

# **ANNUAL REPORT**

**For the year 2014 – 15**

## **AVON MERCANTILE LIMITED**

**S Global Knowledge Park,  
19A & 19B, Sector-125,  
Noida, Uttar Pradesh - 201301  
CIN: L17118UP1985PLC026582  
Website: [www.avonmercantile.in](http://www.avonmercantile.in)**

## **AVON MERCANTILE LIMITED**

### **CORPORATE INFORMATION**

#### **BOARD OF DIRECTORS**

Mr. Vikas Kapoor

(Non-Executive Director)

Mr. Ramesh Chandra Agarwal

(Non-Executive Independent Director)

Mr. Satish Kumar Gupta

(Non-Executive Independent Director)

Mr. Rakesh Kumar Bhatnagar

(Non-Executive Director)

Ms. Gunjan Arora

(Non-Executive Director)

#### **KEY MANAGERIAL PERSONNEL**

Mr. Jagdutt Kumar Sharma

(Manager)

Mr. Pranjul Gupta

(Company Secretary & Compliance Officer)

#### **STATUTORY AUDITORS**

M/s Gupta Garg & Agrawal,  
Chartered Accountants  
G-55, Royal Palace, II<sup>nd</sup> Floor  
Laxmi Nagar, Vikas Marg  
Delhi – 110092

#### **INTERNAL AUDITOR**

M/s RBAS & Associates  
Chartered Accountants  
Office No. 49, II Floor,  
A-215, Chawla Complex,  
Shakarpur, Delhi- 110092

#### **SECRETARIAL AUDITOR**

M/s S. K. Batra & Associates  
Company Secretaries  
3393, 1<sup>st</sup> Floor, South Patel Nagar  
Adjacent Jaypee Siddharth Hotel  
New Delhi-110008

#### **SHARE TRANSFER AGENT**

MCS Share Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, New Delhi - 110 020  
Ph:- 011-41406149, Fax:- 011-4170 9881  
Email :- admin@mcsdel.com

#### **REGISTERED / CORPORATE OFFICE**

S Global Knowledge Park  
19A & 19B, Sector-125,  
Noida, Uttar Pradesh – 201301

#### **BANKERS**

IndusInd Bank,  
M-56, Greater Kailash II,  
New Delhi- 110048

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# AVON MERCANTILE LIMITED

**Registered Office :**

S Global Knowledge Park,  
19A & 19B, Sector-125,  
NOIDA-201301 (U.P.)  
CIN : L17118UP1985PLC026582  
Phone : 0120-3355131, 3859000  
[www.avonmercantile.in](http://www.avonmercantile.in)

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**NOTICE**

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting of **AVON MERCANTILE LIMITED** will be held on Wednesday, 30<sup>th</sup> September, 2015 at 10:00 A.M. at S Global Knowledge Park, 19A & 19B, Sector-125, Noida – 201301 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2015 and the Profit and Loss Account for the Financial Year ended on that date along with the Directors' Report and Auditors' Report thereon.
2. To consider and appoint a Director in place of Mr. Rakesh Kumar Bhatnagar (DIN 02922258), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and appoint Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Gupta Garg & Agarwal, Chartered Accountants (Firm Registration No. 505762C) the retiring Auditors, being eligible, offer themselves for re-appointment.

**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161(1), 184 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder, Ms. Gunjan Arora (DIN: 07134573), who was appointed as an Additional Director of the Company w.e.f. 25<sup>th</sup> March 2015 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of the Director of the Company, be and is hereby elected and appointed as a Non-Executive Director, whose period of office shall be liable to determination by retirement of directors by rotation.”

**By Order of the Board  
For AVON MERCANTILE LIMITED**

**Place : Noida  
Date : 14<sup>th</sup> August 2015**

**(Pranjul Gupta)  
Company Secretary**

**NOTES :**

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto in **Annexure -A**.

2. Brief resume of the Directors seeking re-appointment as mandated under Clause 49(VIII)(E)(1) of the Listing Agreement with the Stock Exchanges is annexed as **Annexure – B** hereto and forms part of the Notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ATTENDANCE SLIP.
4. The members are requested to bring duly filled attendance slip along with their copy of Annual Report at the meeting.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing them to attend and vote on their behalf at the meeting.
6. Members are requested to intimate any change in their address directly to the Company's Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited – F-65, Okhla Industrial Area, Phase-I, New Delhi – 110020.
7. The members are requested to intimate to the Company at its Registered Office Address, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
8. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from 26<sup>th</sup> September 2015 to 30<sup>th</sup> September 2015 (both days inclusive).
9. 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.
10. The Copy of the Annual Report is being sent by electronic mode to members who have registered their e-mail ids with the Company. Members whose e-mail id is not registered with the Company will be sent physical copies of the Annual Report etc. at their registered address through permitted mode as specified under Section 20(2) of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2013.
11. The Annual Report of the Company for the year ended 31<sup>st</sup> March 2015 is uploaded on the Company's website [www.avonmercantile.in](http://www.avonmercantile.in) and may be accessed by the members.
12. 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 can submit their PAN to the Company / MCS Share Transfer Agent Limited.
13. Statutory Registers and documents referred to in the Notice and Explanatory Statement as required to be maintained under the provisions of the Companies Act, 2013, are open for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m and 1.00 p.m. upto the date of Annual General Meeting and will also be available for inspection at the meeting.
- 14. VOTING THROUGH ELECTRONIC MEANS**
  - l. 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 National Securities Depository Limited (NSDL).

- 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.
- III. 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.
- IV. The remote e-voting period commences on 27<sup>th</sup> September, 2015 (9:00 am) and ends on 29<sup>th</sup> 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 23<sup>rd</sup> September 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select “EVEN” of “Avon Mercantile Limited”.
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
    - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (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, to the Scrutinizer through e-mail to [cavarunsinghal@gmail.com](mailto:cavarunsinghal@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM in the format given below :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [admin@mcsdel.com](mailto:admin@mcsdel.com).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Varun Singhal, Chartered Accountant and Partner of M/s. RBAS & Associates, Chartered Accountants has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a

person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://www.avonmercantile.in/> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and Calcutta Stock Exchange Association Ltd.



**ANNEXURE - A**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS**

**Item No. 4**

As per Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Clause 49(II)(A)(1) of the Listing Agreement, a listed company is required to appoint a Woman Director.

Accordingly in terms of Sections 149, 152, 161(1), 184 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Ms. Gunjan Arora was appointed as an Additional Director w.e.f. 25<sup>th</sup> March 2015, to hold office till conclusion of this Annual General Meeting. Her term of office shall be liable to determination by retirement of directors by rotation.

Ms. Gunjan Arora specializes in Finance and has over 5 years of experience in various fields covering Business Advisory, Direct and Indirect Taxation etc and is on the Board of several Indian Companies.

The Board feels that presence of Ms. Gunjan Arora on the Board is desirable and would be beneficial to the Company and hence recommend resolution No. 4 for adoption.

None of the Directors except Ms. Gunjan Arora, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

**ANNEXURE-B****Details of Directors seeking Appointment / Reappointment in forthcoming Annual General Meeting (in pursuance of Clause 49(VIII)(E)(1) of the Listing Agreement)**

<b>Name of Director</b>	<b>Mr. Rakesh Kumar Bhatnagar</b>	<b>Ms. Gunjan Arora</b>
<b>Date of Birth</b>	10 <sup>th</sup> November 1958	6 <sup>th</sup> September 1988
<b>Date of Appointment as Director</b>	6 <sup>th</sup> February 2012	25 <sup>th</sup> March 2015
<b>Qualification</b>	Post Graduation diploma in business analytics and M.Com	Post Graduation diploma in banking operations and M.Com
<b>Expertise in specific functional areas</b>	Having 38 years of vast experience in Finance, accounting and expertise in fields of Direct and Indirect Taxation etc.	Specializes in Finance and has over 5 years of experience in various fields covering Business Advisory, Direct and Indirect Taxation etc and is on the Board of several Indian Companies.
<b>List of Companies in which directorship held</b>	<ol style="list-style-type: none"> <li>1. Bougainvillea Multiplex &amp; Entertainment Center Private Limited</li> <li>2. Mudaliar &amp; Sons Hotels Private Limited</li> <li>3. M Pictures Distribution Limited</li> <li>4. Buddha Pictures Limited</li> <li>5. Nagesh Buildtech Private Limited</li> <li>6. Modikem Private Limited</li> <li>7. Vcorp Mercantile Private Limited</li> <li>8. Singlestop Evaluation Private Limited</li> <li>9. Spice Impex Private Limited</li> <li>10. Modipur Devices Private Limited</li> <li>11. Bharat Towers Private Limited</li> <li>12. Susmita Promoters Private Limited</li> <li>13. Oasis Cineplex Private Limited</li> <li>14. Prospective Infrastructures Private Limited</li> <li>15. Protective Investments Private Limited</li> <li>16. Ghensoft (India) Private Limited</li> <li>17. Handsome Investments Private Limited</li> <li>18. Fine Instalments Private Limited</li> <li>19. Spice Innovative Technologies Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. IO System Limited</li> <li>2. MBM Limited</li> <li>3. Spicebulls Investments Limited</li> <li>4. Spice Solar Technology Rajasthan Private Limited</li> <li>5. Spice Solar Technology Private Limited</li> <li>6. Spice Stock Broking Private Limited</li> <li>7. Protective Investments Private Limited</li> </ol>
<b>Chairman / Member of the Committees of the Board of the Companies on which he/she is a Director</b>	Nil	Nil
<b>Number of Shares held in the Company</b>	Nil	Nil

# AVON MERCANTILE LIMITED

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## DIRECTORS' REPORT

To,  
The Members  
Avon Mercantile Limited

The Board of Directors of your Company have pleasure in placing before the Members the 30<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the company for the year ended on 31<sup>st</sup> March 2015.

### STATE OF THE COMPANY'S AFFAIRS

#### FINANCIAL POSITION

PARTICULARS	Rs. (in Lakhs)	
	2014-15	2013-14
Total Income	109.71	102.52
Less : Total Expenses	61.19	39.45
Profit / (Loss) before exceptional and extraordinary items and tax	48.52	63.07
Less: Exceptional Items - Prior Period Expenses	0.35	-
Less : Tax for current year	15.30	20.50
Less : Ta paid for previous years	0.69	-
Profit After Tax	32.18	42.57

#### TRANSFER TO RESERVES

The Company proposes not to transfer any amount of profit to the reserves.

#### DIVIDEND

The Board of Directors of the Company has not recommended any dividend for the Financial Year ending 31<sup>st</sup> March 2015.

#### DEPOSITS

Your Company has not accepted any public deposit and, as such, no amount on account of principal or interest on public deposits was outstanding as at 31<sup>st</sup> March 2015 under review within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

## **DIRECTORS**

Pursuant to Sections 149(1) and 161 of the Companies Act, 2013 (the “Act”) read with Rule 8(5) of the Companies (Accounts) Rules, 2014 and provisions of the Clause 49 (II) of the Listing Agreement, the following details relating to Directors are reported:

The Board of your Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors (including Woman Director) and Independent Directors.

