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September 04, 2023

Corporate Relationship Department,  
BSE Limited,  
PJ Towers, Dalal Street,  
Mumbai -400 001.

Dear Sir/Madam,

**Subject: Notice of the 22<sup>nd</sup> Annual General Meeting (AGM) and Annual Report for the FY 2022-23**  
**Ref: Security Code: 538942**

We hereby inform that the 22<sup>nd</sup> AGM of the Company is scheduled to be held on Thursday, 28<sup>th</sup> September, 2023 at 11:30 AM (IST) through Video Conference/Other Audio Visual Means.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of Annual Report of the Company for the FY 2022-23 along with the Notice of AGM. The documents are also available on the website of the Company (<https://www.mercantileventures.co.in/>) and on the CDSL platform (<https://www.evotingindia.com/>) who have been engaged by the Company for providing of the e-Voting/ VC services.

We request you to kindly take the above on record.

Thanking You,  
Yours Truly,  
For Mercantile Ventures Limited

E N Rangaswami  
DIN: 06463753)  
Whole time Director





# **MERCANTILE VENTURES LIMITED**

## **ANNUAL REPORT 2022-23**

#### Board of Directors

Mr AL. Chandramouli	- Non-Executive - Independent Director
Mr B. Narendran	- Non-Executive - Independent Director
Ms Sashikala Srikanth	- Non-Executive - Independent Director
Mr G D Sharma	- Non-Executive - Independent Director
Mr K Gopalakrishnan	- Non-Executive - Non Independent Director
Mr E.N. Rangaswami	- Executive - Wholetime Director

#### Chief Financial Officer

Mr V. Padmanabha Sarma

#### Company Secretary & Compliance Officer

Mr. Oberoi Jangit M

#### Registrars and Share Transfer Agent

Cameo Corporate Services Limited  
Subramanian Building,  
1, Club House Road,  
Chennai – 600 002.

#### Registered Office

88, Mount Road, Guindy,  
Chennai – 600 032.  
CIN: L65191TN1985PLC037309  
e-mail: admin@mercantileventures.co.in  
Website: www.mercantileventures.co.in

#### Statutory Auditor

Venkatesh & Co  
Chartered Accountants  
'SRI RANGA", New No.151,  
Mambalam High Road,  
T.Nagar, Chennai - 600 017.

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## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd (Twenty Second) Annual General Meeting of the members of Mercantile Ventures Limited will be held on Thursday, 28th September, 2023 at 11.30 A.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions as an **Ordinary Resolution**:
  - a) **"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
  - b) **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
2. To appoint a Director in place of Mr. K Gopalakrishnan (DIN: 00621061), who retires by rotation and being eligible, offers himself for re-appointment, by passing the following as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to section 152 and other applicable provisions, if any of the Companies Act, 2013, Mr. K Gopalakrishnan (DIN: 00621061), Director who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company."

### SPECIAL BUSINESS

3. To approve the material Related Party Transaction of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, on the basis of the approval and recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board, for entering into any contract(s)/arrangement(s)/ transaction(s) proposed to be entered into during the financial year 2023-24 with Sicagen India Limited, being a promoter of the Company, for an amount not exceeding 2 Crores, towards Lease rentals, Maintenance and Housekeeping, Manpower supply services and other transactions on an arm's length basis and in the ordinary course of business of the Company as detailed in the Explanatory Statement annexed;

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board / Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board/ Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.

**"RESOLVED FURTHER THAT** all actions taken by the Board/Committee in connection with any matter referred to or contemplated in this resolution, be and are hereby ratified, approved, and confirmed in all respects.

4. To approve the material Related Party Transaction of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013, and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, on basis of the approval and recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board, for entering into any contract(s)/arrangement(s)/ transaction(s) proposed to be entered into during the financial year 2023-24 with South India Travels Private Limited, being the promoter of the Company, for an amount not exceeding 10 Crores, towards Purchase of Shares, Inter Corporate Deposits, Loans & Advances on arm’s length basis and in the ordinary course of business of the Company as detailed in the Explanatory Statement annexed;

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board / Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board/ Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.

**“RESOLVED FURTHER THAT** all actions taken by the Board/Committee in connection with any matter referred to or contemplated in this resolution, be and are hereby ratified, approved, and confirmed in all respects.

By order of the Board  
For **Mercantile Ventures Limited**

**E N Rangaswami**  
(DIN: 06463753)  
Whole-time Director

Place: Chennai  
Date: 14, August, 2023

#### Notes:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.
2. Pursuant to the General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”), companies are allowed to hold AGM through Video Conference (‘VC’). Hence, in compliance with the Circulars, **22nd Annual General Meeting (AGM) of the Members of the Company is being held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) without the physical presence of the Members.**
3. This AGM is being held pursuant to the MCA circulars through VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR **APPOINTMENT OF PROXIES BY MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM** AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE. However, representatives of members under section 112 and 113 can be appointed to participate and vote at this AGM.

4. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Secretarial Standard 2, and the said Circulars, the Company is providing facility for e-voting to all members as on the cut-off date 21st September 2023 as per the applicable regulations and all the businesses contained in this Notice may be transacted through such voting. The e-voting facility is being provided through e-voting services provided by Central Depository Services (India) Limited (CDSL).
5. Members, especially institutional investors, are encouraged to attend and vote at this AGM through VC. The attendance of the Members attending this AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing's body resolution/authorization etc., authorizing their representative to attend the 22nd AGM through VC /OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Scrutinizer by email through their registered email address to [gkrkgram@yahoo.in](mailto:gkrkgram@yahoo.in) and also upload the same at [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
8. The facility for remote e-voting begins on **Monday, 25th September 2023 (09:00 a.m. IST)** and ends on **Wednesday, 27th September 2023 (till 05:00 p.m. IST)**. The e-voting module shall be disabled by CDSL for voting thereafter and remote e-voting shall not be allowed beyond the said date and time. During the period when facility for remote e-voting is provided, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date **Thursday, 21st September 2023**, may opt for remote e-voting. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company.
9. Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM. Members who have already cast their vote by remote e-Voting prior to the AGM, will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
10. M/s. KRA and Associates, Practicing Company Secretaries (Membership No. FCS: 6718) (email: [gkrkgram@yahoo.in](mailto:gkrkgram@yahoo.in)) has been appointed as the Scrutinizer to scrutinize the process of remote e-voting and e-voting at the 22nd Annual General Meeting in a fair and transparent manner.
11. The Voting Results shall be declared within 2 (two) working days of conclusion of the Annual General Meeting of the Company and the same shall be communicated to BSE Limited (Stock Exchange) and also shall be placed on the website of the Company <https://www.mercantileventures.co.in/>
12. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

14. In terms of the said Circulars and as per Rule 18 of Companies (Management and Administration) Rules, 2014, the Notice of this AGM and the Annual Report for 2022-23 shall be sent only by email to the members on the email id registered with their depository participants/Company.

Members who have not registered their e-mail address are requested to update the same by following manner:

- (i) for shares held in physical form - by submitting a request to the mail ID [investor@cameoindia.com](mailto:investor@cameoindia.com) (RTA) and [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) (Company), along with scanned copy of their share certificate (front and back), self attested copy PAN or Aadhar ID of the residential address appearing in their folio;
- (ii) for shares held in demat mode with the depository participants with whom their demat account is maintained.

However, members of the Company are entitled to receive Notice of this AGM and the Annual Report for 2022-23 in physical form upon request.

15. Members are requested to address all the correspondences, to the Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai 600002.
16. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.mercantileventures.co.in/>. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
17. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during normal business hours (9.00 AM to 5.00 PM) on all working days except on holidays, up to the date of the AGM.
18. The Register of Members and the Share transfer **Books will remain closed from Friday, 22nd September, 2023 to Thursday, 28th September 2023** both days inclusive.
19. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation. SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in **Demat form only** while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.

Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the web link at <https://www.mercantileventures.co.in/index.php/investor-services-for-physical-shares/> or you may request from 'Cameo Corporate Services Limited' our Registrar and Transfer Agent for obtaining the same. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

20. The particulars of Mr. K Gopalakrishnan (DIN: 00621061), who retires by rotation and being eligible, offers himself for re-appointment, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 are annexed hereto.



**EXPLANATORY STATEMENT REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013.**

**Item No. 3**

**To consider the approval of related party transactions with Sicagen India Limited and if thought fit, to pass with or without modifications, the following Resolution as Ordinary Resolution**

**Sicagen India Limited**, being the Promoter of the Company, shall be deemed to be the related party of the Company as per the Regulation 2 (zb) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ('LODR Regulations'). Hence, related party transactions may be entered into for the financial year 2023-24 based on the business requirements which shall require the prior approval of the Audit Committee, Board and Shareholders. Audit Committee and Board have approved the proposed transactions at their respective meetings.

In accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ('LODR Regulations'), approval of the shareholders is sought for related party transactions (RPTs) which in a financial year, exceed the lower of Rs. 1,000 Crore and 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Since, the proposed transactions may exceed the limit prescribed under the Regulations, the Related Party Transactions require the prior approval of the Shareholders by an Ordinary Resolution.

Members are requested to note that the transactions between the Company and related party would be in the ordinary course of business and at arm's length basis.

None of the Directors/Key Managerial Personnel of the Company is concerned or interested in this resolution

The details of the transactions as envisaged under the Act and SEBI LODR Regulations, 2015 are furnished hereunder:

S.No	Particulars	Related Party Transaction
1	Name of the Related Party and its relationship with the listed entity	Sicagen India Limited Promoter
2	Type, material terms and particulars of the proposed transactions	Lease rentals, Maintenance and Housekeeping, Manpower supply services and the transactions as set out in Section 188(1) (a)-(e) of Companies Act, 2013, SEBI (LODR) Regulations 2015.
3	Tenure of the proposed transaction	One year
4	Value of the proposed transaction	not exceeding Rs.2 Crores
5	The percentage of the MVL's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Value of the proposed transaction represents 4.24% of the annual consolidated turnover of the Company.



6	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	NA
7	Justification as to why the RPTs are in the interest of the listed entity	The Transactions are Arms length and ordinary course of business
8	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transactions will be made available through the registered e-mail address of the shareholders	NA
9	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	NA
10	Any other information that may be relevant	Nil

#### Item No.4

**To consider the approval of related party transactions with South India Travels Private Limited and if thought fit, to pass with or without modifications, the following Resolution as Ordinary Resolution**

**South India Travels Private Limited** being the Promoter of the Company, shall be deemed to be the related party of the Company as per the Regulation 2 (zb) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ('LODR Regulations'). Hence, related party transactions may be entered into for the financial year 2023-24 based on the business requirements which shall require the prior approval of the Audit Committee, Board and Shareholders. Audit Committee and Board have approved the proposed transactions at their respective meetings.

In accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ('LODR Regulations'), approval of the shareholders is sought for related party transactions (RPTs) which in a financial year, exceed the lower of Rs. 1,000 Crore and 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Since, the proposed transactions may exceed the limit prescribed under the Regulations, the Related Party Transactions require the prior approval of the Shareholders by an Ordinary Resolution.

Members are requested to note that the transactions between the Company and related parties would be in the ordinary course of business and at arm's length basis.

None of the Directors/Key Managerial Personnel of the Company is concerned or interested in this resolution

The details of transaction as envisaged under the Act and SEBI LODR Regulations, 2015 are furnished hereunder:

S.No.	Particulars	Related Party Transactions
1	Name of the Related Party and its relationship with the listed entity	South India Travels Private Limited. Promoter
2	Type, material terms and particulars of the proposed transactions	Purchase of Shares, Inter Corporate Deposits, Loans & Advances.
3	Tenure of the proposed transaction	One year
4	Value of the proposed transaction	not exceeding Rs.10 Crores
5	The percentage of the MVL's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Value of the proposed transaction represents 21.21% of the annual consolidated turnover of the Company.
6	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	The proposed transactions are proposed to be funded by internal accruals and no financial indebtedness is proposed to be incurred
7	Justification as to why the RPTs are in the interest of the listed entity	The Transactions are Arms length and ordinary course of business
8	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transactions will be made available through the registered e-mail address of the shareholders	NA
9	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	NA
10	Any other information that may be relevant	Nil

**Information to the Shareholders pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)**

S.No.	Particulars	Mr. K Gopalakrishnan (DIN: 00621061), who retires by rotation and being eligible, offers himself for re-appointment
1	Brief resume of the director	Graduated with M.A. (History) from University of Madras, Chennai and having qualified in Public Relation course. Also, he is the Executive Alumni of IIM – Kozhikode. He has over three decades of experience in Corporate Services / Legal Affairs and specialised in Corporate Liaisoning.
2	Nature of expertise in specific functional areas	Corporate Liaisoning.
3	Age	57
4	Qualifications	M.A. (History) from University of Madras, Chennai and having qualified in Public Relation course
5	Experience	Over Three decades of experience in Corporate Services / Legal Affairs.
6	Terms and conditions of re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Terms and Conditions of re-appointment are as per the Companies Act 2013 and the SEBI Regulations.
7	Date of first appointment on the Board	12-06-2020
8	Shareholding in the company	Nil
9	Relationship with other Directors	Nil
10	The number of Meetings of the Board attended during the year	7 (Seven)
11	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	1. Mercantile Ventures Limited
12	Other Directorships, Membership/ Chairmanship of Committees of other Boards	<p><b><u>Directorship:</u></b></p> <ol style="list-style-type: none"> <li>1. Aqua-Vin Pipes Private Limited</li> <li>2. Sidd Life Sciences Private Limited</li> <li>3. Medihub Sciencetec Private Limited</li> <li>4. Express Carriers Limited</li> <li>5. South India Travels Private Limited</li> <li>6. Spic Dealers' Welfare Association</li> <li>7. Spic Officers And Staff Welfare foundation</li> <li>8. Spic Group Companies Employees Welfare foundation</li> </ol>

**By order of the Board  
For Mercantile Ventures Limited**

**E N Rangaswami  
(DIN: 06463753)  
Whole-time Director**

Place: Chennai  
Date: 14, August, 2023

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode

(i) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers</li> </ol>

Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> . Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a> 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdsiindia.com">helpdesk.evoting@cdsiindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iii) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (iv) After entering these details appropriately, click on “SUBMIT” tab.
- (v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (vi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN for ‘**Mercantile Ventures Limited**’ on which you choose to vote.
- (viii) 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.

- (ix) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (x) 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.
- (xi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - 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 linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Instructions for shareholders attending the AGM through VC/OAVM & E-voting during meeting are as under:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance, by **Monday, 25th September 2023 (till 5:00 p.m.)** mentioning their name, DP ID and Client ID/Folio No., E-mail ID, mobile number to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in)



8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, by **Monday, 25th September 2023 (till 5:00 p.m.)** mentioning their name, demat account number/folio number, email id, mobile number to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in). These queries will be replied to by the company suitably by email.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) / [investor@cameoindia.com](mailto:investor@cameoindia.com).
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**By order of the Board  
For Mercantile Ventures Limited**

**E N Rangaswami  
(DIN: 06463753)  
Whole-time Director**

Place: Chennai  
Date: 14, August, 2023

## BOARD'S REPORT

The Board of Directors of your Company take pleasure in presenting the Annual Report of the Company together with the audited consolidated & standalone financial statements and the auditor's Report thereon for the financial year ended March 31, 2023.

