

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty Ninth** Annual General Meeting of the **M/s NIDHI MERCANTILES LIMITED** will be held at its registered office of the Company at B/306-309, Dynasty Business Park, Opp. Sangam cinema, Andheri (E), Mumbai (M.H.)- 400 059 on Wednesday, the **30<sup>th</sup> September, 2015** at **01.00 p.m.** to transact, with or without modification(s) the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended **March 31, 2015**, including the audited Balance Sheet as at **March 31, 2015**, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mrs. Sejal Modi, (DIN No.: 06684211)** who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass, the following resolution as **ordinary resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other relevant provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of **M/s. K. K. Khadaria & Co.,** Chartered Accountants, Mumbai (FRN: 105013W with the Institute of Chartered Accountants of India), as Auditors of the Company, by resolution passed at the 28<sup>th</sup> AGM until the conclusion of 31<sup>st</sup> AGM, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 29<sup>th</sup> AGM until the conclusion of the 31<sup>st</sup> AGM on such remuneration as may be agreed upon by the Audit Committee/ Board of Directors in consultation with the Auditors.”

### SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 149,150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Anil Kumar Agarwal (DIN: 07163541)**, who was appointed as an Additional Independent Director of the Company by the Board of Directors w.e.f. 15<sup>th</sup> April, 2015, pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) Consecutive years for a term upto March 31, 2020, not liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the provisions of **Section 180(1)(c)** of the Companies Act, 2013 (including any statutory modification or re-enactment thereto from time to time) and other applicable provisions, Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called “the Board”) to borrow from time to time of such sum(s) of money(ies), secured or unsecured, as it may deem requisite, notwithstanding that money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) would exceed the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount up to which money(ies) may be borrowed shall not exceed the sum **Rs. 50,00,00,000/- (Rupees Fifty Crores Only)** outstanding at any point of time.

**RESOLVED FURTHER THAT** the Board, any Director or any Person(s) as may be authorized by the Board be and are hereby severally authorized to take such actions and steps to sign all such forms and returns and other documents and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of **Section 186** and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby given to the Board of Directors of the Company (“Board”), any Director of the Company (“Director”) and/or any person(s) as may be authorised by Board (“Authorised Person(s)”) to make any loan(s) to any person(s) and/or body corporate(s), give any guarantee(s) and/or provide security in connection with a loan(s) to any body corporate(s) and/or any other person(s) and/or acquire by way of subscription, purchase or otherwise the securities of any body corporate(s), provided that the principal amount of such loan(s) made /to be made by the Company, the loan(s) for which the guarantee(s) and/or security have been/will be provided by the Company and/or such investment(s) by the Company shall not exceed **Rs. 700,00,00,000/- (Rupees Seven hundred Crores Only)** in the aggregate, notwithstanding that such loan(s), guarantee(s), security and/or the investments made/provided and/or to be made/provided by the Company shall be in excess of any or all the limits specified in, inter alia, sub-section (2) of the said section 186 and proviso thereto.

**“RESOLVED FURTHER THAT** the Board, the Director and/or the Authorised Person(s) be and are hereby severally authorised to take from time to time all decisions and steps necessary, expedient or proper, in respect of the loan(s) to be made, guarantee(s) and/or security to be given in connection with loan(s) to any body corporate(s) and/or any other person(s) and/or the investments to be made including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, either in part or in full, as it/he/she may, in its/her/his absolute discretion, deem appropriate, subject to the limits specified above, take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and thereto, and to sign and execute deeds, applications, agreements, undertakings, documents, amendments and/or writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution”.

For and on Behalf of the Board  
For, **M/s Nidhi Mercantiles Limited**

**Date:** 13<sup>th</sup> August, 2015

**Place:** Mumbai

**Ladhu Lal Soni**  
**Chairman**  
**(DIN: 00131787)**

**CIN No.:** L51909MH1985PLC138577

**Registered Office:**

B/306-309, Dynasty Business Park,

Opp. Sangam cinema, Andheri(e), Mumbai- 400 059.

