Stock Exchange Limited, where the shares of the Company are listed.
23. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Annexure as referred to in the notes of the notice

Item No. 4

The Board at its meeting held on 31st March, 2015, has appointed, Mrs. Suchita Chhawchharia as an Executive Director designated as Key managerial personnel (KMP) for a period of 3 (three) years commencing from 1st April, 2015 subject to the approval of members by a special resolution in the ensuing Annual General Meeting on the following remuneration, perquisites and other terms & conditions as recommended by the Nomination and Remuneration Committee -

1. Salary: Rs. 10,000/- per month.

2. Other Terms

- (i) The Executive Director, as long as she functions as such, shall not be paid any sitting fee for attending meeting of the Board of Directors of any Committee thereof.
- (ii) Either party may terminate the agreement by giving 3 (Three) months notice to other party in writing or remuneration in lieu thereof without showing any reason.

Mrs. Suchita Chhawchharia shall not be liable to retire by rotation unless any of the provisions of the Act requires her retirement by rotation during his tenure as an Executive Chairman.

Mrs. Suchita Chhawchharia aged about 36 years, has completed her MBA in marketing from Pune and has vast experience in the financial sector. She has rich and varied experience in the field of Accounts, Finance, Investment and Fund Management. She is an independent thinker and a measured risk taker. Presently she is acting as an Executive Director of the Company and looking after all the business operation.

Mrs. Suchita Chhawchharia does not hold any equity shares of the Company.

In view of the provision of section 197(3) and Part II of Schedule V of the Companies Act, 2013 where in any financial year during the currency of tenure of a managerial person, a Company has no profit or its profit are inadequate the appointment of a person as managerial personnel is to be approved by the members by passing a special resolution.

A Statement as per Schedule V (third proviso of Section II of Part II) in respect of appointment of Mrs. Suchita Chhawchharia as an Executive Director is annexed hereto which forms part of this explanatory statement.

Except Mrs. Suchita Chhawchharia, none of the Directors or any key managerial personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid resolution.

The Board recommends the special resolution as set forth in Item no. 4 for the approval of the members of the Company.

The letters of Appointment issued to Mrs. Suchita Chhawchharia setting out the terms of her appointment is open for inspection at the Registered Office of the Company by any members