### 1. FINANCIAL RESULTS

(Rs. in Lakhs)

Description	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	2076.84	1461.36	4714.90	3703.75
Other Income	594.62	748.31	659.27	1631.55
Profit/(Loss) Before Interest & Depreciation	837.09	998.63	993.28	1,852.09
Interest	34.78	21.28	104.48	108.01
Depreciation	96.02	95.23	98.15	99.01
Profit/(Loss) Before Tax	706.29	882.12	790.65	1645.07
Exceptional Items	-	-	91.96	-
Profit before tax and after Exceptional items	706.29	882.12	882.61	1645.07
Provision for taxation Current tax	217.25	259.21	249.49	287.81
Deferred tax	(23.80)	(24.81)	(41.05)	208.87
Share of profit from LLP/Partnership Firms/Associate	172.52	279.26	988.12	491.06
Minority Interest	-	-	(68.08)	(489.64)
Profit/(Loss) After Tax	685.36	926.98	1594.21	1149.81
Other Comprehensive Income	(1610.80)	1470.70	(2389.04)	1470.70
Total Comprehensive Income for the year	(925.44)	2397.68	(794.83)	2620.51

### 2. Highlights of the Company's financial performance for the year ended March 31, 2023

#### Standalone

- Revenue from operations was Rs. 2076.84 lakhs (previous year Rs. 1461.36 lakhs)
- Profit after tax for the year was Rs. 685.36 lakhs (previous year Rs. 926.98 lakhs)
- Total Comprehensive Income was Rs (925.44) lakhs (previous Year Rs. 2397.68 lakhs)

#### Consolidated

- Revenue from operations was Rs. 4714.90 lakhs (previous year Rs. 3703.75 lakhs)
- Profit after tax for the year was Rs. 1594.21 lakhs (previous year Rs. 1149.81 lakhs)
- Total Comprehensive Income was Rs (794.83) lakhs (Previous Year Rs. 2620.51 lakhs)

### 3. Amount, if any, which the Board proposes to carry to any reserves

The Board of Directors has decided to retain the amount of profits for financial year 2022 – 23. Accordingly, the Company has not transferred any amount to the 'Reserves' for the year ended March 31, 2023.

### 4. Dividend

The Board of Directors has not recommended any dividend for the year as the profits are conserved to fund the future plans of the Company.

**5. Major events occurred during the year and till the date of the report**

Amalgamation Order by Hon'ble National Company Law Tribunal (NCLT)

Hon'ble National Company Law Tribunal (NCLT), Division Bench-II, Chennai vide its Order dated June 28, 2023 has approved the Scheme of Amalgamation of "Cunningham Ventures Private Limited" (Transferor Company-1), "Sahoj Ventures Private Limited" (Transferor Company-2) and "Willingdon Ventures Private Limited" (Transferor Company-3) with "Mercantile Ventures Limited" (Transferee Company).

**6. Change in Nature of Business, If Any;**

There has been no change in the nature of business during the financial year.

**7. Material Changes and Commitments**

The appointed date of merger is 1-10-2021 and hence consequent to the Order of the NCLT the financial statements of the company will be restated during the financial year 2023-24 giving effect to the NCLT Order.

**8. Changes in the capital structure of the company during the year**

There is no change in the authorised, issued, subscribed and paidup share capital of the Company during the financial year. And also there is no reclassification or sub-division of the authorised share Capital and no reduction of share capital or buy back of shares during the year.

**9. Investor Education and Protection Fund (IEPF)**

There was no such instances requiring any transfer of any amount by the company to the IEPF as required under Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

**10. Directors**

There are no changes in the constitution of the Board of Directors of the Company during the year.

Mr. K Gopalakrishnan (DIN: 00621061), who retires by rotation and being eligible, offers himself for re-appointment.

**11. Key Managerial Personnel**

After the end of the financial year 31st March 2023, Ms. V Padmapriya resigned from the position of Company Secretary of the Company w.e.f. 15th June 2023 and Mr. Oberoi Jangit M was appointed by the Board of Directors as Company Secretary of the Company w.e.f. 16th June 2023.

**12. Declaration of Independent Directors and statement on compliance of code of conduct**

The Independent Directors have submitted their declarations with respect to their independence to the Board as required under Section 149(6) of the Companies Act, 2013 so as to qualify themselves for the continuance as independent directors under the provisions of the Companies Act, 2013 and the relevant rules and they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

**13. Board Meetings**

The Company had 7 (Seven) board meetings on 26.05.2022, 12.08.2022, 04.11.2022, 28.12.2022, 18.01.2023, 14.02.2023 and 24.03.2023 during the financial year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. Details of meetings held and attendance of directors are mentioned in the Corporate Governance Report, which forms part of this Report.

#### 14. Board Committees

The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility and Sustainability Committee

The Composition of Committees, number and dates of meetings of such committees held during the year are given in the Corporate Governance Report.

Risk Management Committee has been dissolved effective from August 14, 2023 as it is not a statutory requirement.

#### 15. Company's Policy on Directors' appointment and remuneration

The Company's Policies relating to appointment of directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 are uploaded in the website of the Company in the following links.

<https://www.mercantileventures.co.in/wp-content/uploads/2019/07/CRITERIA-FOR-APPOINTMENT-OF-INDEPENDENT-DIRECTORS.pdf>.

<https://www.mercantileventures.co.in/wp-content/uploads/2019/07/Remuneration-Policy.pdf>

#### 16. Familiarization Program

The details of the familiarisation programme for Independent Directors are available at the Company's website.

#### 17. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Boards' performance and performance of the non-independent Director were considered/evaluated by the independent directors at their meeting without the participation of the non-independent director and key managerial personnel.

These Meetings are conducted to assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that are necessary for the Board to effectively and reasonably perform its duties.

Pursuant to the provisions of the Companies act, 2013 and Regulation 17 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

#### 18. Remuneration of Directors and Employees

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report and are disclosed in the **Annexure-I**.

#### 19. Directors' Responsibility Statement

In accordance with the provisions of section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:-

- a. In the preparation of the annual accounts, 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 at the end of the financial year and of the profit and loss of the company for the year ended 31 March 2023;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;
- f. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

## **20. Internal Control Systems & their adequacy**

Company's Internal Control System has been designed for providing accurate recording of transactions with internal checks and prompt reporting, adherence to applicable accounting standards and policies, compliance with applicable statutes, management policies and procedures, effective use of resources and safeguarding of assets.

The Internal audit was carried out periodically through a practicing chartered accountant. The observations arising out of the audit were periodically reviewed and compliance ensured. The summary of the internal audit observations and management responses were submitted to the Board after review by the Audit Committee.

## **21. Frauds Reported by Auditors as per Sec 143 (12) other than those which are reportable to the Central Government.**

There were no frauds reported by Statutory Auditor, Secretarial Auditor to the Audit Committee/ Board.

## **22. Consolidated Financial Statements**

In accordance with the section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, Listing regulations and Ind AS 110, the consolidated audited financial statement forms part of the Annual Report in addition to the standalone audited financial statement of the company.

## **23. Disclosures relating to Subsidiaries, Associates and Joint Ventures**

A Report on performance and financial position of the subsidiaries and associates highlighting the performance of each and their contribution to the overall performance of the company is attached to the Financial Statements of the Company in form AOC-1.

There are no Joint Ventures for the Company.

## **24. Companies which have become or ceased to be subsidiaries, associates and joint ventures**

The Hon'ble National Company Law Tribunal (NCLT) vide its order dated 28th June 2023 have approved the merger of 'Cunningham Ventures Private Limited' (Transferor-1), 'Sahoj Ventures Private Limited' (Transferor-2) and 'Willingdon Ventures Private Limited' (Transferor-3) with 'Mercantile Ventures Limited' (Transferee Company) and the transferor companies will cease to be the subsidiaries of the company from the effective date.

## **25. Deposits**

The Company has neither accepted nor renewed any deposits during the year under review.

## **26. Particulars of Loans, Guarantees or Investments**

The particulars of Loans, guarantees and investments covered under section 186 of the Companies Act 2013 are provided in the notes to the financial statements.

## 27. Particulars of Contracts or Arrangements made with Related Parties.

All transactions entered by the Company with related parties were in the ordinary course of business and at arm's length pricing basis. There were no materially significant transactions with related parties during the financial year 2022-23 which were in conflict with the interests of the Company.

The Board has approved the policy on related party transactions.

Details of transactions with related parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in Form AOC-2 in Annexure-II.

The policy has been uploaded on the Company's website, under the web link: <http://mercantileventures.co.in>.

## 28. Corporate Social Responsibility

The company has complied with the provisions of Section 135 of the Companies Act 2013. The details of CSR activities of the company containing details of CSR Committee Members, brief outline of the CSR policy, overview of the CSR initiatives, prescribed expenditure, amount spent etc. that form part of this Report are furnished in Annexure-III.

The CSR policy is available in the website of the Company.

## 29. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The business of the Company is leasing of immovable properties and Manpower supply services. The particulars prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to conservation of energy and technology absorption are not applicable to the business operations of the Company.

### Foreign Exchange Earnings and Outgo:

Foreign Exchange Inflow : Nil

Foreign Exchange Outflow : Nil

## 30. Risk Management.

The Company has an appropriate and effective risk management system which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals. The Board reviews the risks, threats & concerns.

Risk Management Committee has been dissolved effective from August 14, 2023 as it is not a statutory requirement. However the Board will review the risk profile at regular intervals.

## 31. Vigil Mechanism

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors and provides adequate safeguards against victimisation, if any.

The Whistle Blower policy has been uploaded in the following web link. <https://www.mercantileventures.co.in/wp-content/uploads/2019/07/Whistle-blower-policy.pdf>

## 32. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company

There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

### 33. Auditors

#### Statutory Auditors

M/s. Venkatesh & Co., Chartered Accountants (Firm Registration No.004636S) were appointed as statutory auditors of the Company by the members in the 21st Annual General Meeting held on 22nd September 2022 pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act 2013 and shall hold office till the conclusion of the 26th AGM to be held in the year 2027, at a remuneration of Rs. 4,50,000/- (Rupees Four Lakhs and Fifty Thousand only) plus reimbursement of out of pocket expenses and applicable taxes.

#### Secretarial Auditor

The Company has appointed M/s. KRA & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company. As required under provisions of Section 204 of the Companies Act, 2013 and pursuant to Regulation 24A of Listing Regulations, the Secretarial Audit reports (Form MR -3) in respect of the Secretarial Audit of the Company and its Material Unlisted Company 'i3 Security Private Limited' for FY 2022-23 carried out by M/s. KRA & Associates, Practicing Company Secretaries, forms part to this report in Annexure – IV.

#### Cost Auditor

The business activity of the Company is not covered under rule 3 of The Companies (Cost Records and Audit) Rules, 2014. Hence, the maintenance of cost records and requirement of cost audit under section 148(1) of the Companies Act, 2013 are not applicable.

### 34. Qualifications, reservations or adverse remarks or disclaimers made by the statutory auditor and the practicing company secretary in their reports

There were no qualifications, reservations or adverse remarks in the reports of M/s. Venkatesh & Co, Statutory Auditors.

Reply to the Observations in Secretarial Audit Report (MR-3) provided by M/s. KRA & Associates, Secretarial Auditors of the Company:

- (i) Regulation 31-The Promoters shareholding has not been dematerialised to the extent of 0.22% of the total Promoters shareholding.

Reply: Steps are being taken to dematerialise promoters shareholding.

- (ii) Regulation 30 read with Schedule III -The company has to disclose to the stock exchange the brief profile of the auditors in the prescribed format.

Reply: The Company has filed with the Stock Exchange the details of new auditor at the time of filing the Outcome of the Board meeting in which the new auditor was appointed and also in the Explanatory statement of the 21st Annual General Meeting Notice which was also intimated to the Stock Exchange.

### 35. Disclosure on Compliance with Secretarial Standards

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

### 36. Corporate Insolvency Resolution Process Initiated under the Insolvency and Bankruptcy Code, 2016 (IBC)

There are no applications filed for corporate insolvency resolution process, by any financial or operational creditor or by the company itself under the IBC before the NCLT during the financial year.

### 37. Annual Return

The copy of annual return of the Company as on March 31, 2023 is available on the Company's website under the web link: <http://mercantileventures.co.in>.



### **38. Corporate Governance**

A report on Corporate Governance as stipulated under Schedule V and Regulation 34(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. The requisite certificate from a practicing company secretary confirming compliance with the conditions of corporate governance as stipulated is annexed to this Report.

### **39. Sexual Harassment**

The Company has zero tolerance for sexual harassment at workplace. A policy is in place and an Internal Complaints Committee has been constituted which is monitoring the prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of POSH and the Rules made there under. There were no complaints reported under the POSH during the year under review.

### **40. Management Discussion And Analysis Report**

#### **a) Industry Structure and developments**

After a protracted period of economic stagnation the real estate sector has witnessed a considerable upswing despite rising costs and a series of hikes in repo rates. The sector has seen robust growth in the commercial office and residential segments and the momentum is expected to be sustained in the year ahead

#### **b) Opportunities and Threats**

With soaring demand, the commercial real estate market is set to see double digit growth in the office and residential segments with increasing absorption and diminishing vacancy rates.

The series of hikes in interest rates announced by the RBI have pushed up home loan rates and this had an impact on demand and customer sentiments. However, with the flexible payment plans, the innovative products and thoughtful designs being offered by developers, the demand supply dynamics are expected to be resilient in the year ahead.

With the interest rates likely to soften in the years ahead, the market is expected to respond positively and maintain the growth trajectory. But a continued tight money policy of RBI could dampen the demand for residential and commercial real estate space.

#### **c) Segment-wise or produce-wise performance**

The company is operating in the segment of leasing of properties and Manpower supply services.

The prospects for this line of business is considered good and the company is expected to maintain the revenue streams from the aforesaid activities in future also.

#### **d) Future Outlook and state of the company's affairs**

The main business of the Company is investment in properties for leasing and Manpower supply services. The revenue stream from these operations is expected to remain stable in the current fiscal year also.

#### **e) Risk and concerns**

The Company has an appropriate and effective risk management system which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals. The Board reviews the risks, threats & concerns.

The company has an adequate internal control system.

**f) Internal Controls and adequacy**

The company has an adequate internal control system by having a independent Internal Audit team with well-established risk management processes both at the business and corporate levels. Internal Auditor submits their reports, directly to the Chairman of the Audit Committee of the Board of Directors, which ensures process independence. The Company believes that every employee has a role to play in fostering an environment in which controls, assurance, accountability and ethical behaviour are accorded high importance. This complements the Internal Audits conducted to ensure total coverage during the year. The company developed a robust internal control framework which ensures the operations being carried effectively and are aligned to the strategic goals. The internal control framework is intended to ensure correct, reliable, complete and timely financial reporting and management information.

**g) Discussion on financial performance with respect to operational performance**

A review for the financial performance is given under review of operations.

**h) Material developments in Human Resources / Industrial Relations front, including number of people employed - Nil**

**i) Details of significant changes in key financial ratios (Change of 25% or more as compared to the immediately previous financial year).**

During the year, on a standalone basis the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Particulars	2022-23	2021-22	Change %	Reason for change
(a) Current Ratio	5.14	10.67	(107.67)%	Due to a significant reduction in Current investments and Loans and Advances
(b) Debt Equity Ratio	-	-	-	-
(c) Debt Service Coverage Ratio	-	-	-	-
(d) Return on Equity	2.27	2.98	(31.23)%	Due to an increase in Other Expenses -Bad Debts written off and expected credit loss on advances recognised and sharp reduction in Profit from LLP
(e) Inventory Turnover Ratio	-	-	-	-
(f) Trade Receivables Turnover Ratio	5.11	4.02	21.28%	-
(g) Trade Payables Turnover Ratio	-	-	-	-
(h) Net Capital Turnover Ratio	0.40	0.12	70.72%	Due to increase in operating revenue and sharp reduction in Current Investments and Loans and advances
(i) Net Profit Ratio	33.00	63.43	(92.22)%	Due to reduction in PAT caused by increase in other expenses and reduction in share of profit from LLP and increase in operational revenue
(j) Return on capital employed	2.25	2.95	(31.39)%	Due to reduction in PAT caused by increase in other expenses and reduction in share of profit from LLP
(k) Return on Investment	2.16	2.83	(31.40)%	Due to reduction in PAT caused by increase in other expenses and reduction in share of profit from LLP

**j) Any change in return of net worth as compared to the immediately preceding financial year.**

The details of return of net worth as compared to the immediately preceding financial year are provided as given below:

(Rs. In Lakhs)

S. No.	Net worth FY 2022-23	Net worth FY 2021-22 (previous financial year)	Changes	Explanation
1	30,176.50	31,101.94	(925.44)	The steep fall in the market value of investments has impacted adversely on the Other Comprehensive Income of the company and consequently its net worth.