### **i) RE-APPOINTMENT OF RETIRING DIRECTOR**

Mr. Rakesh Kumar Bhatnagar (DIN: 02922258) is liable to retire by rotation and, being eligible, offers himself for re-appointment. The Directors recommend Mr. Rakesh Kumar Bhatnagar for re-appointment.

### **ii) INDEPENDENT DIRECTORS**

The members in the last Annual General Meeting of the Company held on 30<sup>th</sup> September 2014 had approved the appointments of Mr. Ramesh Chandra Agarwal (DIN: 00037477) and Mr. Satish Kumar Gupta (DIN: 00030841) as Independent Directors to hold office for 5 consecutive years w.e.f. 30<sup>th</sup> September 2014, who are not liable to retire by rotation.

Pursuant to Section 134(3)(d) read with Section 149(7) of the Companies Act, 2013, both the Independent Directors have given declarations for the Financial Year 2015-16 that they meet the criteria of independence as laid down under Section 149(6) the Act and Clause 49 of the Listing Agreement.

The Company has a policy to induct its Independent Directors upon their appointment to attend the orientation programme conducted by the Company so as to familiarize them with the Company’s policies, strategies, plans, etc.

Further the Board advises and ensures that its Independent Directors attend programmes / seminars conducted by various organizations on the matters relating to finance, taxation, corporate governance, etc. so that they keep themselves updated with the various developments in the corporate/ legal world.

### **iii) WOMAN DIRECTOR**

Pursuant to the provisions of Sections 149, 152, 161(1), 184 and any other applicable provisions of the Companies Act, 2013 and rules made there under, Ms. Gunjan Arora, who was appointed as an Additional Director of the Company w.e.f. 25<sup>th</sup> March 2015 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of the Director of the Company, be and is hereby elected and appointed as Non-Executive Director, whose period of office shall be liable to determination by retirement of directors by rotation.

The brief resume and details of Directors who are to be appointed / re-appointed are furnished in the Notice for the Annual General Meeting as **ANNEXURE – B.**

As required under the provisions of Section 134(q) read with Rule 8(5)(iii) of the Companies (Accounts) Rules, 2014, the details of Directors or Key Managerial Personnel who were appointed or have resigned during the year under review are as follows:

S.No	Name of Director / Key Managerial Person	Designation	Date of Appointment	Date of Resignation
1.	Mr. Gopal Singh Negi	Whole-time Director	15/11/2005	13/08/2014
2.	Mr. Ramesh Chandra Agarwal	Non-Executive Independent Director	13/08/2014	-
3.	Mr. Satish Kumar Gupta	Non-Executive Independent Director	13/08/2014	-
4.	Ms. Gunjan Arora	Non-Executive Director	25/03/2015	-
5.	Mr. Joseph L Ikarakuzhi	Chief Financial Officer	01/08/2014	27/03/2015
6.	Mrs. Jyotsna Sharma	Company Secretary & Compliance Officer	30/05/2014	01/12/2014
7.	Mr. Santosh Kumar Gupta*	Company Secretary & Compliance Officer	01/12/2014	-
8.	Mr. Jagdutt Kumar Sharma	Manager	01/08/2014	-

\*Mr. Santosh Kumar Gupta ceased to be Company Secretary & Compliance Officer w.e.f. 30<sup>th</sup> April 2015 due to his demise.

#### **AUDIT COMMITTEE**

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report. There are no instances of the Board not accepting the recommendations of the Audit Committee during the Financial Year 2014-15.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The details pertaining to composition of Nomination and Remuneration Committee and the Company's policy on Directors, Key Managerial Personnel and other Employees' appointment and remuneration and other matters provided in Section 178(3) and (4) of the Act have been disclosed in the Corporate Governance Report, which forms part of this report.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The details pertaining to composition of Stakeholders Relationship Committee are included in the Corporate Governance Report, which forms part of this report.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions contained in Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company.

## **BOARD EVALUATION**

Pursuant to Section 134(q) of the Companies Act, 2013, read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and Clause 49 of the Listing Agreement, the Board has carried out a formal annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has in terms of Section 178(2) and (3) of the Companies Act, 2013, defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The nomination and remuneration policy, inter alia, giving details about the policy on directors' appointment and remuneration including the criteria for determining qualifications, positive attributes, independence and other details are included in nomination and remuneration policy, the details of which are given in the Corporate Governance Report, which forms part of this Report.

## **NUMBER OF MEETINGS OF THE BOARD**

A total of 7 (seven) Board Meetings were held during the Financial Year 2014-15, the details of which are given in the Corporate Governance Report, which forms part of this Report.

## **SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration) Rules, 2014, the Board had appointed M/s S.K Batra & Associates, Company Secretaries in Practice (C.P No 8072) to undertake the Secretarial Audit of the Company for the financial year 2014-15 and the report is annexed as **ANNEXURE-I** to this report.

## **EXTRACT OF ANNUAL RETURN AS PROVIDED UNDER SECTION 92(3) OF THE ACT**

The extract of annual return is given in **ANNEXURE- II** in the prescribed Form MGT-9, which forms part of this report.

## **TRANSACTIONS WITH RELATED PARTIES**

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **ANNEXURE-III** in **Form AOC-2** and the same forms part of this report.

## **PARTICULARS OF EMPLOYEES**

In terms of Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, table containing the names and other particulars of employees is appended in **ANNEXURE - IV**.

Further, in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee employed throughout the financial year is in receipt of remuneration of Rs. 60 lakh or more, or employed for part of the year and is in receipt of Rs. 5 lakh or more a month, employed throughout the financial year or part thereof and is in receipt of remuneration in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

## **CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE**

The Company is committed to follow the standards of good Corporate Governance. As required under Clause 49 of the Listing Agreement, a detailed report on Corporate Governance as well as the Certificate from M/s K Rakesh & Co., Company Secretaries in Practice (C.P. No. 14700), confirming compliance of the conditions of Corporate Governance are annexed as **ANNEXURE-V(a)** and **ANNEXURE-V(b)** respectively and form integral part of this report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is presented in the separate section and is marked as **ANNEXURE - VI** and forms an integral part of this report.

## **RISK MANAGEMENT POLICY OF THE COMPANY**

The Board of Directors have adopted risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to requirement under section 134(3) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the Financial Year 2014-15, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 as at 31<sup>st</sup> March 2015 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; and
- (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.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its powers), Rules 2014 and Clause 49 of the Listing Agreement, the Company has established a Vigil Mechanism to report genuine concerns about actual or suspected frauds, unethical behavior etc. and the same has been posted on the official website of the Company.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the Financial Year 2014-15, no significant order has been passed by any regulator court.

#### **MATERIAL CHANGES**

No material changes took place from the date of end of financial year till the date of this report.

#### **AUDITORS**

M/s Gupta Garg & Agarwal, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

#### **AUDITORS' REPORT**

The Auditors' Report does not contain any qualifications, reservations or adverse remarks. The observations made in the Auditors' Report and Notes on Accounts are self-explanatory.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.



## MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE BUSINESS

There being no material change in the financial position of the business which would affect the company.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### (A) Conservation of energy-

S. No.	Particulars	Remarks
1.	The steps taken or impact on conservation of energy;	N.A
2.	The steps taken by the company for utilising alternate sources of energy;	N.A
3.	The capital investment on energy conservation equipments;	N.A

### (B) Technology absorption-

S. No	Particulars	Remarks
1.	The efforts made towards technology absorption;	N.A
2.	The benefits derived like product improvement, cost reduction, product development or import substitution;	N.A
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	N.A
4.	The expenditure incurred on Research and Development.	N.A

### (C) Foreign exchange earnings and Outgo

S. No	Particulars	Remarks
1.	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	NIL

## CASH FLOW STATEMENT

In conformity with the provisions of Clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended on 31st March 2015 is attached as a part of the Annual Accounts of the Company.

## **INTERNAL CONTROL SYSTEMS**

The Company has in place adequate systems of Internal Control to ensure compliance with policies and procedures. The Board has appointed M/s RBAS & Associates, Chartered Accountants, as Internal Auditor of the Company for the Financial Year 2014-15. The Internal Audit Reports along with observations and recommendations contained therein are constantly reviewed and implemented by the Audit Committee of the Board.

## **SUBSIDIARIES**

During the year under review, the Company does not have any subsidiary.

## **LISTING AT STOCK EXCHANGE(s)**

The Company continues to be listed at the Calcutta Stock Exchange Association Ltd. and Bombay Stock Exchange Ltd.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere thanks and appreciation for the co-operation and help provided by State Government and the Bankers to the Company.

Your Directors also acknowledge the continued trust and confidence that Shareholders have placed in the Company.

**By Order of the Board  
For AVON MERCANTILE LIMITED**

**Place : Noida**

**Date : 14<sup>th</sup> August 2015**

**(Rakesh Kumar Bhatnagar)  
Director  
DIN: 02922258**

**(Vikas Kapoor)  
Director  
DIN: 03020854**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2015**

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

To,  
The Members,  
**Avon Mercantile Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avon Mercantile Limited** (hereinafter called "**the Company**"). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 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:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :-

- (i) The Companies Act, 2013 ("the Act") and 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) The Reserve Bank of India Act, 1934
- (v) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings;

- (vi) 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 of Shares 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;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Financial Year 2014-2015) ;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ; **(Not applicable to the Company during the Financial Year 2014-2015) ;**
  - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Financial Year 2014-2015);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; **(Not applicable to the Company during the Financial Year 2014-2015); and**
- (vii) The Indian Contract Act, 1872;
- (viii) Income Tax Act, 1961 and indirect tax laws;
- (ix) Indian Stamp Act, 1999;
- (x) Central Excise Act and Service Tax Laws;
- (xi) Central & State Sales Tax / Value Added Tax Laws;
- (xii) Negotiable Instrument Act, 1881;
- (xiii) Payment of Bonus Act, 1965;

We have also examined the compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.  
(Not applicable for the Financial Year 2014-2015).
- (ii) The Listing Agreement entered into by the Company with the stock exchanges i.e. BSE Limited and Calcutta Stock Exchange Limited.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We 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. During the Financial Year, there were following changes in the composition of Board of Directors of the Company:

Mr. Ramesh Chandra Agarwal and Mr. Satish Kumar Gupta, were appointed as Additional Independent Directors in the Board Meeting of the Company held on 13<sup>th</sup> August, 2014 for a term up to five consecutive years effective till 30<sup>th</sup> September, 2019.

Change in the designation of Mr. Ramesh Chandra Agarwal and Mr. Satish Kumar Gupta as Independent Directors in the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014.

