

ANNUAL REPORT

2016-2017

ADARSH MERCANTILE LIMITED

ADARSH MERCANTILE LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS

SUCHITA CHHAWCHHARIA, Executive Director
ARITRA BASU, Non-Executive Director
SUNDAR LAL MOHTA, Independent Director
MANISH KHAITAN, Independent Director

CHIEF FINANCIAL OFFICER

MR. SHIV SHANKAR SHARMA
(w.e.f. 01.07.2016)

COMPANY SECRETARY

MS. ARPITA DEY
(w.e.f. 16.01.2017)

COMPANY IDENTIFICATION NUMBER

L51109WB1992PLC055082

REGISTRAR

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

STATUTORY AUDITORS

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

SECRETARIAL AUDITOR

SANTOSH KUMAR TIBREWALLA
5A, N. C. DUTTA SARANI,
KOLKATA – 700001

REGISTERED OFFICE

8A & 8B, SATYAM TOWERS,
3, ALIPORE ROAD,
KOLKATA – 700027

ADARSH MERCANTILE LIMITED

NOTICE

NOTICE is hereby given that the 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 Friday, the 22nd day of September, 2017 at 2.00 P.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company which comprises of Balance Sheet as at 31st March, 2017, 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 Mr. Aritra Basu (holding DIN : 06779222), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company until the conclusion of 3 (three) Annual General Meeting to hold Office from the conclusion of this Annual General Meeting of the Company and to authorize the Board of Directors 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 and 142 of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Company, M/s. Ray & Co., Chartered Accountants (Registration No. 313124E), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of AGM to be held for the F.Y. 2019-20 (subject to ratification of the appointment by the members at every AGM held after this AGM) and the Board of Directors be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS :

4. **RE-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 and 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 of the Company and also designated as Key Managerial Personnel (KMP), for a period of 3 (three) years with effect from 1st April, 2018 on the terms and conditions including remuneration as set out in the Statement annexed

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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 of the said re-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.

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

By Order of the Board of Directors

For Adarsh Mercantile Limited

Sd/-

Arpita Dey

Company Secretary

Place: Kolkata

Date: 19.08.2017

NOTES:

1. 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.
2. The profile of the Directors seeking appointment/ re-appointment, as required in terms of applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange and Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. **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.**
5. The instrument appointing proxy must be duly stamped, completed, dated, signed and deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. The instrument of proxy is valid only for the Annual General Meeting and any adjournment thereof. A proxy form is enclosed.
6. 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 authorizing their representative to attend and vote on their behalf at the Meeting.

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7. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. The proxy shall carry his / her / their Identity proof for attending the meeting to proof his/her/their credentials in terms of the Secretarial Standards.
8. 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.
9. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 18.08.2017.
10. 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. 15.09.2017 are requested to send the duly signed written / email communication to the Company at adarshmercantile@gmail.com 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.
11. 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 i.e. 15.09.2017. A person who is not a member as on cut-off date should treat this notice for information purpose only.
12. The shareholders shall have one vote per equity share held by them as on the cut-off date i.e. 15.09.2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
13. Members holding shares in physical form are advised to file nominations in respect of their shareholding in the Company, if not already registered and to submit the same to the Registrar and Share Transfer Agent. The nomination form may also be downloaded from the Company's website : www.adarshmercantile.in
14. **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 16th day of September, 2017 to Friday, the 22nd day of September, 2017 (both days inclusive) for the purpose of this AGM.**
15. There is no un-paid or un-claimed dividend for any of the dividend in the earlier years.
16. Relevant documents referred to in this Notice is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours and also at the AGM in physical mode.
17. Members whose shareholding is in the electronic mode are requested to update address & bank account details to their respective Depository Participant(s) and the Members whose shareholding is in the physical mode are requested to provide the same to R&TA.
18. **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 Quarterly Reports, Notices, Annual Reports including financial statements, Board Reports, etc. and any other communications via email. All the shareholders holding shares in physical mode who have not registered their e-mail addresses so far are requested to register their e-mail address to the RTA/ Company for receiving all aforesaid communication from the Company, electronically.**
19. The Notice of the AGM, along with the Annual Report, Attendance Slip and Proxy Form along with the process, instructions and the manner of conducting e-voting are being sent by electronic mode only to all those members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report'2017 are being sent in the permitted mode. The documents referred to above are also available on the Company's website : www.adarshmercantile.in

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20. 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.

21. Voting Through Electronic Means

- I. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("remote e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through e-voting, a Member shall not be allowed to change it subsequently.
- II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

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

- (i) The voting through electronic means will commence on Tuesday, the 19th day of September, 2017 at 10.00. a.m. (IST) and will end on Thursday, the 21st day of September 2017 at 5.00 p.m. (IST). The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-Voting module shall be disabled by CDSL for voting thereafter. The Shareholders as on the cut-off date 15.09.2017 may cast their vote.
- (ii) Shareholders who have already voted prior to the meeting date (by remote e-voting) shall not be entitled to vote at the meeting venue.
- (iii) Log on to the e-voting website www.evotingindia.com during the voting period.
- (iv) Click on "Shareholders" tab.
- (v) After that enter your user ID;
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID; and
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company excluding the special characters.
- (vi) Next enter the image verification as displayed and click Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<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

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	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.
Date of Birth (DOB)	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.
Dividend Bank Details	<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 (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) The Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will then reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <ADARSH MERCANTILE LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option “YES” implies that you assent to the Resolution and option “NO” implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xviii) If demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Institutional Shareholders and Custodians.**
 - Non-Individual shareholders (i.e. other than individuals, HUF, NRI, etc) and Custodian 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 a compliance user 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.

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- 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 or contact them at 1800 200 5533.
 - (xxi) 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, iPhone 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.
22. 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 and the same may also be send to the Scrutinizer in physical mode also on or before 21.09.2017 upto 5.00 p.m. without which the vote shall not be treated as valid.
 23. 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.
 24. 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.
 25. 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.
 26. 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.
 27. 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 BSE Limited, where the shares of the Company are listed.
 28. Shareholders are requested to give their valuable suggestions for improvement of our investor services.
 29. Route-map to the venue of the AGM is annexed for the convenience of the members.

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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 present term of appointment of Mrs. Suchita Chhawchharia as an Executive Director would expire on 31st March, 2018. Due to extensive involvement in the business affairs of the Company, the Board of Directors at its meeting held on 19th August, 2017 has re-appointed Mrs. Suchita Chhawchharia as an Executive Director, subject to the approval of members by a special resolution in the ensuing Annual General Meeting of the Company, for a further period of 3 (three) years commencing from 1st April, 2018 on such terms and conditions as recommended by the Nomination and Remuneration Committee in its meeting held on 19th August, 2017 and as approved by the Board are as follows -

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

B. 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 her tenure as an Executive Director.

Mrs. Suchita Chhawchharia is Promoter- Executive Director of the Company and aged about 38 years, has completed her MBA in marketing from Pune and has vast experience in the financial sector. Presently she is associated with the Company as an Executive Director and looking after all the overall business operation of the Company. The Board felt that her association with the Company for managing whole of the affairs of the Company would further contribute in the performance of the Company and accordingly proposed for her appointment.

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 personnel, 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.