**41. Acknowledgement**

Your directors express their grateful thanks for the assistance, co-operation and support extended to the Company by promoters, shareholders and the bankers for their continued support. The Directors also place on record their appreciation of the good work put in by the employees of the company.

**By order of the Board  
For MERCANTILE VENTURES LIMITED**

Place: Chennai  
Date: 14 August, 2023

**E N Rangaswami**  
DIN: 06463753  
Whole Time Director

**B. Narendran**  
DIN: 01159394  
Director

**Disclosures pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year – 2022-23	Ratio of the remuneration of Mr. E N Rangaswami to the median remuneration of the employees 7.34
The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year – 2022-23.	Mr. E N Rangaswami – WTD 13.21% Mr. V Padmanabha Sarma – CFO 13.81% Ms. Padmapriya –CS -Nil
The percentage increase in the median remuneration of employees in the financial Year – 2022-23.	8.08
The number of permanent employees on the rolls of Company as on 31.03.2023	3
Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof.	Average percentage Increase in the salaries of employees in the last FY – 8.08% Increase in the managerial remuneration – 11.54%
Affirmation that the Remuneration is as per the Remuneration Policy	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013

**INFORMATION PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014: DETAILS OF EMPLOYEES IN TERMS OF REMUNERATION RECEIVED DURING THE YEAR**

**Details of top 10 employees in terms of remuneration received during the year.**

Name	Designation of the employee	Remuneration received (Rs. in Lakhs)	Qualification	Experience	Date of Joining	Age	Last Employment
E N Rangaswami	Whole-Time Director	60.00	B.Sc, ACA	43 Years	05/12/2012	66	Manali petrochemicals Ltd, General Manager (Finance)
V Padmanabha Sarma	Chief Financial Officer	22.25	B.Com., ACA	46 Years	01/12/2012	73	MCC Finance Ltd, Senior Vice President
Padmapriya*	Company Secretary	6.74	B.com, ACS	11 years	01/04/2022	50	Practising professional
V M Arunchalam	Assistant Manager (Accounts)	9.61	B. Com.,	35 Years	12/06/2013	56	SPIC SMO, Accounts Manager
L S Venkataraman	Executive (Co-ordination)	6.44	B.A.	46 Years	09/11/2012	70	Manali Petrochemicals Ltd, Executive

\*Resigned with effect from 15th June 2023.

Note –

- None of the above employees is related to any Director and none of the employees hold any shares in the Company except Mr. V. Padmanabha Sarma.
- The remuneration shown above includes contributions to provident and other funds.

**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 transaction under third proviso thereto.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

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

S. No.	Particulars	Details			
a)	Name (s) of the related party & nature of relationship	India Radiators Limited (Subsidiary)	I3 Security Private Limited (Wholly owned Subsidiary)	Chitaranjan Developers LLP (Subsidiary)	Cenotaph developers LLP
b)	Nature of contracts / arrangements/ transaction	ICDs /Advances/ Preference shares	Availing / Rendering of services /Investment in Equity Shares	Loans and Advances / Recovery from Loans and Advances/Receipts in Current Account	Cancellation of allotment of apartments
c)	Duration of the contracts / arrangements/ transaction	One year	On Continuous basis	One year	One year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per terms of the contract/arrangement	Not Applicable	As per terms of the contract/arrangement	As per the terms of the Contracts/ arrangements
e)	Date of approval by the Board	12.08.2022	Approvals have been taken from time to time.	12.08.2022	12.08.2022
f)	Amount paid as advances, if any	As disclosed in the financial statements	As disclosed in the financial statements	As disclosed in the financial statements	As disclosed in the financial statements

**By order of the Board  
For MERCANTILE VENTURES LIMITED**

Place: Chennai  
Date: 14 August, 2023

**E N Rangaswami**  
DIN: 06463753  
Whole Time Director

**B. Narendran**  
DIN: 01159394  
Director

## Annual Report of Corporate Social Responsibility Activities (CSR) & CSR Policy

[Pursuant to Section 135 of the Companies Act, 2013]

1. Brief outline on CSR Policy of the Company:

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the same are given in the web-link.

The Company has adopted CSR policy as specified in the Companies Act, 2013.

2. Composition of CSR Committee

S. No.	Name of Director/Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sashikala Srikanth Chairperson Non-Executive - Independent Director	1	1
2	K. Gopalakrishnan Member Non-Executive - Non Independent Director	1	1
3	EN Rangaswami Member Executive Director	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

<https://www.mercantileventures.co.in/wp-content/uploads/2019/07/3B1-CSR-Policy.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - Not Applicable.

5. Rs. In Lakhs

(a) Average net profit of the company as per sub-section (5) of section 135	<b>696.14</b>
(b) Two percent of average net profit of the company as per sub-section (5) of section 135	<b>13.92</b>
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	<b>Nil</b>
(d) Amount required to be set-off for the financial year, if any.	<b>Nil</b>
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	<b>13.92</b>

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - Nil

(b) Amount spent in Administrative overheads - Nil

(c) Amount spent on Impact Assessment – Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] - Nil

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)		(Rs. In Lakhs)		
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	Rs.10.96 (for the FY 2021-22)	29.04.2022		Nil	
	Rs.13.92 (for the FY 2022-23)	27.04.2023		Nil	

(f) Excess amount for set-off, if any:

S. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135.	13.92
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	2019-20	(Accumulated profits/ (loss) for the last three years were negative i.e. Rs. (2024.98) Lakhs and hence the Company was not required to spend towards CSR.						
2	2020-21	Nil	NA	9.73	Nil	Nil	Nil	
3	2021-22	10.96	1.76	Nil	Nil	Nil	1.76	



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

Work related to renovation of toilet blocks in a Government school has been almost completed. A balance amount of Rs. 0.68 lakhs is to spent towards CSR for 2021-22. A Project for provision of smart class rooms in a Government School in Chennai is being implemented. The entire CSR amount of Rs. 13.92 lakhs transferred to CSR unspent account with a scheduled bank within the stipulated time.

**By order of the Board**  
**For MERCANTILE VENTURES LIMITED**

Place: Chennai  
Date: 14 August, 2023

**E N Rangaswami**  
DIN: 06463753  
Whole Time Director

**Sashikala Srikanth**  
DIN: 01678374  
Director and Chairperson,  
CSR Committee

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2023

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

To,  
The Members,  
**MERCANTILE VENTURES LIMITED**  
No: 88, Mount Road,  
Guindy, Chennai – 600032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MERCANTILE VENTURES 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, 2023 complied with the statutory provisions listed thereunder 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 Company for the financial year ended on 31/03/2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
  - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - e) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993;

The other laws as may be applicable specifically to the company:

- (a) Transfer of Property Act, 1882

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

- (i) Regulation 31-The Promoters shareholding has not been dematerialised to the extent of 0.22% of the total Promoters shareholding
- (ii) Regulation 30 read with Schedule III -The company has to disclose to the stock exchange the brief profile of the auditors in the prescribed format.

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.

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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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.

**FOR KRA & ASSOCATES  
PRACTICING COMPANY SECRETARIES**

Place: Chennai  
Date: 03/07/2023

**R. KANNAN**  
FCS NO 6718 C.P.No.:3363  
UDIN: F006718E000533631  
Peer Review Certificate no. 1847/2022

## Annexure A

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

1. Maintenance of secretarial records 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards are the responsibility of the 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.

**FOR KRA & ASSOCATES**  
**PRACTICING COMPANY SECRETARIES**

Place: Chennai  
Date: 03/07/2023

**R. KANNAN**  
FCS NO 6718 C.P.No.:3363  
UDIN: F006718E000533631  
Peer Review Certificate no. 1847/2022

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st March 2023**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To  
The Members,  
**i3 SECURITY PRIVATE LIMITED**  
14, 5th Cross Street, R.V. Nagar Anna Nagar East  
Chennai TN 600102 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by i3 SECURITY PRIVATE LIMITED (U74120TN2011PTC082965) (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, 2023 complied with the statutory provisions listed thereunder 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 Company for the financial year ended on 31/03/2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

**FOR KRA & ASSOCIATES**  
**PRACTICING COMPANY SECRETARIES**

Place: Chennai  
Date: 03/07/2023

**R. KANNAN**  
FCS NO 6718 C.P.No.:3363  
UDIN: F006718E000538018  
Peer Review Certificate no. 1847/2022

Annexure-A

To,  
The Members,  
**i3 SECURITY PRIVATE LIMITED**  
14, 5th Cross Street, R.V. Nagar Anna Nagar East  
Chennai TN 600102 IN

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

1. Maintenance of secretarial records 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards is the responsibility of the 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.

**FOR KRA & ASSOCATES**  
**PRACTICING COMPANY SECRETARIES**

Place: Chennai  
Date: 03/07/2023

**R. KANNAN**  
FCS NO 6718 C.P.No.:3363  
UDIN: F006718E000538018  
Peer Review Certificate no. 1847/2022

## CORPORATE GOVERNANCE REPORT

### 1. Philosophy on Code of Governance:

The Company strives to conduct business with sound corporate governance practices which reflect fairness, integrity, accountability and transparency in our dealings with stakeholders and regulatory authorities. Your company's principles of Corporate Governance are based on the philosophy of empowerment and responsibility. It feels the management must be empowered to drive the organization forward in the best interest of all the stakeholders. This meets with all statutory and regulatory compliance including those under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 2. BOARD OF DIRECTORS

#### a) Composition and Category of directors and attendance details

Board of Directors of the Company consist of six directors. The Board comprises of one executive director, one non-executive & non-independent and four non-executive independent directors. The non-executive directors bring independent judgment in the Board deliberations and decisions. The Board of Directors is responsible for the management of the business of the Company and meets regularly for discharging its role and functions. All information as required under LODR are being made available to the Board. During the year 2022-23, 7 (Seven) Board meetings were held on 26-05-2022, 12-08-2022, 04-11-2022, 28-12-2022, 18-01-2023, 14-02-2023 and 24-03-2023:

S. No.	Name of the Directors	DIN	Category	No. of Board Meetings held	No. of Board Meetings attended by the Directors	Whether attended last AGM held on 22 <sup>nd</sup> September 2022
1	Mr. AL Chandramouli	02299091	Non-Executive Independent	7	7	Yes
2	Mr. B Narendran	01159394	Non-Executive Independent	7	7	Yes
3	Ms. Sashikala Srikanth	01678374	Non- Executive Independent	7	7	Yes
4	Mr. G D Sharma	08060285	Non-Executive Independent	7	7	Yes
5	Mr. K Gopalakrishnan	00621061	Non-Executive Non-Independent	7	7	Yes
6	Mr. E N Rangaswami	06463753	Whole-time Director, Executive Non-Independent	7	7	Yes



The composition of the Board and the number of other directorships held by each of the Directors is given in the table below:

Name of Director	Relationship with other Directors	Names of the other listed entities where the person is a director and the category of directorship	Other Directorships held as on March 31, 2023	No. of other Board / Committee positions held*	
				As Member	As Chairman
Mr. AL Chandramouli	None	-	2	-	-
Mr. B Narendran	None	<ol style="list-style-type: none"> <li>Sicagen India Limited - Non-Executive - Independent Director</li> <li>Southern Petrochemical Industries Corporation Limited - Independent Director</li> <li>Tuticorin Alkali chemicals &amp; Fertilisers Limited Non-Executive - Non Independent Director</li> <li>India Radiators Limited - Non-Executive - Independent Director</li> </ol>	8	9	5
Ms. Sashikala Srikanth	None	<ol style="list-style-type: none"> <li>Southern Petrochemical Industries Corporation Limited –Non-executive - Independent Director</li> <li>Tamilnadu Petroproducts Limited - Non-Executive - Independent Director</li> <li>Manali Petrochemicals Limited - Non-Executive - Independent Director</li> <li>Sicagen India Limited - Non-Executive - Independent Director</li> </ol>	9	6	4
Mr G D Sharma	None	<ol style="list-style-type: none"> <li>Tamilnadu Petroproducts Limited - Non-Executive - Independent Director</li> <li>Manali Petrochemicals Limited - Non-Executive - Independent Director</li> </ol>	2	4	-
Mr K Gopalakrishnan	None	-	8	-	-
Mr. E N Rangaswami	None	<ol style="list-style-type: none"> <li>India Radiators Limited - Executive Director</li> </ol>	7	1	-

\* The limit of the Committee includes other Listed and Public Companies.

\* Only Chairmanship and Membership of the Audit Committees and Stakeholders' Relationship Committees are considered.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Listed Companies in which he/she is a Director.

The Independent Directors have confirmed that they satisfy the 'criteria of independence' as stipulated in the Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Notes:

- a. Other directorships exclude foreign companies, LLPs, Amalgamated Companies and alternate directorships.
- b. Only membership in Audit Committees and Stakeholder's Relationship Committee are reckoned for other board committee memberships.
- c. None of the Directors hold any shares in the Company nor have any inter se relationship.
- d. The details of familiarization programmes conducted for the Independent Directors are disclosed in the website of the Company at <http://mercantileventures.co.in>.
- e) **Skills / Expertise / Competencies of the Board of Directors**

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board members.

Major Classification	Sub Classification	Remarks	Directors having the skills
Industry	Specific Skills	knowledge about the leasing and man power business/industry and the issues specific to the Company.	Mr E N Rangaswami Mr B Narendran
	Professional	professional skills and knowledge about the Company, its market, process, operations, etc.	Mr E N Rangaswami Mr K Gopalakrishnan
Strategy & Policy	Strategy	Ability to identify and critically assess strategic opportunities and threats to the business. Guiding development of strategies to achieve the overall goals	Mr B Narendran Mr AL Chandramouli
	Policies	Guidance for development of policies and other parameters within which the Company should operate for better control and management	Mr E N Rangaswami Mr B Narendran
	Crisis Management	Ability to guide crisis management and provide leadership in hours of need.	Mr E N Rangaswami
Risk & Compliance	Operational	Identification of risks related to each area of operation	Mr E N Rangaswami
	Regulatory	Monitor the risks and compliances and knowledge of regulatory requirements	Mr G D Sharma Mr E N Rangaswami
	Financial	Experience in accounting and finance, ability to analyze the financial statements presented, assess the viability of various financial proposals, oversee funding arrangements and budgets.	Ms Sashikala Srikanth Mr E N Rangaswami

Management & Leadership	Executive Management	Handling senior management and monitoring its performance, strategic human resources planning. Experience in industrial relations and organizational change management programmes.	Mr E N Rangaswami
	Leadership	Make decisions and take necessary actions for implementation thereof in the best interest of the organization. Analyze issues and contribute at board level to solutions	Mr E N Rangaswami Mr B Narendran
Board Conduct	Contribution	Participate actively in the matters discussed and contribute effectively at the meetings. Help in arriving at unanimous decisions in the event of difference of opinions.	All the Directors
Personnel	Qualification & Experience	Having formal education, well qualified to possess the skills and competencies outlined above and previous experience as Member of Board or senior management positions in corporates	All the Directors

### Confirmation of Independent Director

The Independent Directors have been appointed in terms of requirement of Companies Act, SEBI (LODR) Regulations, 2015 and the Company has received necessary declarations from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations. The Board confirms that, in its opinion, the independent directors fulfil the conditions as specified in the Regulation 16 of the in the opinion of the Board, they fulfil the conditions specified therein and are independent of the Management

There was no change in composition of independent directors during the year.