Appointment of Ms. Gunjan Arora, as a Additional Director of the Company in the Board Meeting of the Company held on 25<sup>th</sup> March, 2015.

#### **Changes in Key Managerial Persons:**

Appointment of Mr. Joseph I Ikarakuzhi, as Chief Financial Officer of the Company with effect from the date 1<sup>st</sup> August, 2014.

Cessation of Mr. Joseph I Ikarakuzhi, as Chief Financial Officer of the Company with effect from the date 27<sup>th</sup> March, 2015.

Appointment of Mr. Santosh Kumar Gupta, a Fellow Member of ICSI, as Company Secretary of the Company with effect from the date 1<sup>st</sup> December, 2014.

Appointment of Ms. Jyotsna Sharma, as Company Secretary of the Company with effect from the date 30<sup>th</sup> May 2014.

Cessation of Ms. Jyotsna Sharma, as Company Secretary of the Company with effect from the date 1<sup>st</sup> December, 2014.

Appointment of Mr. Jagdutt Kumar Sharma, as Manager of the Company in the w.e.f 1<sup>st</sup> August, 2014.

Resignation of Mr. Gopal Singh Negi as Whole Time Director of the Company in the Board Meeting held on 13<sup>th</sup> August, 2014.

- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system

exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
  
- **The Internal Auditors , Statutory Auditors & Secretarial Auditor** were being well appointed by the Company during the Financial Year as mentioned below;

The Auditors, M/s. RBAS & Associates, Chartered Accountants, being eligible were appointed as the Internal Auditors of the Company for F.Y. 2014-15

The Auditors, M/s. Gupta Garg & Agrawal, Chartered Accountants, being eligible were Re-appointed as the Statutory Auditors of the Company until the conclusion of the Annual General Meeting to be held in 2015 subject to ratification by members at every annual general meeting.

Appointment of M/s S.K. Batra & Associates, Company Secretaries, New Delhi as Secretarial Auditor of the Company with effect from 13<sup>th</sup> February, 2015 for F.Y. 2014-15

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:-

- (i) Redemption / Buy-back of Securities;
  
- (ii) Merger / Amalgamation / Reconstruction;
  
- (iii) Foreign technical collaborations etc.;

**M/s S.K. Batra & Associates  
Company Secretaries**

**(Sumit Kumar)  
FCS NO. 7714  
C. P. NO. 8072**

**Place:** New Delhi  
**Date:** 14<sup>th</sup> August, 2015

This Report is to be read with our letter of even date which is annexed as annexure A and forms an integral part of this Report.

## **Annexure-A**

This letter is to be read with our Report of even date, MR-3 and forms an integral part of this Report.

To,  
The members,  
**Avon Mercantile Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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.

**M/s S.K. Batra & Associates**  
**Company Secretaries**

**(Sumit Kumar)**  
**FCS NO. 7714**  
**C. P. NO. 8072**

**Place:** New Delhi  
**Date:** 14<sup>th</sup> August, 2015

**Annexure- II****Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March 2015**

[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	L17118UP1985PLC026582
ii.	Registration Date	21.01.1985
iii.	Name of the Company	Avon Mercantile Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	S Global Knowledge Park, 19A & 19B, Sector-125, Noida , Uttar Pradesh – 201301
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase-I, New Delhi -1100 20 Ph:- 011-41406149-52 Fax:- 011-4170 9881 Email :- <a href="mailto:helpdeskdelhi@mcsregistrars.com">helpdeskdelhi@mcsregistrars.com</a>

**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	Financial services	99711	99.995

**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
<b>NIL</b>					



**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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	0	70	70	0	0	70	70	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	1960000	1960000	26.21	0	1960000	1960000	26.21	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total(A)(1):-</b>	<b>0</b>	<b>1960070</b>	<b>1960070</b>	<b>26.21</b>	<b>0</b>	<b>1960070</b>	<b>1960070</b>	<b>26.21</b>	<b>0</b>
<b>2) Foreign</b>									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total(A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Promoters Shareholding(A)=(A)(1)+ (A)(2)</b>	<b>0</b>	<b>1960070</b>	<b>1960070</b>	<b>26.21</b>		<b>1960070</b>	<b>1960070</b>	<b>26.21</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non Institutions</b>									
<b>a) Bodies Corp.</b>									
(i) Indian	0	4981260	4981260	66.62	0	4981260	4981260	66.62	0
(ii) Overseas									
<b>b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	451060	451060	6.03	0	451060	451060	6.03	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	85000	85000	1.14	0	85000	85000	1.14	0

c) Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	5517320	5517320	73.79	0	5517320	5517320	73.79	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	5517320	5517320	73.79	0	5517320	5517320	73.79	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	7477390	7477390	100	0	7477390	7477390	100	0

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.	Smart Entertainment Pvt. Ltd.	7,38,500	9.88	0	7,38,500	9.88	0	0
2.	Oasis Cineplex Pvt. Ltd.	4,89,250	6.54	0	4,89,250	6.54	0	0
3.	Positive Investment Pvt. Ltd.	3,67,500	4.91	0	3,67,500	4.91	0	0
4	Protective Investment Pvt. Ltd.	3,64,750	4.88	0	3,64,750	4.88	0	0
5	Bir Bahadur Mishra	10	0.00	0	10	0.00	0	0
6	Haridas Nambiar	10	0.00	0	10	0.00	0	0
7	Deepak Chakrawarti	10	0.00	0	10	0.00	0	0
8	Azad Singh	10	0.00	0	10	0.00	0	0
9	L N Maheshwari	10	0.00	0	10	0.00	0	0
10	Sudhir Kumar	10	0.00	0	10	0.00	0	0
11	Ashok Kumar	10	0.00	0	10	0.00	0	0
	<b>Total</b>	<b>1960070</b>	<b>26.21</b>	<b>0</b>	<b>1960070</b>	<b>26.21</b>	<b>0</b>	<b>0</b>

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

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
1.	At the beginning of the year	1960070	26.21	1960070	26.21
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
3.	At the End of the year	1960070	26.21	1960070	26.21

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Particulars of Each of the Top 10 Shareholders	Date	Reason of change	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
1	LCC Infotech Limited	01.04.2014	At the beginning of the year	494500	6.61	494500	6.61
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	494500	6.61	494500	6.61
2	Blue Chip India Limited	01.04.2014	At the beginning of the year	292500	3.91	292500	3.91
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	292500	3.91	292500	3.91
3	Benzer Agencies Limited	01.04.2014	At the beginning of the year	403750	5.40	403750	5.40
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	403750	5.40	403750	5.40
4	ATN International Limited	01.04.2014	At the beginning of the year	213250	2.85	213250	2.85
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	213250	2.85	213250	2.85
5	Precision Papers Industries Limited	01.04.2014	At the beginning of the year	87500	1.17	87500	1.17
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	87500	1.17	87500	1.17
6	Silicon Valley Infotech Limited	01.04.2014	At the beginning of the year	80750	1.08	80750	1.08
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	80750	1.08	80750	1.08
7	Orbital Contractors & Financiers Pvt. Ltd.	01.04.2014	At the beginning of the year	70000	0.93	70000	0.93
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	70000	0.93	70000	0.93
8	Atma Sales Pvt. Ltd.	01.04.2014	At the beginning of the year	60000	0.80	60000	0.80
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	60000	0.80	60000	0.80
9	Gainwell Commodities Pvt. Ltd.	01.04.2014	At the beginning of the year	57500	0.77	57500	0.77
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	57500	0.77	57500	0.77
10	Apex Enterprises India Limited	01.04.2014	At the beginning of the year	55000	0.73	55000	0.73
		-	Change during the Year	-	-	-	-
		31.03.2015	At the End of the year	55000	0.73	55000	0.73

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	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
1.	Mr. Vikas Kapoor (Director)	NIL	NIL	NIL	NIL
2.	Mr. Rakesh Kumar Bhatnagar (Director)	NIL	NIL	NIL	NIL
3.	Mr. Ramesh Chandra Agarwal (Director)	NIL	NIL	NIL	NIL
4.	Mr. Satish Kumar Gupta (Director)	NIL	NIL	NIL	NIL
5.	Ms. Gunjan Arora (Director)	NIL	NIL	NIL	NIL
6.	Mr. Jagdutt Kumar Sharma (Manager)	NIL	NIL	NIL	NIL
7.	Mr. Santosh Kumar Gupta (Company Secretary & Compliance Officer)	NIL	NIL	NIL	NIL

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits (in Rs.)	Unsecured Loans (in Rs.)	Deposits (in Rs.)	Total Indebtedness (in Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not	NIL	NIL	NIL	NIL
Total(i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
- Addition	NIL	2,00,00,000	NIL	2,00,00,000
- Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	2,00,00,000	NIL	2,00,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	2,00,00,000	NIL	2,00,00,000
ii) Interest due but not paid	NIL	46,849	NIL	46,849
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	2,00,46,849	NIL	2,00,46,849

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in Rs.)
i.	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Mr. Jagdutt Kumar Sharma (Manager)	3,91,040  NIL  NIL
ii.	Stock Option		NIL
iii.	Sweat Equity		NIL
iv.	Commission - as % of profit - others specify		NIL NIL
v.	Others – Reimbursement		2,95,974
vi.	Total(A)		6,87,014
	Ceiling as per the Act	Within the limit prescribed under Schedule V of the Companies Act, 2013	

Note: The remuneration is paid to Mr. Jagdutt Kumar Sharma w.e.f. 1<sup>st</sup> August 2014 till 31<sup>st</sup> March 2015.

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Ramesh Chandra Agarwal	Mr. Satish Kumar Gupta	
	<u>1. Independent Directors</u>			
	· Fee for attending board committee meetings	Rs. 27,500	Rs. 27,500	Rs. 55,000
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total(1)	Rs. 27,500	Rs. 27,500	Rs. 55,000
	<u>2. Other Non-Executive Directors</u>			
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL
	Total(B)=(1+2)	Rs. 27,500	Rs. 27,500	Rs. 27,500
	Total Managerial Remuneration	Rs. 27,500	Rs. 27,500	Rs. 27,500
	Overall Ceiling as per the Act	Within the limit prescribed under Section 197(4) read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel)		

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total (in Rs.)
		CEO	Company Secretary		CFO	
		N.A.	Mrs. Jyotsna Sharma*	Mr. Santosh Kumar Gupta**	Mr. Joseph L Ikarakuzhi***	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	90,000	8,36,792	1,88,349	11,15,141
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission					
	- as % of profit	0	0	0	0	0
	- others, specify...	0	0	0	0	0
5.	Others - Reimbursement	0	0	1,95,800	1,86,144	3,81,944
	Total	0	90,000	10,32,592	3,74,493	14,97,085

\* The remuneration is paid from the date of appointment i.e. 30<sup>th</sup> May 2014 till 30<sup>th</sup> November 2014. Mrs. Jyotsna Sharma resigned w.e.f. 1<sup>st</sup> December 2014.