Email id: [nml.mumbai@gmail.com](mailto:nml.mumbai@gmail.com), [www.nidhi.net.in](http://www.nidhi.net.in)

## NOTES:

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

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

**Further a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. **The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.** Instructions and other information relating to e-voting are given in this Notice under Note No. 17. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. A statement giving the details of the Directors seeking appointed / reappointed, nature of their expertise in specific functional areas, names of the Companies in which they hold directorships, memberships / chairmanships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Clause 49 of the Listing Agreement with Stock Exchange, are provided in the Annexure.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from **Thursday, 24<sup>th</sup> September, 2015 to Wednesday, the 30<sup>th</sup> September, 2015** (both days inclusive).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
10. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.
11. The Company's shares are listed on CSE Limited, Kolkata and Uttar Pradesh Stock Exchange, Kanpur (Exit Order in respect of Uttar Pradesh Stock Exchange Limited dated 9<sup>th</sup> June, 2015) .

12. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Company / Registrar and Transfer Agent of the Company, in case
13. Their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
14. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
15. Members who are holding shares in Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
16. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in Demat form, they must quote their DP ID and Client ID Number.
17. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

**18. VOTING THROUGH ELECTRONIC MEANS:**

- a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
- b) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**c) The process and manner for remote e-voting are as under:**

- (i) The voting period begins on **September 27, 2015 at 9.00 A.M. & ends on September 29, 2015 at 5.00 P.M.** During this period shareholders’ of the Company, holding shares either in physical form or in Dematerialized form, as on the cut-off date (record date) of **September 23<sup>rd</sup>, 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e- voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on “Shareholders” tab.
- (iv) Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 digits clients ID,
  - c. Members holding shares in Physical Form should enter Folio Number Registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and click on Login.
- (vi) If you are holding shares in De-mat form and had logged on to [ww.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul> <p>(1) In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
<b>DOB</b>	<p>Enter the Date of Birth as recorded in your Demat account with the depository or in the Company records for your folio in dd/mm/yyyy format.</p>
<b>Bank Account Number (DBD)</b>	<p>Enter the Bank account Number as recorded in your Demat account with the depository or in the Company records for your folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Bank account NO. in order to Login.</li> <li>If both the details are not recorded in Depository or Company, then please enter the member –id/folio number in the Bank Account Number Details field as mentioned in the above instruction (iv).</li> </ul>

(viii) After entering these details appropriately, click on “SUBMIT” tab.

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

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. Institutional Members/ Bodies corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through e-mail at [nml.mumbai@gmail.com](mailto:nml.mumbai@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before **September 29<sup>th</sup>, 2015 upto 05.00 p.m.** without which the vote shall not be treated as valid.
  20. The facility for voting through ballot/polling paper shall also be made available at the venue of the 29<sup>th</sup> AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting right at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not entitle to cast their vote again at the AGM.
  21. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of **23<sup>rd</sup> September, 2015**.
  22. Investors who became members of the Company subsequent to the dispatch of the Notice by the Company and wish to holds the shares till the cut-off date i.e. 23<sup>rd</sup> September, 2015 are requested to send the written/email communication to the Company at [nml.mumbai@gmail.com](mailto:nml.mumbai@gmail.com) by mentioning their Folio No./DP ID and Client ID to obtain the Login-ID and Password for e-voting.
  23. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of **23<sup>rd</sup> September, 2015**. The facility of e-voting would be provided once for every folio/client id, irrespective of number of joint holders.
  24. **CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates**, Company Secretary, Mumbai has been appointed as the Scrutinizer for providing facility to the member of the Company to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment and make a scrutinizer’s Report of the votes cast in favor or against, if any, forthwith to the chairman of the Company.
  25. The results shall be declared on or after the AGM of the Company. The results declared along with Scrutinizer’ Report shall be placed on the website of CDSL & website of Nidhi Mercantiles Ltd. within two days of passing of the resolution at the AGM of the Company and will be communicated to the stock exchanges.
  26. The Company has listed its shares on:
    - (i) Calcutta Stock Exchange Ltd, 07, Lyons Range, Kolkata-700001.
    - (ii) UP Stock Exchange Ltd., Kanpur.
  27. The Listing Fees of these Exchanges have been paid regularly.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