### Committees of the Board

#### 3. Audit Committee

Audit Committee is constituted in accordance with Section 177 of the Companies Act 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Audit Committee cover the matters specified for Audit committees under Section 177 of the Companies Act, 2013, the rules made thereon and SEBI (LODR) Regulations, 2015.

The role of the Audit Committee includes the following:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (7) approval or any subsequent modification of transactions of the listed entity with related parties;
- (8) scrutiny of inter-corporate loans and investments;
- (9) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (10) evaluation of internal financial controls and risk management systems;

- (11) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (12) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (13) discussion with internal auditors of any significant findings and follow up there on and to review internal audit report;
- (14) to review the functioning of the whistle blower mechanism;
- (15) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (16) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (17) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- (18) To review management discussion and analysis of financial condition and results of operations;
- (19) To review the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

During the year under review the Committee met 7 (Seven) times during the year ended on 26-05-2022, 12-08-2022, 04-11-2022, 28-12-2022, 18-01-2023, 14-02-2023 and 24-03-2023.

#### Composition, meetings and Attendance of Audit Committee

S. No.	Names of directors	Category	No. of meetings held	No. of meetings attended
1	Mr. A.L. Chandramouli	Chairperson Non-Executive - Independent Director	7	7
2	Mr. B Narendran	Member Non-Executive - Independent Director	7	7
3	Ms. Sashikala Srikanth	Member Non-Executive - Independent Director	7	7

The Company Secretary acts as the Secretary for the Audit Committee. The statutory auditors, internal auditor, Whole-time director and Chief Financial Officer of the company attended the meetings by invitation. All the recommendations of the Audit Committee during the year, were considered, accepted and approved by the Board.

#### 4. Nomination and Remuneration Committee

##### (i) Composition, terms of reference and meeting

The Nomination and Remuneration Committee was constituted to formulate and recommend to the Board, from time to time the compensation structure for directors of the Board and key managerial personnel of the Company.

The terms of reference includes the following,

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. 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 of directors their appointment and removal.

The Committee met 1 (One) time during the year ended on 26-05-2022. The composition and attendance of the committee meetings are as follows:

S. No.	Names of directors	Category	No. of meetings held	No. of meetings attended
1	Mr. B Narendran	Chairperson Non-Executive - Independent Director	1	1
2	Mr. G D Sharma	Member Non-Executive - Independent Director	1	1
3	Ms. Sashikala Srikanth	Member Non-Executive - Independent Director	1	1

#### (ii) Performance evaluation Criteria for Independent Directors.

The criteria for evaluation of the performance of Independent Directors, include their qualification, experience, competency, knowledge, understanding of respective roles (as Independent Director and as a member of the Committee of which they are Members/ Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

#### Remuneration of Directors

##### Remuneration policy and criteria for making payments to Non-Executive Directors

The Remuneration Policy of the Company as approved by the Board inter alia, contains the criteria for appointment of Independent Directors, Executive Directors, Key Managerial Personnel and other employees, manner of appointment, remuneration policy for Executive and Non-Executive Directors, Guiding principles for fixing remuneration to employees who are not directors, etc. The following is the Remuneration Policy for Directors.

##### a. For Executive Directors

The remuneration of the Whole Time Director may comprise of a fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee (NRC) and subsequently approved by the Board of Directors and Members. Performance Linked Pay shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. The Executive Director(s) are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

Disclosure with respect to payment of remuneration to Whole Time Director

Mr. E N Rangaswami, was re-appointed as Whole-Time Director (WTD) of the company for a period of three years with effect from 05 December 2021 till 4th December, 2024.

During the financial year 2022-23 Rs. 60 Lakhs was paid as remuneration (inclusive of all allowances) to Mr. E N Rangaswami, Whole Time Director of the company.

##### b. For Non-Executive Directors

The Non-Executive Directors were paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, the Articles of Association of the Company and as recommended by the NRC. Different scales of sitting fee may be fixed for each category of the directors and type of meeting. However, the fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors.

In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution sanction and pay to the Directors remuneration not exceeding 1% of the net profits of the Company computed in accordance with the relevant provisions of the Act. The Company shall have no other pecuniary relationship or transactions with any Non-Executive Directors.

### Particulars of Sitting fees:

The non-executive directors are being remunerated by way of sitting fees. The sitting fees paid to non-executive directors for attending the Board/Committee meetings for the year ended 31st March, 2023 are as follows:

S. No.	Name of the Director	Sitting fees paid for Board and Committee Meetings held during the Financial year (in Rs.)
1.	Mr. AL Chandramouli	1,75,000
2.	Mr. B Narendran	1,75,000
3.	Ms. Sashikala Srikanth	1,75,000
4.	Mr. G D Sharma	1,75,000
5.	Mr. K Gopalakrishnan	1,75,000
	<b>Total</b>	<b>8,75,000</b>

None of the non-executive directors had any pecuniary relationship with the Company other than receipt of sitting fees.

The Company does not have a scheme for grant of stock options to its directors or employees.

### 5. Stakeholders Relationship Committee:

During the financial year, 2 (Two) Stakeholders Relationship Committee meetings were held on 12-08-2022 and 24-03-2023 during the year ended 31.03.2023. The composition and attendance of the committee meetings are as follows:

S. No.	Names of directors	Category	No. of meetings attended
1	Mr. AL Chandramouli,	Chairperson Non-Executive - Independent Director	2
2	Mr. E N Rangaswami	Member Executive Director	2
3	Ms. Sashikala Srikanth	Member Non-Executive - Independent Director	2
4	Mr. K Gopalakrishnan	Member Non-Executive - Non Independent Director	2

### Details of the Compliance Officer:

Mr. M Oberoi Jangit, Company Secretary is designated as the "Compliance Officer" who oversees the redressal of the investors' grievances.

V Padmapriya - Company Secretary & Compliance Officer (resigned w.e.f. 15th June, 2023),

M Oberoi Jangit - Company Secretary & Compliance Officer (appointed w.e.f. 16th June, 2023)

### Shareholders Complaints during the financial year

Number of complaints received during the year	Number of complaints solved during the year	Number of complaints not solved to the satisfaction of the shareholders	Number of complaints pending at the end of the year
9	9	Nil	Nil

## 5A. Changes in Senior management:

V Padmapriya resigned from the post of Company Secretary & Compliance Officer w.e.f. 15th June, 2023 and M Oberoi Jangit was appointed as Company Secretary & Compliance Officer w.e.f. 16th June, 2023 since the close of the previous financial year.

## 6. General Meetings

a) Location, date and time of Annual General Meetings held during the last three years:

Year	Location	Day and Date	Time
19 <sup>th</sup> AGM 2019-2020	through VC/OAVM	Wednesday 23 September 2020	02.00 PM
20 <sup>th</sup> AGM 2020-2021	through VC/OAVM	Thursday 23 September 2021	03.00 PM
21 <sup>st</sup> AGM 2021-2022	through VC/OAVM	Thursday 22 September 2022	03.00 PM

b) Special resolutions

The following special resolutions were passed in the previous three Annual General Meetings.

Date of AGM	Subject
23 September, 2020	No Special Resolution was passed
23 September, 2021	<ul style="list-style-type: none"> <li>a. To approve the increase in limits to give loans, provide guarantees, to make investment and to acquire securities under Section 186 of the Companies Act</li> <li>b. To consider the re-appointment of Mr. B Narendran (DIN: 01159394) as Independent Director</li> <li>c. To consider the re-appointment of Mr. E N Rangaswami (DIN: 06463753) as Whole-time Director</li> </ul>
22 September, 2022	<ul style="list-style-type: none"> <li>a. To Approve the increase in limits to give loans, provide guarantees, to make investment and to acquire securities under section 186 of the companies act 2013.</li> </ul>

c) Passing of resolution by Postal Ballot

There are no Special Resolution passed last year through Postal Ballot.

## 7. Means of Communication:

The quarterly, half-yearly and yearly financial results of the company are forwarded to the Bombay Stock Exchange immediately upon approval by the Board of Directors and are published in "Financial Express" (English) and "Makkal Kural" (Tamil). The results are also displayed in the website of the Company viz. [www.mercantileventures.co.in](http://www.mercantileventures.co.in).

### Functional website of the company as per Regulation 46 of SEBI (LODR) Regulations, 2015.

Pursuant to the requirement of Regulation 46 of the SEBI (LODR) Regulations, 2015, the Company maintains a functional website and the website address is [www.mercantileventures.co.in](http://www.mercantileventures.co.in). Comprehensive information about the Company, its business and operations and investor information can be viewed at the Company's website. The 'Investor Relations' section serves to inform the investors by providing key and timely information like financial results, annual reports, shareholding pattern etc.

## 8. General Shareholder Information

<b>1.</b>	<b>Annual General Meeting:</b>	
	Date	28 <sup>th</sup> September, 2023
	Time	11.30 A.M.
	Venue	Meeting is being conducted through VC/OAVM pursuant to the Circular no. 10/2022 dated 28th December 2022 read with Circular No. 2/2022 dated 5th May, 2022, read with circular number 20/2020 dated 5th May, 2020 and General Circular 2/2022 issued by the Ministry of Corporate Affairs (MCA) and General Circular no. 21/2021 dated December 14, 2021 issued by SEBI as such there is no requirement to have a venue for the AGM.
<b>2.</b>	Financial year	The financial year of the company commences on 1st April and ends on 31st March.
<b>3.</b>	Dividend payment date	The Company has not recommended / declared any dividend during the year.
<b>4.</b>	Listing of equity shares on stock exchanges.	Bombay Stock Exchange Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Listing fees upto 2022-23 have been paid to the exchange.
<b>5.</b>	Stock Code	538942 - Bombay Stock Exchange Limited.
<b>6 &amp; 7</b>	Market price date vis a vis indices	Please find below this table
<b>8</b>	Registrar and Transfer Agents	Cameo Corporate Services Limited Subramanian Building, 1, Club House Road, Off. Anna Salai, Chennai – 600 002
<b>9</b>	Share transfer system	<p>Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.</p> <p>Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the web link at <a href="https://www.mercantileventures.co.in/index.php/investor-services-for-physical-shares/">https://www.mercantileventures.co.in/index.php/investor-services-for-physical-shares/</a> or you may request from RTA (as mentioned in Point 13 of this table) for obtaining the same. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.</p>
<b>10</b>	Distribution of shareholding	Please find below this table



11	Dematerialization of shares and liquidity	91.62 % equivalent to 10,25,41,790 equity shares of the total equity capital is held in dematerialized form. The company's equity shares are regularly traded in the Bombay Stock Exchange Limited in the compulsory demat form.
12.	Convertible instrument	Company has not issued any convertible instrument.
13.	Address for correspondence.	<p>Investors may contact the Registrar and Transfer Agent for matters relating to shares, dividends, annual reports and related issues at the following address viz.</p> <p><b>Cameo Corporate Services Limited</b> Subramanian Building, 1, Club House Road Off. Anna Salai, Chennai – 600 002 Telephone No.28460390 Fax No. 28460129, Email: cameo@cameoindia.com</p> <p>For other general matters or in case of any difficulties / grievance's investors may contact.</p> <p><b>Oberoi Jangit M</b> Company Secretary and Compliance Officer Mercantile Ventures Limited 88, Mount Road, Guindy, Chennai – 600 032. Telephone No. 044 – 40432209 Email: cs@mercantileventures.co.in.</p>
14.	Credit ratings obtained, if any	Company has not obtained any credit ratings.

#### DISTRIBUTION OF HOLDINGS

S. No.	Category	No of holders	% of total holders	Total No. of shares	% of Total Shares
1	1 – 100	31069	59.7239	2116716	1.8913
2	101 – 500	17885	34.3806	4683251	4.1845
3	501 - 1000	2202	4.2329	1687079	1.5074
4	1001 - 2000	579	1.1130	825693	0.7377
5	2001 – 3000	113	0.2172	285995	0.2555
6	3001 - 4000	47	0.0903	175790	0.1570
7	4001 - 5000	44	0.0845	208968	0.1867
8	5001 - 10000	46	0.0884	330973	0.2957
9	10001 - And Above	36	0.0692	101603730	90.7842
	<b>Total</b>	52021	100.0000	111918195	100.0000

#### Shareholding pattern as of 31 March, 2023

Particulars	Equity shares held	% to paid-up capital
<b>Promoters and Promoter group</b>	8,14,21,307	72.75
<b>Public</b>		
Bodies Corporate	1,97,92,884	17.69
Financial Institutions/ Banks	100	0.00
Others	1,07,03,904	9.56
<b>Grand total</b>	<b>11,19,18,195</b>	<b>100.00</b>

**Market / Share Price Data vis a vis indices. Bombay Stock Exchange Limited, Mumbai**

Month & Year	BSE		
	Share Price (Rs.)		No. of shares traded
	High Price	Low Price	
Apr-22	23.85	17.20	1,01,099
May-22	22.75	15.30	76,233
Jun-22	21.75	16.05	60,108
Jul-22	19.80	15.70	64,324
Aug-22	20.90	15.55	78,075
Sep-22	22.75	17.35	1,39,363
Oct-22	23.70	17.65	59,625
Nov-22	21.20	17.25	96,378
Dec-22	20.80	16.25	74,006
Jan-23	20.00	17.25	97,390
Feb-23	19.45	16.15	60,788
Mar-23	18.90	15.51	59,899

**9. Other disclosure.**

- a) There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions in the ordinary course of business with the related parties are disclosed in the Notes to Financial Statements.
- b) There have been no instances of non-compliance by the Company on any matters related to the capital markets nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.
- c) As stipulated under the Act and the Regulations a Whistle Blower Policy has been framed, the text of which has been uploaded in the website of the Company. No personnel has been denied access to the Audit Committee.
- d) All the mandatory requirements of Corporate Governance under the Regulations have been complied with.
- e) The policy for determining material subsidiaries has been placed on the website of the Company [www.mercantileventures.co.in](http://www.mercantileventures.co.in).
- f) The policy on dealing with related party transactions has been placed in the website of the Company [www.mercantileventures.co.in](http://www.mercantileventures.co.in).
- g) The Company has neither commodity hedging activities nor any foreign exchange transaction during the year.
- h) The Company has not raised any funds through preferential allotment or qualified institutional placement of shares and securities.

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. M/s KRA & Associates, Practicing Company Secretaries, have submitted a certificate to this effect. A compliance certificate from M/s KRA & Associates, Practicing Company Secretaries pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance of conditions of Corporate Governance is attached to the report.

- j) The Board of directors has accepted all the recommendations made by the committees.

- k) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below.