\*\* The remuneration is paid from the date of appointment i.e. 1<sup>st</sup> December 2014 till 31<sup>st</sup> March 2014.

\*\*\* The remuneration is paid from the date of appointment i.e. 1<sup>st</sup> August 2014 till 26<sup>th</sup> March 2015. Mr. Joseph L Ikarakuzhi resigned w.e.f. 27<sup>th</sup> March 2015.

VII. PENALTIES/PUNISHMENT/COMPOUNDING 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)
<b>A. Company</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>B. Directors</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>C. Other Officers In Default</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

**Annexure-III****Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions'	NIL
6	Date of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Date of approval by the Board	NIL
6	Amount paid as advances, if any	NIL

**By Order of the Board  
For AVON MERCANTILE LIMITED**

**Place : Noida  
Date : 14<sup>th</sup> August 2015**

**(Vikas Kapoor)  
Director  
DIN: 03020854**

## ANNEXURE –IV

Name	Designation	Remuneration in fiscal 2015 (in Rs.)	Remuneration in fiscal 2014 (in Rs.)	% increase of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE
Mr. Jagdutt Kumar Sharma	Manager	10,00,000	N.A.	N.A.	0.43

Remuneration to Independent Directors			
Name of Director	Remuneration in fiscal 2015	Remuneration in fiscal 2014	% increase of remuneration in 2015 as compared to 2014
Mr. Ramesh Chandra Agarwal	Rs.27,500	N.A.	N.A.
Mr. Satish Kumar Gupta	Rs.27,500	N.A.	N.A.

Note: The above remuneration includes the sitting fees paid to independent Directors for attending meetings of Board and Committees.

### Remuneration to KMP's

Name of KMP	Designation	Remuneration in fiscal 2015	Remuneration in fiscal 2014	% increase of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE
Mr. Jagdutt Kumar Sharma	Manager	10,00,000	N.A.	N.A.	0.43
Mr. Joseph Ikarakuzhi*	Chief Financial Officer	5,61,203	N.A.	N.A.	0.24
Mrs. Jyotsna Sharma**	Company Secretary & Compliance Officer	90,000	N.A.	N.A.	0.04
Mr. Santosh Kumar Gupta***	Company Secretary & Compliance Officer	36,06,322	N.A.	N.A.	1.57

\* Appointed on 1<sup>st</sup> August 2014 and resigned w.e.f. 27<sup>th</sup> March 2015.

\*\* Appointed on 30<sup>th</sup> May 2014 and resigned w.e.f. 1<sup>st</sup> December 2014.

\*\*\* Appointed on 1<sup>st</sup> December 2014.

### Information pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ending 31<sup>st</sup> March, 2015 is as follows:



Name of Director / Key Managerial Personnel	Remuneration of Director / Key Managerial Personnel : Median Remuneration	Ratio
Mr. Ramesh Chandra Agarwal (Director)	N.A.	NA.
Mr. Satish Kumar Gupta (Director)	N.A.	NA.
Mr. Vikas Kapoor (Director)	N.A.	NA.
Mr. Rakesh Kumar Bhatnagar (Director)	N.A.	NA.
Ms. Gunjan Arora (Director)	N.A.	NA.
Mr. Jagdutt Kumar Sharma (Manager)	1000000 : 2303161	0.43
Mr. Joseph L Ikarakuzhi (CFO)	561203 : 2303161	0.24
Mrs. Jyotsna Sharma (Company Secretary & Compliance Officer)	90000 : 2303161	0.04
Mr. Santosh Kumar Gupta (Company Secretary & Compliance Officer)	3606322 : 2303161	1.57

*Note: The Median Remuneration is Rs. 23,03,161/-*

- Percentage increase in remuneration of each director, Chief Financial officer, Chief Executive officer, company secretary or manager, if any in the financial year:

Not Applicable since all the Key Managerial Personnel were appointed during the year 2014-15.

- Percentage increase in median remuneration of employees in the financial year.

Not Applicable since there is no employee except Key Managerial Personnel employed during the financial year 2014-15.

- The number of permanent employees on the rolls of the company during financial year ending 31<sup>st</sup> March, 2015 was 1 (one).

- The average increase in remuneration viz company performance:

Not Applicable since all the Key Managerial Personnel were appointed during the year 2014-15.

- The market capitalization rate of the company:

NA as the Company's shares are not traded.

- Average percentile increase in salaries of employees in comparison to percentile increase in remuneration of managerial personnel:

Not Applicable since all the Key Managerial Personnel were appointed during the year 2014-15.

8. Key parameters of variable component of remuneration availed by directors:

Not Applicable since there is no executive director employed during the Financial Year 2014-15 except Mr. Gopal Singh Negi, who was designated as Whole-time Director on a no remuneration basis till 12<sup>th</sup> August 2014 since he resigned w.e.f. 13<sup>th</sup> August 2014.

9. During financial year 2014-2015, no employee received remuneration in excess of highest paid director.

10. It is hereby affirmed that remuneration was recommended by Nomination and remuneration committee based on the Policy of Remuneration committee.

## **ANNEXURE – V(a)**

### **CORPORATE GOVERNANCE REPORT**

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, the Company submits the report on the matters mentioned in the said Clause on Corporate Governance and due compliance report on specific areas wherever applicable for the Financial Year ended 31<sup>st</sup> March, 2015:

#### **1. COMPANY'S PHILOSOPHY**

The Company continues to believe in conduct of its high standard of integrity, ethical behavior, respect for laws, fair business and strong and effective audit controls in areas of its operations. Your Company in this pursuit lays great emphasis on transparency, accountability and compliance which guides the Company towards fulfilling consistently the high standards of Corporate Governance.

#### **2. BOARD OF DIRECTORS**

##### **I. Composition of Board**

As on 31<sup>st</sup> March, 2015, the Board consisted of Mr. Vikas Kapoor, Mr. Rakesh Kumar Bhatnagar, Mr. Ramesh Chandra Agarwal, Mr. Satish Kumar Gupta and Ms. Gunjan Arora. The Board is a balanced mix of executive and non-executive directors. 1/3<sup>rd</sup> of the Board Members are Independent Directors.

The Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company during the year 2014-2015.

All the Independent Directors possess the requisite qualifications and are experienced in their own fields. Directors other than Whole time Director and Independent Directors are liable to retire by rotation.

##### **II. Board Meetings, other Directorship and Attendance of Directors**

A total of (7) Seven Board Meetings were held during the year i.e on 30<sup>th</sup> May 2014, 1<sup>st</sup> August 2014, 13<sup>th</sup> August 2014, 14<sup>th</sup> November 2014, 1<sup>st</sup> December 2014, 13<sup>th</sup> February 2015 and 25<sup>th</sup> March 2015.

The gap between any two Meetings never exceeded 120 days as prescribed in Clause 49 of the Listing Agreement.

None of the Directors of the Company is a member of more than ten Committees or a Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as at 31<sup>st</sup> March, 2015 have been made by Directors.

The composition of the Board, attendance of Directors at Board meetings held during the year and the number of Directorships and Committee chairmanships /memberships held by them in other public companies as on 31<sup>st</sup> March 2015 are given herein below.

Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanships/Memberships of Board committees include only Audit and Stakeholders' Relationship Committees.

Name of Directors	Category	No. of Position held in other Public Limited Companies			Attendance at Board Meetings held during the year from 1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015	Attendance at last AGM
		Board	Committee			
			Membership	Chairmanship		
Mr. Vikas Kapoor	Non- Executive Director	3	0	1	7	Yes
Mr. Rakesh Kumar Bhatnagar	Non-Executive Director	2	0	0	7	No
Mr. Ramesh Chandra Agarwal	Independent Non-Executive Director	4	3	2	4	Yes
Mr. Satish Kumar Gupta	Independent Non- Executive Director	3	4	2	4	Yes
Ms. Gunjan Arora	Non- Executive Director	3	0	0	0	N.A.

### III. Meeting of Independent Directors

The Independent Directors of the Company had met during the year on 13<sup>th</sup> February, 2015 without the attendance of Non-Independent Directors and members of Management to review:

- the performance of Non-Independent Directors and the Board as a whole,
- the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors, and
- the quality, quantity and timeliness of flow of information between the Company Management and the Board.

### 3. DIRECTORS REMUNERATION

Remuneration / Sitting fees paid to Director (s) during the year is given below:

#### I. Executive Directors

During the year, Mr. Gopal Singh Negi was designated as Whole-Time Director of the Company in terms of Section 198, 269 & 309 of the Companies Act, 1956 read with Schedule XIII on no remuneration basis. However he resigned w.e.f. 13th August 2014.

#### II. Non-Executive Directors / Independent Directors

The Non-Executive Directors are not paid any remuneration including sitting fees for attending the meetings of the Board of Directors and committees thereof.

However the Independent Directors are paid sitting fees for attending the meetings of the Board of Directors and committees thereof.

The Company does not have any material pecuniary relationship or transactions with its Non-Executive Directors. The details of sitting fees paid and shares held by the Non-Executive Directors / Independent Directors are as under:

S.No	Name	Sitting fees (in Rs.)	No. of Shares held
1.	Mr. Vikas Kapoor	0	0
2.	Mr. Rakesh Kumar Bhatnagar	0	0
3.	Ms. Gunjan Arora	0	0
4.	Mr. Ramesh Chandra Agarwal	27,500	0
5.	Mr. Satish Kumar Gupta	27,500	0

### 4. DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

The required information regarding the details of Directors seeking appointment or re-appointment is furnished in the Notice for the Annual General Meeting as **Annexure - B.**

## 5. COMMITTEE (S) OF THE BOARD

### I. Audit Committee

Audit Committee monitors and provides an effective supervision of the financial reporting process of the Company with a view to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality.

The functions and scope of the Audit Committee includes review of Company's financial reporting, internal controls, related party transactions, utilization of IPO proceeds, if any, insider trading, disclosure in financial statements, management discussion and analysis, risk mitigation mechanism, appointment of statutory auditor and internal auditor and all other aspects as specified by Clause 49 of the Listing Agreement.

The Audit Committee is empowered, pursuant to its terms of reference, to:

- a. Investigate any activity within its terms of reference and to seek any information it requires from any employee;
- b. Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

Company's Audit Committee carries out all the functions stipulated under Clause 49 of the listing agreement.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- a. Management discussion and analysis of financial condition;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Internal audit reports relating to internal control weaknesses;
- d. The appointment, removal and terms of remuneration of the internal auditor and statutory auditor;
- e. Whenever applicable, the uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital etc.), as part of the quarterly declaration of financial results.

The Audit Committee is also apprised on information with regard to related party transactions by presenting the following:

- a. A statement in summary form of transactions with related parties in the ordinary course of business;
- b. Details of material individual transactions with related parties which are not in the normal course of business, if any;
- c. Details of material individual transactions with related parties.