### **Item No. 4:**

**Mr. Anil Kumar Agarwal (DIN No. 07163541)** was appointed as an Additional (Independent) Director of the Company with effect from 15<sup>th</sup> April, 2015. Your Board proposes to regularize his appointment and appoint him as an Independent Director of the Company under Section 149 and 161(1) of the Act and clause 49 of the Listing Agreement, for one term of Five Years.

As per the current provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, an Independent director is permitted to be appointed for a term of consecutive period of 5 years, without being liable to retire by rotation. **Mr. Anil Kumar Agarwal (DIN No. 07163541)** is not disqualified from being appointed as a Director in terms of section 164 of the Act. The Company has received notice in writing from a member along with deposits of requisite amount under section 160 of the Act proposing the candidature of Mr. Anil Kumar Agarwal for the office of Director of the Company. The Company has also received declaration from Mr. Anil Kumar Agarwal that he meets with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

Mr. Anil Kumar Agarwal holds degree of B.com (Hon.) and CA intermediate with 25 years of experience in accounting and financial management.

Copy of the draft letter for appointment of Mr. Anil Kumar Agarwal as Independent Director, setting out terms and conditions are available for inspection by members at the registered office of the Company.

This statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the stock exchanges.

None of the Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No.4 of the notice for approval by the shareholders.

### **Item No. 5:**

Pursuant to the provisions of **Section 180(1)(c)** of the Companies Act, 2013 (the 'Act'), since notified, the Board can exercise such borrowing powers only with the approval of Members of the Company by way of Special Resolution.

It was considered desirable that the said borrowing limits of the Company be enhanced to **Rs. 50 Crores**. The resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

### **Item No. 6:**

As per the provisions of **Section 186** of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to any body corporate or any person for an amount not exceeding **Rs. 700,00,00,000/- (Rupees Seven hundred Crores Only)**.

The Directors expect that the proposed guarantee and security will not prejudice the interest of shareholders.

The Board recommends special resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

## ANNEXURE TO THE NOTICE

In Pursuance of the Clause 49(VIII) (E) of the Listing Agreement details of Director seeking appointment/ re-appointment at the ensuing Annual General Meeting are as follow:

Name	Mr. Anil Kumar Agarwal	Mrs. Sejal Modi
Directors Identification Number (DIN)	07163541	06684211
Age	45 years	32 years
Qualification	B.com (Hon.) & CA intermediate	Chartered Accountant (CA)
Expertise in Specific Area	25 years of experience in accounting and financial management.	6 years of experience in finance & Accounting.
Date of first Appointment on the Board of the Company	15 <sup>th</sup> April, 2015	13 <sup>th</sup> August, 2014
Shareholding in Nidhi Mercantiles Ltd.	Nil	Nil
List of Directorship held in other Companies	1. Shree Ji Fincap Private Limited	Nil
Membership/Chairmanships of Audit and Stakeholders Remuneration Committee	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance

For and on Behalf of the Board  
For, **M/s Nidhi Mercantiles Limited**

**Date:** 13<sup>th</sup> August, 2015  
**Place:** Mumbai

**Ladhu Lal Soni**  
**Chairman**  
**(DIN: 00131787)**

**CIN No.:** L51909MH1985PLC138577

**Registered Office:**

B/306-309, Dynasty Business Park,  
Opp. Sangam cinema, Andheri(e),  
Mumbai- 400 059.

Email id: [nml.mumbai@gmail.com](mailto:nml.mumbai@gmail.com), [www.nidhi.net.in](http://www.nidhi.net.in)