(Rs. in lakhs)

Financial Year 2022-23							
Companies	Mercantile Ventures Limited	India Radiators Limited	Chitaranjan Developers LLP	Cunningham Ventures Private Limited	Sahoj Ventures Private Limited	I3 Security Private Limited	Willingdon Ventures Private Limited
Payment to statutory auditors	Venkatesh & Co.,	Venkatesh & Co.,	Venkatesh & Co.,	Venkatesh & Co.,	Venkatesh & Co.,	Venkatesh & Co.,	Venkatesh & Co.,
Audit Fees	4.50	0.50	0.25	0.10	0.10	3.50	0.10
Tax Audit Fees *	1.00	-	-	-	-	-	-
Other Services	-	-	-	-	-	0.40	-
Reimbursement of expenses	-	-	-	-	-	-	-
Total	5.50	0.50	0.25	0.10	0.10	3.90	0.10

Paid to tax auditors CNGSN & Associates

- l) Disclosure in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
Nil	Nil	Nil

**Details of Material Subsidiaries:**

Details of Material Subsidiaries					
S. No.	Name of the Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditor	Date of Appointment of the Statutory Auditor
1	I3 Security Private Limited	02/11/2011	Chennai	M/s. Venkatesh & Co	01 <sup>st</sup> September 2022

10. All the requirements of corporate governance report specified in Sub-paras (2) to (10) of Para C of Schedule V to the Regulations have been complied with.
11. The details of adoption of discretionary requirements as stipulated in Part E of Schedule II are as follows:
- The Financial Statements do not contain any modified audit opinion by the statutory Auditors.
  - The Company has appointed a practicing chartered accountant as internal Auditor who carries out the audit and the report is presented to the Audit Committee for review and further directions.
12. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of the Regulations.
13. There are no pending unclaimed shares which are required to be transferred to demat suspense account.
14. Insider Trading
- Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has prescribed a code of conduct for prevention of insider trading and code of corporate disclosure practices. The code of fair disclosure practice and procedures for unpublished price sensitive information is available at <http://www.mercantileventures.co.in/>

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To:

The Members of

**MERCANTILE VENTURES LIMITED**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MERCANTILE VENTURES LIMITED** having CIN: L65191TN1985PLC037309 and having registered office at No.88, Mount Road, Guindy, Chennai – 600032 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment
1	Mr. A L Chandramouli	02299091	15/11/2012
2	Mr. B Narendran	01159394	03/02/2017
3	Mr. K Gopalakrishnan	00621061	12/06/2020
4	Mrs. Sashikala Srikanth	01678374	25/03/2015
5	Mr. G D Sharma	08060285	12/06/2020
6	Mr. E N Rangaswami	06463753	05/12/2012

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR KRA & ASSOCIATES**

Place: Chennai  
Date: 03.07.2023

**R.Kannan**  
Sr. Partner  
FCS 6718 / CP No. 3363  
UDIN: F006718E000533684

## CORPORATE GOVERNANCE CERTIFICATE

To:

The Members of  
**Mercantile Ventures Limited**

We have examined the compliance of conditions of Corporate Governance by **MERCANTILE VENTURES LIMITED (CIN: L65191TN1985PLC037309)**, for the year ended 31st March 2023, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR KRA & ASSOCIATES**

Place: Chennai  
Date: : 03.07.2023

**R.Kannan**  
Sr. Partner  
FCS 6718 / CP No. 3363  
UDIN : F006718E000533816

### **Declaration by the Whole-time Director regarding compliance with Code of Conduct**

(As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In accordance with Regulation 34(3) read with Clause D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that the members of Board of directors and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended March 31, 2023.

**For Mercantile Ventures Limited**  
**E N Rangaswami**  
Wholetime Director  
DIN: 06463753

Place: Chennai  
Date: 14.08.2023

## Whole-time Director (WTD) & Chief Financial Officer (CFO) Certification

To  
The Board of Directors,  
**Mercantile Ventures Limited**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of the **MERCANTILE VENTURES LIMITED** ("the Company"), to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) That there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**E N Rangaswami**  
Wholetime Director

**Padmanabha Sarma**  
Chief Financial Officer

Date: 14.08.2023  
Place: Chennai

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF MERCANTILE VENTURES LIMITED**

#### **Report on the Audit of the Standalone Financial Statements Opinion**

We have audited the accompanying standalone financial statements of Mercantile Ventures Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Therefore we have nothing to report in this regard.

#### **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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

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

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

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements vide Note 30.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses

iii. There has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year Hence we have no comments on the compliance with section 123 of the Companies Act, 2013

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Venkatesh & Co**  
Chartered Accountants  
FRN 004636S

**CA. Dasarthy V**  
Partner  
M.No.026336  
UDIN: 23026336BGULEF1322

Date: 26/05/2023  
Place: Chennai

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of MERCANTILE VENTURES LIMITED of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **MERCANTILE VENTURES LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary

to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Venkatesh & Co**  
Chartered Accountants  
FRN 004636S

**CA. Dasarthy V**  
Partner  
M.No.026336  
UDIN: 23026336BGULEF1322

Date: 26/05/2023  
Place: Chennai

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MERCANTILE VENTURES LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
B) In respect of Intangible Assets, there were no intangible Assets hence reporting under this clause is not applicable.
  - (b) The Company has physically verified the Plant & Equipment by the management once in the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii. (a) The Company is in the business of providing services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.  
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- iii. During the year Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided any loans or advances in the nature of loans or stood guarantees, or provided security to any other entity during the year,

Particulars	Guarantees (Amount in Lakhs)	Loans (Amount in Lakhs)
Aggregate amount granted during the year		
→ Subsidiaries	-	25.95
→ Others	Nil	Nil
Balance outstanding as on 31/03/2023		
→ Subsidiaries	-	74.63
→ Others	38,500.00	2721.92

- (b) The company has not made investments (or) granted loan during the year, where the terms and conditions are prejudicial to the company's interest.
- (c) in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the company and the repayments are regular except for Rs 74.63L where the repayment for interest and principal is not stipulated by the company.

- (d) No Amount is overdue more than 90 days, hence the provisions of the clause 3 (iii)(d) of the Order are not applicable to the Company
- (e) The company has renewed the Inter Corporate Deposit which has fallen due during the year. The renewed amount during the reporting period is Rs. 2300 Lakhs which amounts to 82.24% of the total loans or advances given by the company.
- (f) The Company has granted loans or advances in the nature of loans repayable on demand or without specifying any terms or period of repayment during the year for Rs 25.95 L to its subsidiaries which amounts to 0.93% of the total loans or advances given by the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantee and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except **a sum of Rs 63,900/- appearing as TDS default in the Traces Portal relating to the period when the company was under the control of the Official Liquidator, Madras High Court**".
- (b) According to the records of the Company and according to the information and explanations given to us , there are no dues of Income tax and Goods and service Tax except as mentioned below

Name of the statute	Nature of dues	Amount (in Lacs)	Period	Forum where dispute is pending	Remarks
Income Tax Act 1961	Income Tax	33.55	AY 2015-16	CIT (A)	20% of the disputed demand amounting to Rs.8.86 lakhs has been paid under protest. Rectification Order u/s 154 requested for earlier assessment years .
Income Tax Act 1961	Income Tax	14.81	AY 2016-17	A.O	Rectification u/s 154 requested for earlier Assessment years

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have, prima facie, been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has raised unsecured loans/ICD during the year from other corporates and reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) hence reporting under clause 3 (x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report
- (c) The Company has not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year

- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects required to transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

Date: 26/05/2023  
Place: Chennai

**For Venkatesh & Co**  
Chartered Accountants  
FRN 004636S

**CA. Dasaraty V**  
**Partner**  
**M.No.026336**  
**UDIN: 23026336BGULEF1322**



## Standalone Balance Sheet as at 31 March 2023

(Rs. In Lakhs)

	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	<b>(a) Property, Plant and Equipment and Intangible Assets</b>			
	(i) Property, plant and Equipment	2(a)	6,081.58	6,173.97
	(ii) Capital work-in progress	2(b)	-	-
	(iii) Intangible Assets	2(c)	-	-
	(b) Financial assets- Investments	3	17,761.44	11,236.26
	(c) Deferred tax assets (Net)	4	1,420.52	1,396.72
			<b>25,263.54</b>	<b>18,806.95</b>
(2)	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Investments	5	255.17	3,688.54
	(ii) Trade receivables	6	449.85	369.99
	(iii) Cash and cash equivalents	7	105.35	227.96
	(iv) Loans	8	2,796.55	6,288.37
	(v) Other current financial assets	9	1,996.98	1,702.36
	(b) Current Tax Assets	10	699.95	1,130.85
	(c) Other Current Assets	11	200.97	485.73
			<b>6,504.82</b>	<b>13,893.80</b>
	<b>Total Assets</b>		<b>31,768.36</b>	<b>32,700.75</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share Capital	12	11,191.82	11,191.82
	(b) Other Equity	13	18,984.68	19,910.12
			<b>30,176.50</b>	<b>31,101.94</b>
	<b>Liabilities</b>			
(1)	<b>Non-current Liabilities</b>			
	Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Other financial liabilities	14	326.09	296.91
			<b>326.09</b>	<b>296.91</b>
(2)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	15	400.00	-
	(ii) Trade payables	16	-	28.22
	(iii) Other financial liabilities	17	58.52	20.86
	(iv) Other Current liabilities	18	112.66	87.88
	(b) Provisions	19	694.59	1,164.94
			<b>1,265.77</b>	<b>1,301.90</b>
	<b>Total Equity and Liabilities</b>		<b>31,768.36</b>	<b>32,700.75</b>

The accompanying notes are an integral part of the standalone financial statements  
As per our Report of even date.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

For and on behalf of the Board

**V.Dasaraty**  
Partner  
M.No. 026336

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**B Narendran**  
Director  
DIN:01159394

Place : Chennai  
Date: 26 May 2023

**V.Padmanabha Sarma**  
Chief Financial Officer

**V Padmapriya**  
Company Secretary

## Standalone Statement of Profit and Loss for the year ended 31 March 2023

(Rs. In Lakhs)

S. No.	Particulars	Note No.	Year Ended 31 March 2023	Year Ended 31 March 2022
<b>I</b>	Revenue from operations	20	<b>2,076.84</b>	1,461.36
<b>II</b>	Other income	21	<b>594.62</b>	748.31
	<b>Total Revenue</b>		<b>2,671.46</b>	2,209.67
<b>III</b>	<b>Expenses</b>			
	a). Cost of Services	22	<b>1,379.63</b>	880.71
	b). Employee benefits expense	23	<b>115.49</b>	109.98
	c). Finance costs	24	<b>34.78</b>	21.28
	d). Depreciation and amortisation expense	2	<b>96.02</b>	95.23
	e). Other expenses	25	<b>339.25</b>	220.35
	<b>Total expenses</b>		<b>1,965.17</b>	1,327.55
<b>IV</b>	Profit/(loss) before exceptional items and tax		<b>706.29</b>	882.12
<b>V</b>	Exceptional Items		-	-
<b>VI</b>	Profit/(loss) before tax		<b>706.29</b>	882.12
<b>VII</b>	Tax expense			
	Current tax		<b>217.25</b>	259.21
	Deferred tax (Net)		<b>(23.80)</b>	(24.81)
<b>VIII</b>	Profit/(loss) for the period		<b>512.84</b>	647.72
<b>IX</b>	Share of Profit/(loss) from LLP/Partnership Firms		<b>172.52</b>	279.26
<b>X</b>	<b>Profit/(loss) for the period</b>		<b>685.36</b>	926.98
<b>XI</b>	Other Comprehensive Income		<b>(1,610.80)</b>	1,470.70
	Total Comprehensive Income for the period (X + XI) (Comprising Profit/(loss) and other comprehensive income)		<b>(925.44)</b>	2,397.68
<b>XII</b>	Earnings per equity share			
	(1) Basic		<b>0.46</b>	0.58
	(2) Diluted		<b>0.46</b>	0.58

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

'As per our Report of even date.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

For and on behalf of the Board

**V.Dasaraty**  
 Partner  
 M.No. 026336

**E N Rangaswami**  
 Whole-time Director  
 DIN: 06463753

**B Narendran**  
 Director  
 DIN:01159394

Place : Chennai  
 Date: 26 May 2023

**V.Padmanabha Sarma**  
 Chief Financial Officer

**V Padmapriya**  
 Company Secretary

## Standalone Statement of changes in equity for the year ended 31 March 2023

### (A) Equity share capital

		(Rs. In Lakhs)	
(1) Current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year
Balance at the beginning of the current reporting period	-	11,191.82	Balance at the end of the current reporting period
11,191.82	-	11,191.82	11,191.82

### (2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
11,191.82	-	11,191.82	-	11,191.82

### (B) Other equity

Particulars	Reserves and surplus							Total	
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve	Retained earnings	Revaluation surplus *	Equity Instruments through other comprehensive income		Other items of other comprehensive income **
<b>(1) Current reporting period</b>									
<b>Balance as at 1 April 2022</b>	-	361.27	12,250.20	375.60	3,422.45	(2,068.52)	4,604.67	964.45	19,910.12
Profit for the year	-	-	-	-	512.84	-	-	-	512.84
Share of profit from LLP	-	-	-	-	172.52	-	-	-	172.52
Profit for the year	-	-	-	-	685.36	-	-	-	685.36
Other comprehensive income	-	-	-	-	-	-	(2,358.93)	748.13	(1,610.80)
Total comprehensive Income for the year	-	-	-	-	685.36	-	(2,358.93)	748.13	(925.44)
<b>Any other change</b>	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	-	<b>361.27</b>	<b>12,250.20</b>	<b>375.60</b>	<b>4,107.81</b>	<b>(2,068.52)</b>	<b>2,245.74</b>	<b>1,712.58</b>	<b>18,984.68</b>

(Rs. In Lakhs)

Particulars	Reserves and surplus								Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve	Retained earnings	Revaluation surplus *	Equity Instruments through other comprehensive income	Other items of other comprehensive income **	
<b>(2) Previous reporting period</b>									
<b>Balance as at 1 April 2021</b>	-	361.27	12,250.20	375.60	2,495.47	(2,068.52)	2,327.96	1,770.46	17,512.44
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of current reporting period	-	361.27	12,250.20	375.60	2,495.47	(2,068.52)	2,327.96	1,770.46	17,512.44
Profit for the year	-	-	-	-	647.72	-	-	-	647.72
Share of profit from LLP	-	-	-	-	279.26	-	-	-	279.26
Profit for the year	-	-	-	-	926.98	-	-	-	926.98
Other comprehensive income	-	-	-	-	-	-	2,276.71	(806.01)	1,470.70
<b>Total comprehensive income for the year</b>	-	-	-	-	926.98	-	2,276.71	(806.01)	2,397.68
Any other change	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	-	<b>361.27</b>	<b>12,250.20</b>	<b>375.60</b>	<b>3,422.45</b>	<b>(2,068.52)</b>	<b>4,604.67</b>	<b>964.45</b>	<b>19,910.12</b>

\* Fair valuation of fixed assets as per IND AS by a registered valuer. The fair value of fixed assets adopted in the previous year has been retained in the current financial year

\*\* Fair value of Redeemable Preference Shares, Mutual Funds and Rental Deposits

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

'As per our Report of even date

**For Venkatesh and Co**  
Chartered Accountants  
F.R.No. 0046365

**V.Dasaraty**  
Membership No: 026336  
Partner

Place : Chennai  
Date: 26 May 2023

For and on behalf of the Board

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**V.Padmanabha Sarma**  
Chief Financial Officer

**B Narendran**  
Director  
DIN:01159394

**V Padmapriya**  
Company Secretary

## Standalone Cash Flow Statement for the Year ended 31 March 2023

(Rs. In Lakhs)