### Composition and Meetings of the Audit Committee:

During the period from 1<sup>st</sup> April 2014 till 12<sup>th</sup> August 2014 the composition of Audit Committee was as follows:

S.No	Name	Designation
1.	Mr. Vikas Kapoor	Chairman
2.	Mr. Rakesh Kumar Bhatnagar	Member
3.	Mr. Gopal Singh Negi	Member

On 13<sup>th</sup> August, 2014, the Board of Directors reconstituted the composition of Audit Committee in accordance with relevant provisions of the Companies Act, 2013 and the Listing Agreement.

The composition of the reconstituted Committee is as follows:

S.No	Name	Designation
1.	Mr. Ramesh Chandra Agarwal	Chairman
2.	Mr. Satish Kumar Gupta	Member
3.	Mr. Rakesh Kumar Bhatnagar	Member

The Audit Committee met four times during the year i.e. on 30<sup>th</sup> May 2014, 13<sup>th</sup> August 2014, 14<sup>th</sup> November 2014 and 13<sup>th</sup> February 2015.

The details as to the attendance at the Meetings held are as follows:

Name of Director	Chairman/Member	Category	Attendance at the Meetings held during the year from 1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015
Mr. Vikas Kapoor	Chairman <i>(for the meetings held on 30<sup>th</sup> May, 2014 and 13<sup>th</sup> August, 2014)</i>	Non-Executive	2
Mr. Rakesh Kumar Bhatnagar	Member <i>(For the meetings held on 30<sup>th</sup> May, 2014, 13<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015)</i>	Non-Executive	4
Mr. Ramesh Chandra Agarwal	Chairman <i>(for the meetings held on 14<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015)</i>	Non-Executive Independent Director	2

Mr. Satish Kumar Gupta	Member <i>(for the meetings held on 14<sup>th</sup> November, 2014 and 13<sup>th</sup> February 2015)</i>	Non-Executive Independent Director	2
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Mr. Ramesh Chandra Agarwal, Chairman of Audit Committee, was present at the last Annual General Meeting of the Company which was held on 30<sup>th</sup> September, 2014.

## II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### Appointment criteria

The criteria for the appointment of directors, KMPs and senior management are as follows:

1. The committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director, KMP or senior management level and recommend to the Board his/ her appointment.
2. A person to be appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment to. The committee is empowered to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. A person, to be appointed as director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, and complementary skills in relation to the other Board members.
4. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a director in any company, with the permission of the Board of the Company.

### Remuneration Policy:

The Committee reviews and recommends the remuneration and performance linked bonuses to Key Managerial Personnel and other employees of the Company and also evaluates their performance based on the overall performance and



financial results of the Company and on the assessment of the personal contribution and achievements of the individuals.

Increments to the existing remuneration of Key Managerial Personnel and other employees of the Company are recommended by the committee to the Board.

Evaluation Criteria by the Committee:

- The Board's functioning was evaluated on various aspects, including degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board's processes, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board/ Committee Meetings.

In addition, the Chairman was also evaluated on key aspects of his role, including setting-up the strategic agenda of the Board, encouraging active engagement by all Board members.

- The areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- In terms of Schedule IV of the Companies Act, 2013, the performance of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

**Composition of the Nomination and Remuneration Committee:**

On 13<sup>th</sup> August 2014, the Board constituted a "Nomination and Remuneration Committee" in accordance with relevant provisions of the Companies Act, 2013 and the Listing Agreement.

The composition of the reconstituted Committee is as follows:

S.No	Name	Designation
1.	Mr. Satish Kumar Gupta	Chairman
2.	Mr. Ramesh Chandra Agarwal	Member
3.	Mr. Rakesh Kumar Bhatnagar	Member

The Nomination and Remuneration Committee met one time i.e. on 1<sup>st</sup> December 2014 from the date of its constitution i.e. 13<sup>th</sup> August 2014 till 31<sup>st</sup> March 2015.

The details as to the attendance at the Meeting held are as follows:

Name of Director	Chairman/Member	Attendance at the Meetings held during 13 <sup>th</sup> August 2014 (i.e. date of constitution) to 31 <sup>st</sup> March 2015
Mr. Satish Kumar Gupta	Chairman	1
Mr. Ramesh Chandra Agarwal	Member	1
Mr. Rakesh Kumar Bhatnagar	Member	1

Mr. Satish Kumar Gupta, Chairman of Nomination and Remuneration Committee, was present at the last Annual General Meeting of the Company which was held on 30<sup>th</sup> September, 2014.

### III. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is responsible for:

- Redressal of Shareholders' grievances in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet, approval of the share transfers, transmissions, transpositions and issue of duplicate share certificates;
- specifically look into the redressal of grievances of shareholders of the Company; and
- such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended by such Committee.

#### Composition of the Stakeholders Relationship Committee:

During the period from 1<sup>st</sup> April, 2014 till 12<sup>th</sup> August, 2014 the composition of Investors' Grievance / Share Transfer Committee (now known as Stakeholders' Relationship Committee) was as follows:

S.No	Name	Designation
1.	Mr. Rakesh Kumar Bhatnagar	Chairman
2.	Mr. Vikas Kapoor	Member
3.	Mr. Gopal Singh Negi	Member

On 13<sup>th</sup> August, 2014, the Board renamed the Investors' Grievance / Share Transfer Committee as "Stakeholders' Relationship Committee" and reconstituted the committee in accordance with relevant provisions of the Companies Act, 2013 and the Listing Agreement.

The composition of the reconstituted Committee is as follows:

S.No	Name	Designation
1.	Mr. Vikas Kapoor	Chairman
2.	Mr. Satish Kumar Gupta	Member
3.	Mr. Ramesh Chandra Agarwal	Member

The Stakeholders Relationship Committee met once during the year i.e. on 13<sup>th</sup> February 2015.

The details as to the attendance at the Meetings held are as follows:

Name of Director	Chairman/Member	Category	Attendance at the Meetings held during the year from 1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015
Mr. Vikas Kapoor	Chairman	Non-Executive Director	1
Mr. Ramesh Chandra Agarwal	Member	Non-Executive Independent Director	1
Mr. Satish Kumar Gupta	Member	Non-Executive Independent Director	1

The details of the investors' complaint / grievance received by the Company during the Financial Year 2014-15 are mentioned below:

No. of complaints pending at the beginning of the year	NIL
No. of complaints received during the year	NIL
No. of complaints resolved during the year	NIL
No. of complaints pending as at the end of the year	NIL

Mr. Vikas Kapoor, Chairman of Stakeholders' Relationship Committee, was present at the last Annual General Meeting of the Company which was held on 30<sup>th</sup> September, 2014.

## 6. GENERAL BODY MEETINGS

### I. General Meeting

#### (a) Annual General Meeting:

The Location, date and time of General Meetings held during the last three years are given below

Period / Year	Location	Date	Time
2014	S Global Knowledge Park, 19A & 19B, Sector-125, Noida – 201301	30 <sup>th</sup> September, 2014	9.00 A.M.
2013	E-53, Sector – 3, Noida, (U.P.)- 201301	30 <sup>th</sup> September, 2013	11.00 A.M.
2012	E-53, Sector – 3, Noida, (U.P.)- 201301	29 <sup>th</sup> September, 2012	10.00 A.M.

#### (b) Extraordinary General Meeting

No Extraordinary General Meeting of the Members was held during the year 2014-15.

### II. Postal Ballot: No Postal Ballot was conducted during the year 2014-15.

### III. Special Resolutions

The details of Special resolutions passed by the Shareholders during the last three Annual General Meetings are as follows:

Date of AGM	Whether any Special Resolution was passed	Particulars
30 <sup>th</sup> September, 2014	Yes	Appointment of Mr. Jagdutt Kumar Sharma as Manager of the Company.
30 <sup>th</sup> September, 2013	No	No Special resolution has been passed
29 <sup>th</sup> September, 2012	Yes	Appointment of Mr. Gopal Singh Negi as Whole time Director of the Company.

## 7. SUBSIDIARY

During the year under review, the Company has no subsidiary.

## 8. CEO / CFO CERTIFICATION

As required by Clause 49 of the Listing agreement, the certification by Manager and Director (in absence of CFO as he resigned on 27<sup>th</sup> March 2015) on the Financial statements and the Cash Flow Statements for the year ended 31<sup>st</sup> March, 2015 is enclosed as **ANNEXURE – V(a)(i)** at the end of this Report.

## 9. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board Members of the Company.

All Board Members have affirmed compliance with the Code of Conduct as applicable to them. A declaration to this effect is enclosed as **ANNEXURE – V(a)(ii)** at the end of this report.

## 10. DISCLOSURES

**(a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.**

There are no transactions with any of the related parties.

**(b) Details of non compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.**

No penalties, strictures were imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

**(c) Vigil Mechanism/Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its powers), Rules 2014 and Clause 49 of the Listing Agreement, the Company has established a Vigil Mechanism to report genuine concerns about actual or suspected frauds, unethical behavior etc. and the same has been posted on the official website of the Company.

Further it is affirmed that no personnel has been denied access to the audit committee.

#### **(d) Compliance of Mandatory Requirement**

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement as presently applicable during the year under review. Details of non-mandatory provisions to the extent complied with have been disclosed in this report.

### **11. MEANS OF COMMUNICATION**

The Company publishes its quarterly un-audited (Provisional) financial results and Audited financial results in English and Hindi edition of Business Standard in terms of Clause 41 of the Listing Agreement.

### **12. GENERAL SHAREHOLDER INFORMATION**

- (a) Registered Office** : S Global Knowledge Park, 19A & 19B, Sector-125, Noida, Uttar Pradesh - 201301
- (b) Annual General Meeting**
- Date : 30<sup>th</sup> September, 2015  
Time : 10.00 A M  
Venue : S Global Knowledge Park, 19A & 19B, Sector-125, Noida, Uttar Pradesh - 201301
- (c) Financial Year ending** : 31<sup>st</sup> March every year
- (d) Date of Book Closure** : 26<sup>th</sup> September, 2015 to 30<sup>th</sup> September, 2015 (Both days inclusive)
- (e) Stock Exchanges at which Shares of the Company are listed** : (1) Calcutta Stock Exchange Association Ltd.  
(2) Bombay Stock Exchange Ltd.

**(f) Stock Market Data**

There has been no trading in the shares of the Company during the Financial Year under review.

The listing fee due for the year 2014-15 was duly paid to both the exchanges.

**(g) Registrar and Transfer Agent:**

MCS Share Transfer Agent Limited  
F-65, Okhla Industrial Area,  
Phase-I, New Delhi – 110020.  
Ph: 011-41406149-52, Fax:011-41709881  
email: [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com)  
Website: [www.mcsdel.com](http://www.mcsdel.com)

**(h) Share Transfer System**

The Company transfers the Shares in physical form and dispatch the same within 15 days from the date of their receipt, subject to the documents being valid and complete in all respects. The Stakeholders Relationship Committee looks into the issues relating to Investors Grievances.

**(i) Distribution of Shareholding as on 31<sup>st</sup> March 2015**

a. Promoter & promoter group	- 26.21%
b. Financial Institutions, Banks, State and Central Government	- NIL
c. Foreign Institutional Investors	- NIL
d. Public & Others	- 73.79%

**(j) Dematerialisation of Shares and Liquidity**

The ISIN Number for the Company's Shares is INE471D01019. The members are being provided the facility to get their shares dematerialized and further trading in equity shares of the Company on the stock exchanges is permitted in demat and physical form.

**(k) Outstanding GDRs/ADRs/  
Warrants or Convertible  
Instruments, conversion  
Date and likely impact  
on Equity** : Not Applicable

**(l) Address for Investor  
Correspondence & for  
any query on Annual  
Report** : Company Secretary & Compliance officer  
Avon Mercantile Limited,  
S Global Knowledge Park, 19A & 19B,  
Sector-125, Noida, Uttar Pradesh -201301

The above report was placed before the Board at its Meeting held on 14<sup>th</sup> August, 2015 and the same was approved.

**ANNEXURE – V(a)(i)**

**CERTIFICATION BY MANAGER AND DIRECTOR OF AVON MERCANTILE LIMITED AS ON  
31<sup>ST</sup> MARCH, 2015**

We, Mr. Jagdutt Kumar Sharma, Manager and Mr. Vikas Kapoor, Director of the Company, to the best of our knowledge and belief, certify to the Board that:

- a. We have reviewed Balance Sheet as at 31<sup>st</sup> March, 2015 and the Profit and Loss Account and all its Schedules and Notes to the Accounts as well as Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015;
- b. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- c. Based on our knowledge and information, these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- d. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;
- e. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company;
- f. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's Auditor's and the Audit Committee of the Company's Board of Director's:
  - i. All deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies;
  - ii. All significant changes in internal control during the year covered by this report;
  - iii. All significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iv. Instances of significant fraud of which we are aware that involves management having a significant role in the Company's internal control system.
- g. We further declare that all Board members have affirmed compliances with the code of conduct for the year under review.

**For AVON MERCANTILE LIMITED**

**Place : Noida**

**Date : 14<sup>th</sup> August 2015**

**(Jagdutt Kumar Sharma)  
Manager**

**(Vikas Kapoor)  
Director  
DIN: 03020854**



**ANNEXURE – V(a)(ii)**

**DECLARATION OF CODE OF CONDUCT**

**To,  
The Members of Avon Mercantile Limited**

This is to inform that the Board has laid down a code of conduct for all Board Members and Senior Management of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31<sup>st</sup> March 2015, as envisaged in Clause 49 of the Listing Agreement.

**For AVON MERCANTILE LIMITED**

**Place : Noida**

**Date : 14<sup>th</sup> August 2015**

**(Rakesh Kumar Bhatnagar)  
Director  
DIN: 02922258**

**(Vikas Kapoor)  
Director  
DIN: 03020854**

**ANNEXURE – V(b)**

**CERTIFICATE ON CORPORATE GOVERNANCE  
(As Per Clause 49 of the Listing Agreement)**

**To,  
The Members of Avon Mercantile Limited**

We have examined the compliance of conditions of Corporate Governance by Avon Mercantile Limited for the year ended on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement.

***for K Rakesh & Co.  
Company Secretaries***

**Place: New Delhi  
Date: 14<sup>th</sup> August 2015**

**(Rakesh Kumar)  
C. P. No. 14700**

## **Annexure - VI**

### **MANAGEMENT DISCUSSION ANALYSIS REPORT**

#### **Industry Structure and Developments: -**

The funds of Avon Mercantile Ltd are deployed in loans, investments and bank fixed deposits.

#### **Outlook/Projections for 2015-16:**

The company hopes to increase its income in near future.

#### **Risk and concern**

Your Company has a well-documented risk management policy. This policy is reviewed by the management periodically and is appropriately modified wherever necessary.

#### **Internal Control systems and their adequacy:**

During the year under review, Company has an internal control system in place and was periodically reviewed for effectiveness. The Company has appointed M/s RBAS & Associates as its Internal Auditor for the Financial Year 2014-15.

#### **Financial performance with respect to Operational Performance**

Financial performance has been given separately in the Directors' Report.

#### **Material developments in Human Resources / Industrial Relations front, including number of people employed.**

During the last Financial Year, the Company carried on the business activity of lending money to group companies or invest surplus funds of the Company, and accordingly the Company has not employed Key Managerial Personnel, who are managing the business of the Company.

#### **Cautionary Statement**

Statements in the 'Management Discussion and Analysis Report describing the Company's Objectives, projections, estimates, expectations or predictions may be forward-looking statement within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed in the statement. Important factors that could make a difference to the Company's operations include, among others, the performance of the other Companies in which Company has made investments and the interest rates, changes in the Government regulations, tax laws and other statutes and incidental factors.

## **INDEPENDENT AUDITORS' REPORT**

To,

**The Members of Avon Mercantile Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Avon Mercantile Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, its profits and its cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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 and the cash flow statement dealt with by this Report are in agreement with the 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 Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) the company does not have any pending litigations which would impact its financial position.

ii) the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

In terms of RBI Notification No. DFC 117/DG(SOT)-98 Dt. 02.01.1998, we give our report on the matters specified in the said notification as under:

(i) APPLICATION FOR REGISTRATION UNDER SECTION 45 IA OF RBI ACT

The company has been duly allotted fresh certificate of registration no. 13-12.00443 dated 11.09.2007 in lieu of registration No. 05.00319 dated 21.02.1998.

(ii) NBFC ACCEPTING PUBLIC DEPOSITS

The company has not accepted any deposit from the public; hence this clause is not applicable.

(ii) NBFC NOT ACCEPTING PUBLIC DEPOSITS

The company has not accepted any deposit from public since beginning. It has passed a fresh Board Resolution dated 28<sup>th</sup> April 2015 for not to accept any public deposit. The company has complied with the prudential norms as prescribed by the RBI.

(iii) NBFC AS INVESTMENT CO. INVESTING 90% OF ITS ASSETS IN OTHER GROUP COMPANIES

The company has not invested 90% of its assets in-group companies; hence this clause is not applicable.

**For GUPTA GARG & AGRAWAL**  
CHARTERED ACCOUNTANTS  
FRN 505762C

**(B.B.GUPTA)**  
PARTNER M.  
No. 012399

Place: New Delhi  
Date :30/05/2015

## RE: Avon Mercantile Limited

### Annexure referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date

The comments are in seriatim of the order

- (i) (a) The company is maintaining proper records of its Fixed Assets showing full particulars including quantitative details and situation thereof.  
  
(b) As informed, the fixed assets were physically verified by the management at reasonable intervals. No discrepancy on such verification noticed by the management and reported to us.
- (ii) The company does not have any inventory; as such there are no comments on sub clauses a), b) and c).
- (iii) As per the information and explanations given to us and certified by the management and verified from the books of account, the company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained in pursuance of Section 189 of the Companies Act, 2013, as such there are no comments on sub clauses a) and b).
- (iv) The company has adequate internal control system in commensuration with its size and nature of its business for the purchase of fixed assets. We did not observe any weakness in the internal control system.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance fund, income-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance fund, income-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were outstanding at the period end, for a period of more than six months from the date they became payable.  
  
(b) According to information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.  
  
(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The Company has been in existence for more than five years. The company's accumulated losses at the end of financial year are less than 50% of its net worth. During the period company has earned cash profit of Rs. 32.27 Lacs as against Rs.42.57 Lacs in the immediate preceding year.

- (ix) The Company does not have any loan from Bank, Financial Institutions or Debenture holders, and as such clause is not applicable.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company did not have any term loans outstanding during the period.
- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of audit.

**For GUPTA GARG & AGRAWAL**  
**CHARTERED ACCOUNTANTS**  
FRN 505762C

**(B.B.GUPTA)**  
PARTNER M.  
No. 012399

Place: New Delhi  
Date: 30/05/2015



**AVON MERCANTILE LIMITED**  
 Regd. Address: S GLOBAL KNOWLEDGE PARK 19A & 19B, SECTOR-125,NOIDA  
 CIN:L17118UP1985PLC026582  
 Balance Sheet as at March 31, 2015

Particulars	Notes	Figures as at 31-03-2015 Rs.	Figures as at 31-03-2014 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	74,773,900	74,773,900
(b) Reserves and surplus	3	45,543,921	42,325,548
		<b>120,317,821</b>	<b>117,099,448</b>
<b>Non-current liabilities</b>			
		-	-
<b>Current liabilities</b>			
(a) Short-term borrowings	4	20,000,000	-
(b) Other current liabilities	5	433,901	236,227
(c) Short-term provisions	6	361,137	172,296
		<b>20,795,038</b>	<b>408,523</b>
<b>TOTAL</b>		<b>141,112,859</b>	<b>117,507,971</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	7	5,168	-
(b) Non-current investments	8	2,526,810	2,526,810
		<b>2,531,978</b>	<b>2,526,810</b>
<b>Current assets</b>			
(a) Cash and cash equivalents	9	992,139	1,412,461
(b) Short-term loans and advances	10	134,669,945	113,568,700
(c) Other current assets	11	2,918,796	-
		<b>138,580,880</b>	<b>114,981,161</b>
<b>TOTAL</b>		<b>141,112,859</b>	<b>117,507,971</b>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**For Gupta Garg & Agrawal**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**(B.B.Gupta)**  
 Partner  
 M. No. 012399

**(Rakesh Kumar Bhatnagar)**  
 Director  
 DIN: 02922258

**(Vikas Kapoor)**  
 Director  
 DIN: 03020854

Place : New Delhi  
 Date :30/05/2015

**(Jagdutt Kumar Sharma)**  
 Manager

**AVON MERCANTILE LIMITED**

Regd. Address: S GLOBAL KNOWLEDGE PARK 19A & 19B, SECTOR-125,NOIDA

CIN:L17118UP1985PLC026582

Statement of Profit & Loss for the year ended March 31, 2015

Particulars	Notes	Figures for the year ended 31-03-2015 Rs.	Figures for the year ended 31- 03-2014 Rs.
<b>Incomes</b>			
Other income	12	10,971,555	10,252,167
<b>Total</b>		<b>10,971,555</b>	<b>10,252,167</b>
<b>Expenses</b>			
Employee benefits expense	13	4,970,181	3,430,410
Finance costs	14	52,055	-
Depreciation and amortization expense	7	8,822	-
Other expenses	15	1,088,285	514,151
<b>Total</b>		<b>6,119,342</b>	<b>3,944,561</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>4,852,213</b>	<b>6,307,606</b>
<b>Exceptional items</b>			
Prior period expenses		(34,839)	-
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>4,817,374</b>	<b>6,307,606</b>
Extraordinary items		-	-
<b>Profit / (Loss) before tax</b>		<b>4,817,374</b>	<b>6,307,606</b>
<b>Tax Expenses :</b>			
(i) Current Tax		(1,530,000)	(2,050,000)
(ii) Deferred Tax		-	-
(iii) Income tax paid for earlier years		(69,001)	-
<b>Profit / (Loss) for the year</b>		<b>3,218,373</b>	<b>4,257,606</b>
<b>Earnings per equity share [nominal value of share Rs. 10 (31 March 2014: Rs. 10)]</b>	16		
1) Basic		0.43	0.57
2) Diluted		0.43	0.57