	Particulars	Year Ended 31 March 2023		Year ended 31 March 2022	
<b>A</b>	<b>Cash Flow from Operating Activities</b>				
	Profit for the year before tax and after Exceptional items OCI, share of profit from LLP		(731.99)		2,632.08
	<b>Adjustments for:</b>				
	Depreciation	96.02		95.23	
	Dividend Income	(107.72)		(83.66)	
	Interest Income	(387.24)		(539.45)	
	Profit on sale of investments	(38.88)		(6.65)	
	Guarante Commission	(60.00)	(497.82)		(534.53)
	<b>Operating Profit before Working Capital changes</b>		(1,229.81)		2,097.55
	<b>Adjustments for:</b>				
	Other Financial Liabilities	29.18		49.80	
	Current liabilities & Provisions	(653.38)		21.56	
	Trade Receivables	(79.86)		(12.89)	
	Current tax assets	657.27		(4.36)	
Other current assets	284.76	237.97	(131.70)	(77.59)	
<b>Tax paid</b>		(991.84)		2,019.96	
		(226.37)		(237.28)	
<b>Net Cash from Operating activities (A)</b>		(1,218.21)		1,782.68	
<b>B</b>	<b>Cash Flow from Investing activities</b>				
	Proceeds from sale of shares/investments	38.88		805.32	
	Addition to Fixed assets	(3.63)		(16.82)	
	Transfer of Capital work in progress	-		4,401.62	
	Non Current Investments	(6,525.19)		(2,784.30)	
	Current Investments	3,433.37		(3,688.54)	
	Income from Investments	554.96		623.11	
	Other current financial assets	(294.62)		(297.57)	
	Loans and Advances	3,491.83	695.60	(2,544.28)	(3,501.46)
<b>Cash Flow from investing activities (B)</b>		695.60		(3,501.46)	
<b>C</b>	<b>Cash Flow from Financing activities</b>				
	Unsecured Loans		400.00		
	<b>Net Cash used in Financing Activities (C)</b>		400.00		-
	<b>Net Cash Flows during the year (A) + (B) + (C)</b>		(122.61)		(1,718.78)
	Cash & Cash Equivalents at the beginning of the period		227.96		1,946.74
<b>Cash &amp; Cash Equivalents at the end of the period</b>		105.35		227.96	

The accompanying notes are an integral part of the standalone financial statements  
As per our Report of even date.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

For and on behalf of the Board

**V.Dasaraty**  
Partner  
M.No. 026336

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**B Narendran**  
Director  
DIN:01159394

Place : Chennai  
Date: 26 May 2023

**V.Padmanabha Sarma**  
Chief Financial Officer

**V Padmapriya**  
Company Secretary

## SIGNIFICANT ACCOUNTING POLICES AND NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### 1. Overview

#### 1.1. Company Overview

Mercantile Ventures Limited (MVL) is a public limited company incorporated and domiciled in India and has its registered office at Chennai, Tamilnadu India. The Company has its primary listings on the BSE Limited in India.

#### 1.2. Basis of Preparation of Financial Statements:-

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The year end figures are taken from the source and rounded to the nearest lakhs..

#### 1.3. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 1.4. Cash Flow Statement

Cash Flows are reported using the indirect method whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating investing and financing activities of the company are segregated based on the available information.

#### 1.5. Critical accounting estimates

##### A) Revenue recognition

Revenue is recognised on accrual method on rendering of services when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured.

- a. Revenue recognition from rent is recognised based on the agreement entered with the customers
- b. Reimbursement of expenses in respect of Repairs & Maintenance, Electricity Charges & Fuel charges were accounted on accrual basis.
- c. Interest income is recognised based on accrual basis

- d. Other Income were accounted on accrual basis
- e. Dividend income shall be recognised when the share holder's right to receive payments is established. In respect of the investmnet in Preference Shares, dividend income is recognised based on the right to receive based on contractual obligations.

## **B) Expenditure**

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

## **C) Income taxes**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Also refer to note no.30.

### **1.6. Property, Plant and Equipment**

The land and properties of the company are stated at fair value and depreciation provided on straight line method over the estimated useful lives of the assets. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. The Company depreciates property, plant and equipment over their estimated useful lives using the Straight line method.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Amounts paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date and cost of property, plant, and equipment not ready for intended use before such date are disclosed under capital work-in-progress. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell..

### **1.7. Impairment**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating Unit) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is adjusted to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

## 1.8. Financial Instruments

### 1. Initial recognition

- a. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Loans, borrowings and payables are recognised net of directly attributable transaction costs.
2. (i) Financial assets carried at at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) They are presented as current assets except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method less any impairment loss.
- (iii) Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.
- (iv) Cash and cash equivalents comprise cash on hand and balances in banks.

### 3. Financial assets at fair value through other comprehensive income :

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

### 4. Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### 5. Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## 1.9. Employee benefit

**Gratuity:** In accordance with the Payment of Gratuity Act, 1972, the company provides payment to eligible employees who have completed five years of continuous service in the Company. through group gratuity policy taken from M/s. Life insurance corporation of India. The gratuity payable is computed based on the last drawn salary and years of employment with the company..



**Compensated absences:** The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at the end of each financial year.

#### 1.10. Foreign Currency Transactions

There are no such transactions in the current financial year.

#### 1.11. Segment Reporting

The business of the company comprises leasing of immovable properties, manpower services and investment activities.

#### 1.12. Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

- (a) **Current income tax:** Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.
- (b) **Deferred income tax:** Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

#### 1.13. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

## 2 Property Plant and Equipment and Intangible Assets

(Rs. in lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01-04-2022	Additions	Deletions	Total 31-03-2023	As at 01-04-2022	Deletions	For the year	Total 31-03-2023	As at 31-03-2023	As at 31-03-2022
<b>a) Property, Plant and Equipment</b>										
Freehold Land	4,617.99	-	-	4,617.99	-	-	-	-	4,617.99	4,617.99
Buildings *	1,954.40	-	-	1,954.40	496.36	-	74.28	570.64	1,383.76	1,458.04
Computers	4.55	2.59	-	7.14	4.41	-	0.66	5.07	2.07	0.14
Plant and Machinery, Airconditioners,etc	124.63	-	-	124.63	54.17	-	7.89	62.06	62.57	70.46
Furniture and Fixtures	137.49	-	-	137.49	110.23	-	13.06	123.29	14.20	27.26
Office Equipments	4.09	1.20	0.60	4.69	4.01	0.44	0.13	3.70	0.99	0.08
<b>Total</b>	<b>6,843.15</b>	<b>3.79</b>	<b>0.60</b>	<b>6,846.34</b>	<b>669.18</b>	<b>0.44</b>	<b>96.02</b>	<b>764.76</b>	<b>6,081.58</b>	<b>6,173.97</b>
<b>b) Capital work-in Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>c) Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,843.15</b>	<b>3.79</b>	<b>0.60</b>	<b>6,846.34</b>	<b>669.18</b>	<b>0.44</b>	<b>96.02</b>	<b>764.76</b>	<b>6,081.58</b>	<b>6,173.97</b>
<b>Previous year</b>	<b>11,227.95</b>	<b>16.82</b>	<b>4,401.62</b>	<b>6,843.15</b>	<b>573.95</b>	<b>-</b>	<b>95.23</b>	<b>669.18</b>	<b>6,173.97</b>	<b>10,654.00</b>

**Note:**

\* 1. One of the properties of the company has been offered as security to Housing Development Finance Corporation Limited for a loan availed by a Third party which has provided a counter security for an equivalent value of the property.

2. The fair value of freehold land and buildings adopted in the previous year have been retained in the current financial year.

### 3 Non Current Investments

(Rs. In Lakhs)

S. No.	Particulars	Subsidiary/ Associates/ Joint Venture/ Others	Face Value (Rs.)	No. of Shares	As at 31 March 2023	No. of Shares	As at 31 March 2022
	<b>Investments in Equity instruments-fully paid up at fair value through Other Comprehensive Income Quoted</b>						
1	Sical Logistics Ltd	Others	10	12,600	1.00	12,600	1.62
2	Sicagen India Ltd	Others	10	9,89,510	299.83	7,29,510	169.25
3	Southern Petrochemical Industries Corporation Ltd	Others	10	8,53,810	483.00	8,53,810	622.43
4	Tamil Nadu Petroproducts Ltd	Others	10	2,01,000	142.97	2,01,000	233.56
5	Manali Petrochemicals	Others	5	24,97,810	1,501.69	24,97,810	2,953.64
6	TTK Prestige Ltd Shares	Others	1	1,000.00	7.00	-	-
7	Integrated Digital Info Services Ltd	Others	10	200.00	-	200	-
8	Kumbhat Financial Services Ltd	Others	10	10,100	1.72	10,100	-
9	Tuticorin Alkali Chemicals and Fertilisers Ltd	Others	10	1,37,71,072	6,966.79	-	-
10	SIV Industries Ltd	Others	10	850	-	850	-
11	Sharp Industries Ltd	Others	10	40	-	40	-
12	Temba Shipyards Ltd	Others	10	2,050	-	2,050	-
13	TN Jayabharat Mills Ltd	Others	10	2,000	-	2,000	-
14	Tribology India Ltd	Others	10	2,150	-	2,150	-
	<b>Subtotal (A)</b>				<b>9,404.00</b>		<b>3,980.50</b>
	<b>Unquoted</b>						
1	National Trust Housing Finance Ltd	Associates	10	73,49,890	4,401.74	73,49,890	3,623.50
2	AM Foundation	Others	10	1,200	-	1,200	-
3	i3 Security private Ltd	Subsidiary	10	39,07,800	868.30	39,07,800	773.95
4	Cunningham Ventures Private Limited	Subsidiary	10	30,000	3.00	30,000	3.00
5	Sahoj Ventures Private Limited	Subsidiary	10	30,000	3.00	30,000	3.00
6	Willingdon Ventures Private Limited	Subsidiary	10	30,000	3.00	30,000	3.00
	<b>Subtotal (B)</b>				<b>5,279.04</b>		<b>4,406.45</b>
	<b>Total (C)=(A)+(B)</b>				<b>14,683.04</b>		<b>8,386.95</b>

(Rs. In Lakhs)

S. No.	Particulars	Subsidiary/ Associates/ Joint Venture/ Others	Face Value (Rs.)	No. of Shares	As at 31 March 2023	No. of Shares	As at 31 March 2022
1	Investments in Preference Shares						
1	EDAC Engineering Ltd	Others	10	2,00,00,000	1,730.99	2,00,00,000	1,571.54
2	India Radiators Ltd	Subsidiary	10	1,94,82,700	1,050.41	1,94,82,700	980.77
	<b>Subtotal (D)</b>				<b>2,781.40</b>		<b>2,552.31</b>
1	Investment in capital of Partnership firms/LLP- at cost						
1	Chitharanjan Developers LLP	Subsidiary			297.00		297.00
	<b>Subtotal (E)</b>				<b>297.00</b>		<b>297.00</b>
	<b>Net Value of Investments (C)+(D)+(E)</b>				<b>17,761.44</b>		<b>11,236.26</b>

**Details of Investment in LLP:**

Names of partners	31.03.2023		31.03.2022	
	Capital	Share of Profit	Capital	Share of Profit
Mercantile Ventures Limited	297.00	99%	297.00	98%
R.Narayanaswamy	-	-	-	1%
V.Rajagopal	3.00	1%	3.00	1%
Total	300.00	100%	300.00	100%

**4 Deferred Tax Asset (Net)**

Particulars	As at 31 March 2023	As at 31 March 2022
opening balance	1,396.72	1,371.91
Deferred tax asset	23.80	24.81
<b>Total</b>	<b>1,420.52</b>	<b>1,396.72</b>

**5 Current investments:**

Investments in Mutual Funds at Fair Value		
UTI Money Market Fund - Regular Plan - Growth - 9783 units (121363 units)	255.17	2,993.48
SBI Liquid fund - Regular Plan ( 20994 units)	-	695.06
<b>Total</b>	<b>255.17</b>	<b>3,688.54</b>

## 6 Trade Receivables:

(Rs. in lakhs)

Undisputed Trade Receivables considered good:	449.85	369.99
<b>Total</b>	<b>449.85</b>	<b>369.99</b>
<b>Trade Receivables ageing</b>		
<b>Undisputed Trade receivables-considered good</b>		
Outstanding for less than six months	418.07	317.15
Outstanding for period 6months -1year	13.17	19.77
Outstanding for period 1 -2 years *	12.78	33.07
Outstanding for period 2- 3years	5.83	-
Outstanding for more than 3 years	-	-
<b>Disputed Trade receivables-considered good</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>449.85</b>	<b>369.99</b>

\* Considering the subsequent repayments from the customers the mangement is of the view that Provision for any expected credit loss is not required.

## 7 Cash & Cash Equivalentents

Cash on Hand	0.05	0.52
Balance with Banks in Current Accounts	105.30	227.44
<b>Total</b>	<b>105.35</b>	<b>227.96</b>

## 8 Loans & Advances :

<b>Loan and advances- considered good - unsecured</b>		
Loans and Advances-Related parties	74.63	1,429.26
Loans and Advances-Others	2,721.92	4,859.11
<b>Total</b>	<b>2,796.55</b>	<b>6,288.37</b>

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	74.63	1,429.26
<b>Total</b>	<b>74.63</b>	<b>1,429.26</b>
<b>Percentage to the total Loans and Advances in the nature of loans</b>	<b>2.67%</b>	<b>22.73%</b>

Details of inter corporate deposits/loans disclosed pursuant to section 186(4) of the companies Act 2013

Edac Engineering Limited	2,721.92	3,062.52
India Radiators Limited	72.92	46.04
Chitharanjan Developers LLP	1.71	-
Greenstar Fertilizers Limited	-	1,796.60

The above inter corporate deposits/loans are given for the business purposes of the recipient entities

**9 Other current financial assets:**

**(Rs. In Lakhs)**

Particulars	As at 31.03.2023	As at 31.03.2022
Other Advances	1,991.12	1,696.50
Security Deposit	5.86	5.86
<b>Total</b>	<b>1,996.98</b>	<b>1,702.36</b>

**10 Current Tax assets**

Advance income tax	699.95	1,130.85
<b>Total</b>	<b>699.95</b>	<b>1,130.85</b>

**11 Other Current assets**

Share of Profit from LLP / Partnership Firm	200.13	485.73
GST input	0.84	-
<b>Total</b>	<b>200.97</b>	<b>485.73</b>

**12 Share Capital**

<b>Authorised Capital</b>		
11,50,00,000 Equity Shares of Rs.10/- each	11,500.00	11,500.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00	1,500.00
<b>Total</b>	<b>13,000.00</b>	<b>13,000.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>		
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82	11,191.82
(Of the total issued Capital, 8,16,68,000 Equity Shares of Rs.10/- each were issued at a premium of Rs.15/- per share in pursuance of the Scheme of Arrangement with the Creditors approved by the Hon'ble Madras High Court)		
<b>Total</b>	<b>11,191.82</b>	<b>11,191.82</b>

**Number of Equity Shares at the beginning and end of the reporting year**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Shares issued during the year	-	-	-	-
Shares outstanding at the close of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82

### Shares held by promoters at the end of the year

Promoter name	No: of shares	% of total shares	% change during the year	Remarks
Mr Jawahar Vadivelu	-	-	(0.03)	Promoter Group
Mr AC Muthiah	13,068	0.01	-	Promoter Group
Mr AL Vadivelu	8,144	0.01	-	Promoter
Mr Ashwin C Muthiah	230	-	-	Promoter Group
Trinity Auto Points Private Ltd	2,09,56,000	18.72	-	Promoter Group
South India Travels Private Ltd	1,86,09,156	16.63	0.03	Promoter
Golden Star assets Consultants Private Ltd	1,43,96,000	12.86	-	Promoter Group
Ranford Investments Ltd	78,07,955	6.98	-	Promoter
Dornolly Investments Ltd	64,37,000	5.75	-	Promoter
Twinshield Consultants Private Ltd	52,81,899	4.72	-	Promoter Group
Sicagen India Ltd	77,23,005	6.90	3.32	Promoter
First Leasing Company of India Ltd	1,77,250	0.16	-	Promoter
Navia Markets Ltd	11,600	0.01	-	Promoter
<b>Total</b>	<b>8,14,21,307</b>	<b>72.75</b>	<b>3.32</b>	-

### Details of Shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31.03.2023		As at 31.03.2022	
	No. of shares	% of Holding	No. of shares	% of Holding
Trinity Auto Points Limited	2,09,56,000	18.72%	2,09,56,000	18.72%
South India Travels Private Limited	1,86,09,156	16.63%	1,85,82,056	16.60%
Golden Star Assets Consultants Private Limited	1,43,96,000	12.86%	1,43,96,000	12.86%
Southern Petrochemical Industries Corporation Limited	1,50,28,000	13.43%	1,50,28,000	13.43%
Ranford Investments Limited	78,07,955	6.98%	78,07,955	6.98%
Dornolly Investments Limited	64,37,000	5.75%	64,37,000	5.75%
Sicagen India Limited	77,23,005	6.90%	4008205	3.58%

**13 Other Equity**

(Rs. In Lakhs)

Particulars	Reserves and surplus			General Reserve	Retained earnings *	Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account			
Balance as at 1 April 2022	-	361.27	12250.20	375.60	6923.05	19910.12
Profit for the year	-	-	-	-	512.84	512.84
Share of profit from LLP	-	-	-	-	172.52	172.52
Other comprehensive income	-	-	-	-	(1,610.80)	(1,610.80)
Total comprehensive Income for the year	-	-	-	-	(925.44)	(925.44)
Any other change	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>361.27</b>	<b>12,250.20</b>	<b>375.60</b>	<b>5997.61</b>	<b>18,984.68</b>
Balance as at 1 April 2021	-	361.27	12250.20	375.60	4525.37	17512.44
Profit for the year	-	-	-	-	647.72	647.72
Share of profit from LLP	-	-	-	-	279.26	279.26
Other comprehensive income	-	-	-	-	1470.70	1470.70
Total comprehensive Income for the year	-	-	-	-	2397.68	2397.68
Any other change	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>361.27</b>	<b>12250.20</b>	<b>375.60</b>	<b>6923.05</b>	<b>19910.12</b>

\* includes other comprehensive income (refer Note as changes in Equity for details)

**14 Other Financial Liabilities (Non Current)**

Particulars	As at 31 March 2023	As at 31 March 2022
Rent Deposit	326.09	296.91
<b>Total</b>	<b>326.09</b>	<b>296.91</b>

**15 Current Borrowings**

<b>Unsecured:</b>		
Inter Corporate Deposits from others	400.00	-
<b>Total</b>	<b>400.00</b>	<b>-</b>



## 16 Trade Payables

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Due to Micro, Small and Medium Enterprises</b>	-	-
Due to others	-	28.22
<b>Total</b>	-	28.22
Less than 1 year	-	28.22
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	-	<b>28.22</b>

## 17 Other Current Financial Liabilities

Other Payables	<b>58.52</b>	20.86
<b>Total</b>	<b>58.52</b>	20.86

## 18 Other Current Liabilities

Statutory Dues	<b>112.66</b>	87.88
<b>Total</b>	<b>112.66</b>	87.88

## 19 Current Provisions

Provision for Taxation	<b>694.59</b>	1,164.94
<b>Total</b>	<b>694.59</b>	1,164.94

## 20 Income from Operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rent of immovable properties	<b>587.55</b>	515.84
Maintenance Charges	<b>102.78</b>	85.41
Manpower Supply services	<b>1,386.51</b>	860.11
<b>Total</b>	<b>2,076.84</b>	1,461.36

## 21 Other Income

Dividend received	<b>107.72</b>	83.66
Guarantee commission	<b>60.00</b>	60.00
Interest Received	<b>387.24</b>	539.45
Profit on sale of investments	<b>38.88</b>	6.65
Reimbursement expenses	-	39.00
Miscellaneous income	<b>0.78</b>	19.55
<b>Total</b>	<b>594.62</b>	748.31

## 22 Cost of Services

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cost of manpower supply services	1,289.48	803.17
Cost of maintenance services	90.15	77.54
<b>Total</b>	<b>1,379.63</b>	<b>880.71</b>

## 23 Employment Benefit Expenses

Salaries	109.42	104.91
Contribution to PF	1.29	1.80
Staff Welfare	4.78	3.27
<b>Total</b>	<b>115.49</b>	<b>109.98</b>

## 24 Finance Cost

Notional interest on Rent Deposit	29.18	21.28
Interest on Inter Corporate Deposit	5.60	-
<b>Total</b>	<b>34.78</b>	<b>21.28</b>

## 25 Other Expenses

Rates & Taxes	52.40	40.80
Repairs & Maintenance	81.50	64.13
Postage, Telephone & Courier charges	8.46	6.70
Travelling Expenses	0.55	0.52
Professional & Consultancy charges	12.56	10.50
Auditors Remuneration	5.50	4.50
Advertisement Charges	2.15	1.74
Director Sitting Fees	8.75	7.50
Electricity and Fuel charges	44.07	38.95
Filing Fees	0.15	0.14
Printing & Stationery	6.02	1.67
Insurance Expenses	1.75	2.52
Legal expenses	-	0.25
Donation	-	25.00
Contribution to CSR activities	13.92	10.95
Miscellaneous Expenses	5.51	4.48
Assets written off	0.11	-
Security Charges Puzhal	9.21	-
Expected credit loss on advances	48.42	-
Interest on Income Tax	3.36	-
Bad Debts written off	34.86	-
<b>Total</b>	<b>339.25</b>	<b>220.35</b>

<b>26 Exceptional Items</b>	<b>NIL</b>	<b>NIL</b>
<b>27 Expenditure in foreign currency during the current period</b>	<b>NIL</b>	<b>NIL</b>
<b>28 Earnings in Foreign Exchange received during the current period</b>	<b>NIL</b>	<b>NIL</b>
<b>29 As per IND AS 24- “Related party disclosures”, the disclosures of transactions with the related parties are given below:</b>		

**Related Parties:**

**Subsidiaries:**

i3 Security Private Limited  
 India Radiators Limited  
 Chitaranjan Developers LLP  
 Cunningham Ventures private Limited  
 Willingdon Ventures private Limited  
 Sahoj Ventures private Limited

**Associate:**

National Trust Housing Finance Limited

**Promoters:**

Twinshield Consultants Private Ltd  
 Sicagen India Limited

**Key Managerial Personnel:**

Mr. E.N. Rangaswami, Whole-time Director

The following are transactions and Closing Balances with the related parties during current year:

(Rs. In Lakhs)

Particulars of transaction	Year ended 31 March 2023	Year ended 31 March 2022
<b>Transaction with related parties :</b>		
<b>i3 Security Private Limited</b>		
Security charges	48.69	35.56
<b>India Radiators Limited</b>		
Inter corporate deposit & advances given	18.59	85.50
Interest Accrued/received on Inter corporate deposit	2.00	67.49
Conversion of Loans/advances into preference shares	-	883.67
<b>Chitaranjan Developers LLP:</b>		
Loans & Advances	5.36	6.60
Recovery from loans & advances	10.26	-
Receipts in current account	458.12	196.91
<b>Cenetoph Developers Ltd</b>		
Cancellation of allotment of apartments	-	4401.62
Payments received	1376.62	3025.00
<b>National Trust Housing Finance Limited:</b>		
Dividend Received	33.07	36.75

Particulars of transaction	Year ended 31 March 2023	Year ended 31 March 2022
<b>Twinshield Consultants Private Limited - Purchase of shares</b>	<b>80.66</b>	-
<b>Sicagen India Ltd(promoter)</b>		
Lease Rent,maintenance and Manpower supply services	<b>96.11</b>	87.92
Related Parties-Promoters		
<b>Mr. E. N. Rangaswami</b>		
Remuneration	<b>60.00</b>	53.00
<b>Closing Balances</b>		
<b>i3 Security Private Limited</b>		
Investments in Equity shares	<b>868.30</b>	773.95
<b>India Radiators Limited</b>		
Investment in preference shares	<b>1,050.41</b>	980.77
Inter Corporate Deposit & Advances	<b>72.92</b>	46.04
<b>Cunningham Ventures Private Limited - Equity Shares</b>	<b>3.00</b>	3.00
<b>Willingdon Ventures Private Limited - Equity Shares</b>	<b>3.00</b>	3.00
<b>Sahoj Ventures private Limited - Equity Shares</b>	<b>3.00</b>	3.00
<b>Cenetoph Developers LLP</b>		
Loans and advances	-	1376.62
<b>Chitaranjan Developers LLP*:</b>		
Investment in capital	<b>297.00</b>	297.00
Loans and advances	<b>1.71</b>	6.60
Current Account	<b>200.13</b>	485.73
<b>National Trust Housing Finance Limited - Equity Shares</b>	<b>4,401.74</b>	3623.50
<b>Sicagen India Ltd (promoter)</b>		
Sundry Debtors	<b>22.57</b>	22.54

**30 Contingent liabilities and commitments (to the extent not provided for)::**

(Rs. In Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>i) Contingent liabilities :</b>		
a) Claims against the company not acknowledged as debt;	<b>Nil</b>	Nil
b) Guarantees-charge created on company's asset for third party loan	<b>38500.00</b>	38500.00
c) Other money for which the company is contingently liable.	<b>Nil</b>	Nil
Disputed tax demand in respect of Assessment Year 2015-16	<b>33.55</b>	35.39
Disputed tax demand in respect of Assessment Year 2016-17.	<b>14.81</b>	28.58
<b>ii) Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
b) Uncalled liability on shares and other investments partly paid;	<b>Nil</b>	Nil
c) Other commitments (specify nature)	<b>Nil</b>	Nil

### 31 Corporate Social Responsibility

(Rs. In Lakhs)

i) Amount required to be spent by the company during the year	<b>13.92</b>	10.96
ii) Amount of expenditure incurred	-	-
iii) Shortfall at the end of the year	<b>13.92</b>	10.96
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	The entire amount of 13.92 lakhs transferred to CSR unspent account with a scheduled bank	Work Order released for renovation work in February 2022 which is under progress. The entire amount of 10.96 lakhs transferred to CSR unspent account with a scheduled bank
vi) Nature of CSR activities	Provision of smart class rooms in a Government School in Chennai	Renovation of sanitary blocks in a Government School in Chennai
vii) Details of related party transactions	<b>Nil</b>	Nil
viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, movement in the provision during the year	<b>NA</b>	NA

### 32 Analytical Ratios:

Particulars	2022-23	2021-22	Remarks	Variance
(a) Current Ratio	<b>5.14</b>	10.67	Current assets / current liabilities	(107.67)%
(b) Debt Equity Ratio	<b>NA</b>	NA	-	-
(c) Debt Service Coverage Ratio	<b>NA</b>	NA	-	-
(d) Return on Equity	<b>2.27</b>	2.98	Net profit after tax / shareholder funds*100	(31.23)%
(e) Inventory Turnover Ratio	<b>NA</b>	NA	-	-
(f) Trade Receivables Turnover Ratio	<b>5.11</b>	4.02	Revenue from operation / average receivables	21.28%
(g) Trade Payables Turnover Ratio	<b>NA</b>	NA	-	-
(h) Net Capital Turnover Ratio	<b>0.40</b>	0.12	Revenue from operations / (Current assets - Current liabilities)	70.72%
(i) Net Profit Ratio	<b>33.00</b>	63.43	Net Profit / Revenue from operations	(92.22)%
(j) Return on capital employed	<b>2.25</b>	2.95	Net Profit / Total assets - current liabilities	(31.39)%
(k) Return on Investment	<b>2.16</b>	2.83	Net Profit / Total assets	(31.40)%

### Reasons for variance exceeding 25%

- a) Due to a significant reduction in Current investments and Loans and Advances
- d) Due to an increase in Other Expenses -Bad Debts written off and expected credit loss on advances recognised and sharp reduction in Profit from LLP
- (h) Due to increase in operating revenue and sharp reduction in Current Investments and Loans and advances
- (i) Due to reduction in PAT caused by increase in other expenses and reduction in share of profit from LLP and increase in operational revenue
- (j&k) Due to reduction in PAT caused by increase in other expenses and reduction in share of profit from LLP

33 The Company has a Group Gratuity Policy with LIC for payment gratuity under the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is based on the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company has adopted a Group Gratuity Scheme for Employees with Life Insurance Corporation of India. The company makes contributions to Employees Gratuity Trust which has taken a Group Gratuity policy with LIC.. The Below Mentioned Disclosure is as given based on Gratuity report provide by Life insurance corporation of India:

Reconciliation of the projected benefit obligations

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Change in projected benefit obligation:</b>		
Present value of Obligations at the beginning of the year	50.84	33.07
Current Service cost	17.21	2.23
Interest cost	3.56	0.10
Actuarial gain/(loss) on obligations	(4.25)	15.44
Benefits settled	-	-
<b>Present value of Obligations as at the end of the year</b>	<b>67.36</b>	<b>50.84</b>
<b>Change in plan assets:</b>		
Plans assets at the beginning of the year, at fair value	70.27	3.70
Expected return on plan assets	5.41	54.35
Contributions	20.71	12.22
Benefits settled	-	-
<b>Plans assets at year end, at fair value</b>	<b>96.39</b>	<b>70.27</b>
<b>Amounts to be recognized in Balance Sheet</b>		
Present value of obligations as at the end of year	67.36	50.84
Fair value of plan assets as at the end of the year	96.39	70.27
Funded status	29.03	19.43
<b>Net asset/liability recognised in balance sheet</b>	<b>29.03</b>	<b>19.43</b>

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Expense recognised in the statement of profit and loss and other comprehensive income:</b>		
<b>Gratuity cost for the year</b>		
<b>Included in profit and loss:</b>		
- Service cost	20.71	12.22
- Past service cost	-	-
- Interest cost	3.56	0.10
<b>Net gratuity cost</b>	<b>24.27</b>	12.32
<b>Defined benefit obligation:</b>		
<b>Assumptions</b>		
Discount rate	7.00%	7.00%
Salary escalation	5.00%	5.00%
Retirement age	58 years	58 years
Mortality table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate

### 34 Segment reporting

The companies reportable segments under IND AS 108 are as follows:

- 1) Rent and Maintenance of immovable properties
- 2) Manpower Services
- 3) Investment activities

The following is an analysis of the company's revenue and results from operations by reportable segments

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Segment Revenue</b>		
a)Rent and Maintenance of immovable properties	690.33	601.25
b)Manpower Services	1,386.51	860.11
c)Investment activity	594.62	709.31
d)Unallocated Income	-	39.00
<b>Total</b>	<b>2,671.46</b>	2,209.67
<b>Segment Profit:</b>		
a)Rent and Maintenance of immovable properties	350.64	308.79
b)Manpower Services	97.03	56.96
c)Investment activity	594.63	709.30
<b>Total</b>	<b>1,042.30</b>	1,075.05

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Finance Cost	34.78	21.28
Other net unallocable(income)expenses	301.22	171.65
Tax expenses	193.46	234.40
<b>Profit for the year</b>	<b>512.84</b>	647.72
<b>Segment Assets and Liabilities</b>		
<b>Segment Assets</b>		
a) Rent and Maintenance of immovable properties	6,266.81	6,419.42
b) Manpower Services	264.62	124.54
c) Investment activity	22,810.14	22,915.53
d) Unallocated Income	2,426.79	3,241.26
<b>Total</b>	<b>31,768.36</b>	32,700.75
<b>Segment Liabilities</b>		
a) Rent and Maintenance of immovable properties	394.56	338.23
b) Manpower Services	102.71	95.19
c) Unallocated	1094.59	1165.39
<b>Total Liabilities</b>	<b>1591.86</b>	1598.81