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**For Gupta Garg & Agrawal**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**( B.B.Gupta )**

Partner  
M. No. 012399

**(Rakesh Kumar Bhatnagar)**

Director  
DIN: 02922258

**(Vikas Kapoor)**

Director  
DIN: 03020854

Place : New Delhi  
Date :30/05/2015

**(Jagdukt Kumar Sharma)**  
Manager

**AVON MERCANTILE LIMITED**

Regd. Address: S GLOBAL KNOWLEDGE PARK 19A & 19B, SECTOR-125,NOIDA

CIN:L17118UP1985PLC026582

Cash Flow Statement for the year ended March 31, 2015

Particulars	31-Mar-15 Rs.	31-Mar-14 Rs.
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	4,817,374	6,307,606
<b>Non-cash adjustment to reconcile profit before tax to net cash flows :</b>		
Depreciation/ amortization	8,822	-
Interest expense	52,055	-
Reversal of Provision	958	-
Interest (income)	(10,971,555)	(10,252,167)
<b>Operating profit before working capital changes</b>	<b>(6,092,347)</b>	<b>(3,944,561)</b>
Movements in working capital :		
Increase / (decrease) in short-term provisions	188,841	-
Increase / (decrease) in short-term borrowings	20,000,000	-
Increase/ (decrease) in other current liabilities	197,674	193,320
Decrease / (increase) in short-term loans and advances	(21,101,245)	(4,372,914)
Decrease / (increase) in other current assets	(2,918,796)	(1,732,463)
<b>Cash generated from / (used in) operations</b>	<b>(9,725,873)</b>	<b>(9,856,618)</b>
Direct taxes paid (net of refunds)	(1,599,001)	910,000
<b>Net cash flow from/ (used in) operating activities</b>	<b>A (11,324,874)</b>	<b>(8,946,618)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets, including CWIP and capital advances	(13,990)	-
Interest received	10,970,597	10,252,167
<b>Net cash flow from/ (used in) investing activities</b>	<b>B 10,956,607</b>	<b>10,252,167</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(52,055)	-
<b>Net cash flow from/ (used in) in financing activities</b>	<b>C (52,055)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>A+B+C (420,322)</b>	<b>1,305,549</b>
Cash and cash equivalents at the beginning of the year	1,412,461	106,912
<b>Cash and cash equivalents at the end of the year</b>	<b>992,139</b>	<b>1,412,461</b>
<b>Components of cash and cash equivalents</b>		
With banks- on current account	992,139	1,412,461
<b>Total cash and cash equivalents (Note 9)</b>	<b>992,139</b>	<b>1,412,461</b>

**Notes :**

- The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements notified by Companies (Accounts) Rules, 2014.
- Negative figures have been shown in brackets.

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**For Gupta Garg & Agrawal**  
**Chartered Accountants**

**For and behalf of the Board of Directors**

**( B.B.Gupta )**  
Partner  
M. No. 012399

**(Rakesh Kumar Bhatnagar) (Vikas Kapoor)**  
Director Director  
DIN: 02922258 DIN: 03020854

Place : New Delhi  
Date :30/05/2015

**(Jagdutt Kumar Sharma)**  
Manager

**AVON MERCANTILE LIMITED**

Regd. Address: S GLOBAL KNOWLEDGE PARK 19A & 19B, SECTOR-125,NOIDA

CIN:L17118UP1985PLC026582

**Note to financial statements for the year ended March 31, 2015**

**1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1 Basis of Accounting**

The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with the Generally Accepted Accounting Principles and mandatory Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and as per the provisions and presentational requirements of the Companies Act, 2013.

**2 Changes in Accounting policies**

The accounting policies adopted are consistent with those of previous financial year. The management assures that there has been no change in accounting policies as compared to that of previous year which would have any significant effect on these financials.

**3 Recognition of Income**

Income is recognised and accounted for on accrual basis unless otherwise stated.

**4 Use of estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**5 Investments**

Long-term investments are valued at cost being the purchase price plus direct costs. Provision is made for permanent diminution, if any, in the value of the investments.

**6 Taxes on Income**

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be realised.

**7 Contingent Liability**

The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.

**8 Events occurring after the balance sheet date**

Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.

**9 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year/ period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ period.

**10 Fixed Asset & Depreciation**

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its

Depreciation on assets was provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. From 01.04.2014, the depreciation is provided at the rates and in the manner as prescribed in Schedule II of the Companies Act, 2013 on the basis of useful life of each assets.

Depreciation on addition to assets is calculated pro-rata from the date of such addition to the end of the year. Assets costing Rs. 5000/- or less are fully depreciated in the year of purchase, provided that the aggregate actual cost of individual item of respective fixed assets costing Rs. 5000/- or less does not constitute more than 10% of the total actual cost of respective fixed assets

**AVON MERCANTILE LIMITED**  
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 CIN:L17118UP1985PLC026582  
 Notes to Financial Statements for the year ended March 31, 2015

**2. Share Capital**

Particulars	Figures as at 31-03-2015 Rs.	Figures as at 31-03-2014 Rs.
<b>Authorized shares</b>		
75,00,000 (75,00,000) Equity Shares of Rs. 10/- each	75,000,000	75,000,000
<b>Issued, subscribed and fully paid-up shares</b>		
74,77,390 (74,77,390) Equity Shares of Rs. 10/- each	74,773,900	74,773,900
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>74,773,900</b>	<b>74,773,900</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year Equity shares**

Particulars	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	7,477,390	74,773,900	7,477,390	74,773,900
Issued during the year – Bonus issue	-	-	-	-
Issued during the year – ESOP	-	-	-	-
Outstanding at the end of the year	<b>7,477,390</b>	<b>74,773,900</b>	<b>7,477,390</b>	<b>74,773,900</b>

**(b) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the company, shares held by its holding company are stated below:

Nil

**(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Nil

**(d) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	No. of shares	% holding in the class	No. of shares	% holding in the class
Smart Entertainment Private Limited (Formerly known as Smart Entertainment Limited)	738,500	9.88%	738,500	9.88%
Oasis Cineplex Private Limited	489,250	6.54%	489,250	6.54%
LCC Infotech Ltd	494,500	6.61%	494,500	6.61%
Benzer Agencies Ltd	403,750	5.40%	403,750	5.40%

**(e)** The above information (from (a) to (d)) is as per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest. The above shareholding represents both legal and beneficial ownerships of shares.

Particulars	Figures as at 31-03-2015 Rs.	Figures as at 31-03-2014 Rs.
<b>3. Reserves and Surplus</b>		
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(18,026,539)	(22,284,145)
Profit/(Loss) for the year	3,218,373	4,257,606
<b>Net surplus/(deficit) in the statement of profit and loss</b>	<b>(14,808,166)</b>	<b>(18,026,539)</b>
Special Reserve	60,762	60,762
Amalgamation Reserve	60,291,325	60,291,325
<b>Total Reserves and Surplus</b>	<b>45,543,921</b>	<b>42,325,548</b>
<b>4. Short-term borrowings</b>		
Smart Entertainment Pvt. Ltd. (formerly known as Smart Entertainment Ltd.)	20,000,000	-
	<b>20,000,000</b>	<b>-</b>
<b>5. Other current liabilities</b>		
Audit Fee Payable	40,449	17,752
TDS Payable	44,411	4,094
Expenses Payable (including stale cheques)	103,397	57,400
Salary & Wages Payable	198,795	146,386
Bonus Payable	-	10,595
Interest Payable	46,849	-
	<b>433,901</b>	<b>236,227</b>
<b>6. Short term provisions</b>		
Provision for income tax	5,055,500	5,887,500
Less: TDS recoverable	4,694,363	5,715,204
	<b>361,137</b>	<b>172,296</b>
<b>8. Non-current Investments</b>		
<b>Long Term Investment in Quoted Equity Shares of Rs.10/- each Fully Paid Up</b>		
2,75,000 (2,75,000) Spicebulls Investments Limited (Formerly Twenty First Century Capitals Limited)	2,526,810	2,526,810
<b>Long Term Investment in Unquoted Equity Shares of Rs. 10/- each Fully Paid Up</b>		
27,60,000 (27,60,000) Modikem Private Limited (formerly known as Modikem Limited)	27,808,000	27,808,000
	<b>30,334,810</b>	<b>30,334,810</b>
<b>Less : Provision for Diminution in the value of Investment</b>	27,808,000	27,808,000
<b>Total</b>	<b>2,526,810</b>	<b>2,526,810</b>
<b>Market value of Quoted Shares</b>	2,526,810	2,526,810

\* In the absence of market quotation, cost of investments have been considered as market price.

Previous year figures have been shown in brackets.

**AVON MERCANTILE LIMITED**

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**Note to Financial Statements for the year ended March 31, 2015**

**7. Fixed Assets**

(Figures in Rs.)

Sr. No	Particulars	As at 01.04.2014	Gross Block		As at 31.03.2015	Upto 31.03.2014	Depreciaton		As at 31.03.2015	Net Block	
			Additions during the year	Deletions during the year			For the year	Adjustments		As at 31.03.2015	As at 31.03.2014
I	<b>Tangible Assets</b>										
	Office Equipments	-	13,990	-	13,990	-	8,822	-	8,822	5,168	-
	<b>Total (Current Year)</b>	-	<b>13,990</b>	-	<b>13,990</b>	-	<b>8,822</b>	-	<b>8,822</b>	<b>5,168</b>	-
	<b>(Previous year)</b>	-	-	-	-	-	-	-	-	-	-

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Particulars	Figures as at 31-03-2015 Rs.	Figures as at 31-03-2014 Rs.
<b>9. Cash and cash equivalents</b>		
Balances with banks:		
Current Accounts		
- IndusInd Bank	954,253	1,373,957
- State Bank Of Patiala	37,886	38,504
	<b>992,139</b>	<b>1,412,461</b>
<b>10. Short term loans and advances</b>		
Unsecured considered good		
Loans and advances to others (Refer Note No. 22)		
(i)Saket City Hospital Pvt. Ltd.	113,500,000	-
(ii)Mrs.Veena Modi	21,000,000	-
(iii)Smart Entertainment Pvt. Ltd. (Formerly known as Smart Entertainment Ltd.)	-	113,400,000
Loans to employees	117,609	137,651
Advance to parties	15,360	-
Prepaid expenses	36,976	31,049
	<b>134,669,945</b>	<b>113,568,700</b>
<b>11. Other current assets</b>		
Interest Receivable	2,918,796	-
	<b>2,918,796</b>	<b>-</b>
<b>Contingent liabilities and commitments</b>		
<b>(1) Contingent Liabilities</b>		
a) Claims against the company not acknowledged as debts	NIL	NIL
b)Guarantees	NIL	NIL
c)other money for which company is contingently liable On account of income tax demand in appeal	NIL	NIL
<b>(2) Commitments</b>		
a)Estimated amounts of contracts to be executed on capital account not provided for	NIL	NIL
b)Uncalled liability on partly paid shares	NIL	NIL
c)Other commitments	NIL	NIL



**AVON MERCANTILE LIMITED**  
 Regd. Address: S GLOBAL KNOWLEDGE PARK 19A & 19B, SECTOR-125,NOIDA  
 CIN:L17118UP1985PLC026582  
 Notes to Financial Statements for the year ended March 31, 2015

Particulars	Figures for the year ended 31-03-2015 Rs.	Figures for the year ended 31-03-2014 Rs.
<b>12. Other income</b>		
Interest on loan	10,970,597	10,252,167
Liabilities no longer payable written back	958	-
	<b>10,971,555</b>	<b>10,252,167</b>
<b>13. Employee benefits expense</b>		
Salaries, wages and bonus	4,489,693	2,987,365
Leave encashment expenses	253,683	206,471
Staff welfare expenses	226,805	236,574
	<b>4,970,181</b>	<b>3,430,410</b>
<b>14. Finance costs</b>		
Interest on Loan	52,055	-
	<b>52,055</b>	<b>-</b>
<b>15. Other expenses</b>		
Filing fees	17,350	5,000
Certification Fees	5,750	8,764
Legal and professional fees	12,174	12,304
Advertisement Charges	55,113	51,189
Payment to Auditors (Refer details below)	61,236	29,212
Custodial Charges	13,484	13,236
Bank Charges	1,028	2,012
Listing Fees	110,500	26,798
Demat Charges	44,944	-
Misc. Exp.	27,644	9,383
Telephone & Internet Expenses	69,832	45,411
Running & Maintenance	346,117	85,087
Travelling & Conveyance	234,288	225,755
Printing & Stationery	33,769	-
Interest on tax	56	-
Director's sitting fees	55,000	-
	<b>1,088,285</b>	<b>514,151</b>
<b>Payment to auditors:</b>		
Audit fee	15,730	17,976
Tax audit fee	11,236	-
Tax audit fee related to earlier year	11,236	-
Limited review	17,977	11,236
Other services	5,057	-
	<b>61,236</b>	<b>29,212</b>
<b>16. Earnings per share (EPS)</b>		
<b>The following reflects the profit and share data used in the basic and diluted EPS computations:</b>		
Profit/ (loss) after tax	3,218,373	4,257,606
Number of ordinary equity shares	7,477,390	7,477,390
Weighted average number of ordinary equity shares	7,477,390	7,477,390
Nominal Value of ordinary shares	10	10
<b>Basic and diluted earning per share</b>	<b>0.43</b>	<b>0.57</b>

**AVON MERCANTILE LIMITED**  
**Regd. Address: S GLOBAL KNOWLEDGE PARK 19A & 19B, SECTOR-125,NOIDA**  
**CIN:L17118UP1985PLC026582**

**Notes to financial statements for the year ended March 31, 2015**

**ADDITIONAL NOTES TO ACCOUNTS**

17 The financials for current period ended on March 31, 2015 have been prepared as per the provisions and schedules prescribed under the Companies Act, 2013 as the same become applicable to the company w.e.f. 01.04.2014.

18 The company being listed on stock exchange therefore, has complied with all the notified applicable Accounting Standards.

**19 Deferred Taxes**

As per the guidance note of the Institute of Chartered Accountants of India on Accounting Standard AS - 22 " Taxes on Income", the company as on the date of balance sheet, at the income tax rates applicable on the said date has Deferred Tax Assets (DTA) of Rs. 90,22,306/- on its provision for diminution in the value of investments. The said DTA has not been recognized in the books of account, on account of virtual uncertainty of future long term profits and revival in the values of long term investments respectively.

20 Previous year figures have been regrouped/re-classified wherever considered to make comparable with the current year figures.

21 All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.

22 Disclosure required under section 186(4) of the Companies Act, 2013

Name of Loanee	Rate of Interest	Due Date	Secured/ Unsecured	31-Mar-15	Purpose
Saket City Hospital Pvt. Ltd.	10.50%	04.01.2018	Unsecured	113,500,000	For Working Capital Requirement
Mrs Veena Modi	10.00%	31-03.2016	Unsecured	21,000,000	For General Purpose

23 As the company's business activities are confined to Investment/Trading in Shares & Securities only, therefore, the disclosure requirement of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, is not applicable.

**24 Details of Managerial Remuneration**

<b>Name: Mr. Jagdutt Kumar Sharma (Manager)</b>	<b>2014-15</b>	<b>2013-14</b>
Salary / Allowances	391,040	-
Car Lease Rent paid	52,000	-
Medical reimbursement	8,750	-
Other reimbursement	213,624	-
	<b>665,414</b>	-

**25 Information required to be given by way of note regarding foreign currency income/outgo**

Nil

**26 (a) Related Party Disclosures :**

<b>Holding Company</b>	Nil
<b>Subsidiary Company</b>	Nil
<b>Fellow Subsidiary Company</b>	Nil
<b>Associate company</b>	Nil

**Key Management Personnel**

Mr. Joseph J Ikarakuzhi (CFO w.e.f. 01.08.2014 till 26.03.2015)  
Mr. Jagdutt Kumar Sharma (Manager w.e.f. 01.08.2014)  
Mrs. Jyotsna Sharma (Company Secretary w.e.f. 30.05.2014  
till 30.11.2014)  
Mr. S K Gupta (Company Secretary w.e.f. 01.12.2014)

**(b) Related Party Transactions**

Attached as per annexure 1

As per our attached report of even date.

**For Gupta Garg & Agrawal  
Chartered Accountants**

**For and on behalf of the Board of Directors**

**( B.B.Gupta )**  
Partner  
M. No. 012399

**(Rakesh Kumar Bhatnagar)**  
Director  
DIN: 02922258

**(Vikas Kapoor)**  
Director  
DIN: 03020854

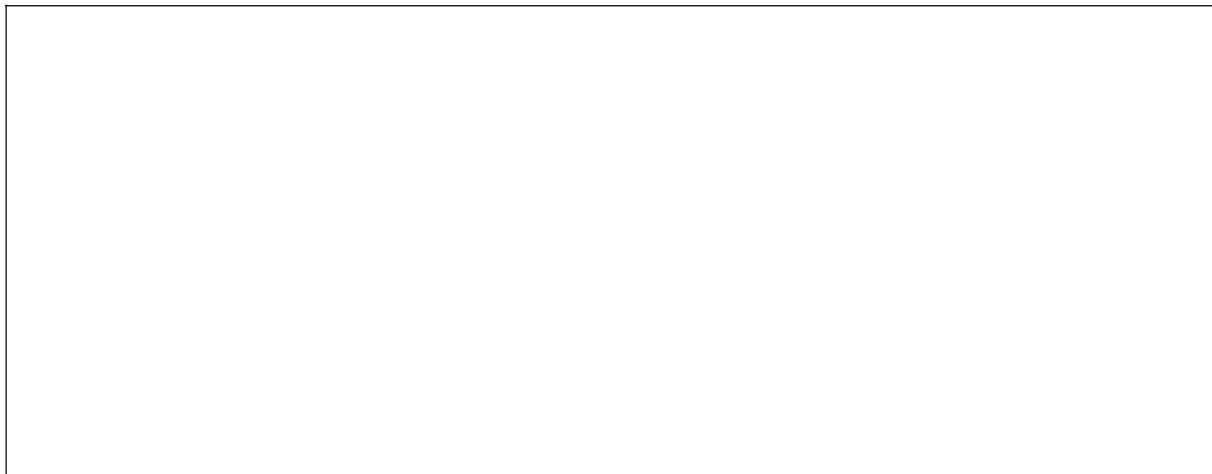
Place : New Delhi  
Date :30/05/2015

**(Jagdutt Kumar Sharma)**  
Manager

**AVON MERCANTILE LIMITED**

CIN: L17118UP1985PLC026582

**Regd. Off.:** S Global Knowledge Park, 19A & 19B, Sector-125, Noida, Uttar Pradesh-201301 E-mail : [avonsecretarial@gmail.com](mailto:avonsecretarial@gmail.com), **Website:** [www.avonmercantile.in](http://www.avonmercantile.in)



**ELECTRONIC VOTING PARTICULARS**

<b>EVEN (E-Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>	<b>NO. OF SHARES</b>

**The e-voting facility will be available during the following voting period**

<b>Commencement of E-Voting</b>	From 09.00 A.M. (IST) on September 27 <sup>th</sup> , 2015
<b>End of E-voting</b>	From 05.00 P.M. (IST) on September 29 <sup>th</sup> , 2015

**The cut-off date (i.e. the record date) for the purpose of e-voting is 23<sup>rd</sup>, September, 2015**

PROXY FORM

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

CIN : L17118UP1985PLC026582

**Name of the Company : Avon Mercantile Limited**

Regd. Office: S Global  
 Knowledge Park, 19A & 19B,  
 Sector-125, Noida, Uttar  
 Pradesh-201301 Website:  
[www.avonmercantile.in](http://www.avonmercantile.in)

Name of the Member(s) :	
Registered Address :	
E mail Id :	
Folio No / Client ID:	
DP ID :	

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

- (1) Name ..... Address.....  
 Email ID ..... Signature..... or failing him/her
- (2) Name ..... Address.....  
 Email ID ..... Signature..... or failing him/her
- (3) Name ..... Address.....  
 Email ID..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2015 at 10:00 A.M. at S Global Knowledge Park, 19A & 19B, Sector-125, Noida – 201301 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.

ORDINARY BUSINESS

- Adoption of Audited Balance Sheet as on 31st March 2015 alongwith the Profit and Loss for the Financial Year ended on that date together with the Report of the Board of Directors and Auditors’ thereon.
- Re-appointment of Mr. Rakesh Kumar Bhatnagar (DIN 02922258), who retires by rotation.
- Appointment of Auditors and fixing their remuneration

SPECIAL BUSINESS

- Appointment of Ms. Gunjan Arora (DIN: 07134573), who was appointed as Additional Director and holds office upto the date of this Annual General Meeting, be appointed as a Non-Executive Director, whose period of office shall be liable to determination by retirement of directors by rotation.

Signed this \_\_\_\_\_ day of September, 2015.

Signature of the Shareholder .....

Affix
Revenue
Stamp
Rs. 1/-

Signature of Proxy holder(s) .....

Notes: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