**Note:**

For the purpose of monitoring segment performance and allocating resources between segments:

- 1) All assets are allocated to reportable segments as applicable
- 2) All liabilities are allocated to reportable segments as applicable

**35 Relationship with struck off companies as at 31-03-2023:**

Name of struck off company	Nature of transaction with struck off company	Balance Outstanding	Relationship with struck off company
NA	Investment in securities	NIL	NA
NA	Receivables	NIL	NA
NA	Payables	NIL	NA
AS per list given below *	Shares held by struck off companies		
NA	Other outstanding balance	NIL	NA



### Details of shares held by struck off Companies

Name of Holder	No of shares	% of Total Holding
ACM Finance P Ltd	200	-
Aditya Financial Services P Ltd	8,400	-
Alagu Investments P Ltd	50	-
Alpha Investments P Ltd	200	-
Ambika Estate Private Ltd	124	-
Arvee Finance Private Ltd	450	-
Beneeficent Housing & Allied Industries	125	-
Binjani Investments and Leasing P Ltd	500	-
Bolshoi Investments P Ltd	400	-
CRF Odd lot shares P Ltd	6	-
Conjeevaram Credits P Ltd	3,400	-
Cowcoody Investments Ltd	1,600	-
Emmess Financing Agencies P Ltd	150	-
Empire Finance Ltd	200	-
Everest Investments Ltd	55,000	0.05
Guru Trade Credits Private Ltd	700	-
Harrington Investments Ltd	1,55,000	0.14
Instar Inv & Financial Consultantic	200	-
Kandathil Investments Promotion Ltd	250	-
Kothari & Sons (Nominees ) P Ltd	88	-
Mercard Ltd	39,700	0.04
Madan Stock & Share P Ltd	24	-
Mahodev Finance & Investments P Ltd	350	-
Mercury Software	250	-
Mohanrao Investments P Ltd	100	-
Parshwanath Finance Ltd	300	-
Prakruthi Finnace Services Ltd	100	-
Profad Ltd	12,648	0.01
Pushkar Financial Services Ltd	8	-
Ranjani Investments P Ltd	100	-
Richfield Investments & Fin P Ltd	325	-

Name of Holder	No of shares	% of Total Holding
Sagothram Housing Investments Ltd	100	-
Sanmar Properties & Investments Ltd	50	-
South India Invsts & Fin Cons Ltd	50	-
Sri Siddhi Vinayak Shares Ltd	100	-
ST Christophers Trang College	4	-
Startegy Investments & Consults P Ltd	500	-
Sundharama Private Ltd	50	-
Totarams Investment & Fin P Ltd	500	-
Transcorp Financial Services Ltd	500	-
Unique Business P Ltd	100	-
Vitaldev Investments P Ltd	1,350	-
Nagarathar Finance & Leasing P Ltd	800	-
Navratna Investments P Ltd	74	-
New Ambadi Investments P Ltd	25	-
<b>TOTAL</b>	<b>2,85,151</b>	<b>0.24</b>

### 36 Additional Regulatory Information Required under Division II to Schedule II of the Companies Act 2013

Sl.No	Remarks for Non Disclosure (If any)	Remarks for Non Disclosure (If any)
1	Title deeds of Immovable Property not held in name of the Company	The Company does not have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable
2	Revaluation of Property , Plant & Equipment	The Company has not revalued Property, Plant & Equipment, Hence disclosure under this clause is not applicable
3	Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets, Hence disclosure under this clause is not applicable
4	Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	<b>Refer Note No 8</b>
5	Capital-Work-in Progress (CWIP)	Nil
6	Intangible assets under development	Nil
7	Details of Benami Property held	The Company has no Benami Property
8	Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions secured against Current Assets,Hence disclosure under this clause is not applicable
9	Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender,Hence disclosure under this clause is not applicable

Sl.No	Remarks for Non Disclosure (If any)	Remarks for Non Disclosure (If any)
10	Relationship with Struck off Companies	<b>Refer Note No 35</b>
11	Registration of charges or satisfaction with Registrar of Companies (ROC)	<b>Refer Note 2</b>
12	Compliance with number of layers of companies	The Company is in Compliance with Number of layers of the Companies
13	Anyaltical Ratios	<b>Refer Note No 32</b>
14	Compliance with approved Scheme(s) of Arrangements	The Company has filed a Scheme of Amalgamation filed with Chennai NCLT which is pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.
15	Utilisation of Borrowed funds and share premium	The company has utilised its borrowed funds for its operations and has not utilised share premium during the year
16	Undisclosed income	Nil
17	Corporate Social Responsibility (CSR)	<b>Refer Note No 31</b>
18	Details of Crypto Currency or Virtual Currency	The Company has not Traded or invested in cryto currency or virtual currency, Hence disclosure under this clause is not applicable

37 The figures for the previous year have been regrouped / reclassified wherever necessary.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF MERCANTILE VENTURES LIMITED**  
**Report on the Audit of the Consolidated Financial Statements Opinion**

**Opinion**

We have audited the accompanying Consolidated financial statements of Mercantile Ventures Limited (“the Parent”) and its subsidiaries ( the Parent and its subsidiaries referred together as “ the Group”) , which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2023, the Consolidated profit and Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Parent’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information, Compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and , in doing so, place reliance on the work of the other auditors. Other information so far it relates to the subsidiaries is traced from their financial statements audited by the other auditors. Therefore we have nothing to report in this regard.

## Management's Responsibility for the Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

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

#### **Other matters**

- a) We did not the audit the financial information of Associate namely M/s. National Trust Housing Finance Limited and groups share of profit of **Rs.815.60 lakhs** for the year ended 31st March 2023, has been considered in the Consolidated financial Statements. These Financial statements have been audited by other auditors whose reports have been furnished to us by the management and in our opinion the consolidated financial statements, in so far as it amounts and disclosures included in respect of these associates, and our report in the terms of the sub-section (3) and (11) of the section 143 of the act in so far as it relates to the aforesaid associate, is based solely upon the report of the other auditors and management representations.
- b) Our Opinion on the consolidated financial statements and our report on Other legal and regulatory requirements below, is not modified in the respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the consolidated financial statements/information certified by the management.

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

1. As required by Section 143(3) of the Act, based on our audit 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 so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS 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 of Parent as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Parent and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements vide Note 31.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year Hence we have no comments on the compliance with section 123 of the Companies Act, 2013

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Venkatesh & Co**  
Chartered Accountants  
FRN 004636S

**CA. Dasaraty V**  
**Partner**  
**M.No.026336**  
**UDIN: 23026336BGULEH7011**

Date: 26/05/2023  
Place: Chennai



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of MERCANTILE VENTURES LIMITED of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Mercantile Ventures Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Venkatesh & Co**  
Chartered Accountants  
FRN 004636S

**CA. Dasaraty V**  
Partner  
M.No.026336  
UDIN: 23026336BGULEH7011

Date: 26/05/2023  
Place: Chennai

## Consolidated Balance Sheet as at 31 March 2023

(Rs. In Lakhs)

	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2(a)	7,272.59	7,386.69
	(b) Capital work-in progress	2(b)	-	-
	(c) Goodwill on consolidation		388.40	294.04
	(d) Minority Interest		355.83	423.91
	<b>Financial assets</b>			
	(a) Investments	3	17,464.82	11,066.27
	(b) Deferred tax assets (Net)	4	988.50	947.45
	<b>Total</b>		<b>26,470.14</b>	<b>20,118.36</b>
(2)	<b>Current assets</b>			
	Inventories	5	0.22	1.35
	<b>(a) Financial Assets</b>			
	(i) Investments	6	255.17	3,688.54
	(ii) Trade receivables	7	957.10	817.13
	(iii) Cash and cash equivalents	8	616.64	675.07
	(iv) Loans and Advances	9	3,711.66	7,225.32
	(iv) Other current financial assets	10	2,005.70	1,717.90
	<b>(b) Current Tax Assets</b>	11	780.86	1,303.79
	<b>(C) Other Current Assets</b>	12	204.02	485.73
			<b>8,531.37</b>	<b>15,914.83</b>
	<b>Total Assets</b>		<b>35,001.51</b>	<b>36,033.19</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share Capital	13	11,191.82	11,191.82
	(b) Other Equity	14	21,833.05	22,627.88
	<b>Total</b>		<b>33,024.87</b>	<b>33,819.70</b>
(1)	<b>LIABILITIES</b>			
	<b>Non-current Liabilities</b>			
	Financial Liabilities		-	
	i) Other financial liabilities	15	326.09	296.91
	<b>Total</b>		<b>326.09</b>	<b>296.91</b>
(2)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	400.00	-
	(ii) Trade payables	17	1.31	47.56
	(iii) Other Current financial liabilities	18	58.64	73.84
	(b) Other Current liabilities	19	184.13	243.19
	(c) Provisions	20	1,006.47	1,551.99
	<b>Total</b>		<b>1,650.55</b>	<b>1,916.58</b>
	<b>Total Equity and Liabilities</b>		<b>35,001.51</b>	<b>36,033.19</b>

The accompanying notes are an integral part of the consolidated financial statements.  
As per our Report of even date.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

For and on behalf of the Board

**V.Dasaraty**  
Partner  
M.No. 026336

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**B Narendran**  
Director  
DIN:01159394

Place : Chennai  
Date: 26 May 2023

**V.Padmanabha Sarma**  
Chief Financial Officer

**V Padmapriya**  
Company Secretary

## Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(Rs. In Lakhs)

S. No.	Particulars	Note No.	Year Ended 31 March 2023	Year Ended 31 March 2022
I	Revenue from operations	21	4,714.90	3,703.75
II	Other income	22	659.27	1,631.55
	<b>Total Income</b>		<b>5,374.17</b>	5,335.30
III	<b>Expenses</b>			
	Cost of Services/materials consumed	23	1,364.69	875.63
	Employee benefits expense	24	2,565.14	2,156.34
	Finance costs	25	104.48	108.01
	Depreciation and amortisation expense	2	98.15	99.01
	Other expenses	26	451.06	451.24
	<b>Total expenses</b>		<b>4,583.52</b>	3,690.23
IV	<b>Profit/(loss) before exceptional items and tax from continuing operations</b>		<b>790.65</b>	1,645.07
V	Exceptional Items		91.96	-
VI	Profit/(loss) for the year before tax		<b>882.61</b>	1,645.07
VII	Tax expense			
	Current tax		249.49	287.81
	Deferred tax		(41.05)	208.87
VIII	Profit/(loss) for the period (VI-VII)		<b>674.17</b>	1,148.39
IX	Share of Profit from LLP/Partnership Firms		172.52	279.26
X	Share of Profit/(loss) from Associate		815.60	211.80
XI	<b>Profit/(loss) for the period (VIII+IX+X)</b>		<b>1,662.29</b>	1,639.45
XII	Minority interest		(68.08)	(489.64)
XIII	Profit/(loss) for the period (XI-XII)		<b>1,594.21</b>	1,149.81
XIV	Other Comprehensive Income		(2,389.04)	1,470.70
	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit/(loss) and other comprehensive income)		<b>(794.83)</b>	2,620.51
XV	Earnings per equity share			
	(1) Basic		0.54	0.59
	(2) Diluted		0.54	0.59

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

As per our Report of even date.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

For and on behalf of the Board

**V.Dasaraty**  
Partner  
M.No. 026336

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**B Narendran**  
Director  
DIN:01159394

Place : Chennai  
Date: 26 May 2023

**V.Padmanabha Sarma**  
Chief Financial Officer

**V Padmapriya**  
Company Secretary

## Consolidated Statement of changes in equity for the year ended 31 March 2023

(A) Equity share capital  
(1) Current reporting period (Rs. In Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
11,191.82	-	11,191.82	-	11,191.82
<b>(2) Previous reporting period</b>				
Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
11,191.82	-	11,191.82	-	11,191.82

(B) Other equity (1) Current reporting period (Rs. In Lakhs)

Particulars	Reserves and surplus										Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve	Retained earnings	Revaluation Surplus	Equity instruments through other comprehensive income	Other items of other comprehensive income			
<b>Balance as at 1 April 2022</b>	-	1188.14	12252.47	375.60	6195.76	(954.96)	4604.67	(1,033.80)		22627.88	
Changes in accounting Policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	
Restated balance at beginning of current reporting period	-	1188.14	12252.47	375.60	6195.76	(954.96)	4604.67	(1,033.80)		22627.88	
Profit for the year	-	-	-	-	674.17	-	-	-	-	674.17	
Share of profit from LLP	-	-	-	-	172.52	-	-	-	-	172.52	
Share of profit from associate	-	-	-	-	815.60	-	-	-	-	815.60	
Minority Interest	-	-	-	-	(68.08)	-	-	-	-	(68.08)	
Profit for the year	-	-	-	-	1594.21	-	-	-	-	1594.21	
Other comprehensive Income	-	-	-	-	-	-	(3,137.17)	748.12		(2,389.04)	
Total comprehensive Income for the year	-	-	-	-	1594.21	-	(3,137.17)	748.12		(794.83)	
Any other change	-	-	-	-	-	-	-	-	-	-	
<b>Balance as at 31 March 2023</b>	-	<b>1188.14</b>	<b>12252.47</b>	<b>375.60</b>	<b>7789.97</b>	<b>(954.96)</b>	<b>1467.50</b>	<b>(285.68)</b>		<b>21833.05</b>	

Particulars	Reserves and surplus							Total	
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve	Retained earnings	Revaluation Surplus	Equity instruments through other comprehensive income		Other items of other comprehensive income
(2) Previous reporting period	-	295.28	12252.47	375.60	5045.95	(954.96)	2,327.96	(227.79)	19114.51
<b>Balance as at 1 April 2021</b>	-	-	-	-	-	-	-	-	-
Changes in accounting Policy/ prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at beginning of current reporting period	-	295.28	12,252.47	375.60	5,045.95	(954.96)	2,327.96	(227.79)	19114.51
Profit for the year	-	-	-	-	1148.39	-	-	-	1148.39
Share of profit/(loss) from LLP/partnership firms	-	-	-	-	279.26	-	-	-	279.26
Share of profit from associate	-	-	-	-	211.80	-	-	-	211.80
Minority Interest	-	-	-	-	(489.64)	-	-	-	(489.64)
Profit for the year	-	-	-	-	1149.81	-	-	-	1149.81
Other comprehensive income	-	-	-	-	-	-	2,276.71	(806.01)	1470.70
Total comprehensive Income for the year	-	-	-	-	1149.81	-	2,276.71	(806.01)	2620.51
Any other change-capital reserve on consolidation	-	892.86	-	-	-	-	-	-	892.86
<b>Balance as at 31 March 2022</b>	-	1188.14	12252.47	375.60	6195.76	(954.96)	4,604.67	(1,033.80)	22627.88

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

As per our Report of even date attached.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

**V.Dasaraty**  
 Partner  
 M.No. 026336

**Place : Chennai**  
**Date: 26 May 2023**

**For and on behalf of the Board**

**E N Rangaswami**  
 Whole-time Director  
 DIN: 06463753

**V.Padmanabha Sarma**  
 Chief Financial Officer

**B Narendran**  
 Director  
 DIN:01159394

**V Padmapriya**  
 Company Secretary

## Consolidated Cash Flow Statement for the year ended 31 March 2023

(Rs. In Lakhs)

	Particulars	Year Ended 31 March 2023	Year ended 31 March 2022	
<b>A</b>	<b>Cash Flow from Operating Activities</b>			
	Profit for the year before tax and after Exceptional items OCI, share of loss from LLP	(1,401.99)		2,905.39
	<b>Adjustments for:</b>			
	Depreciation	98.15	99.01	
	Dividend Income	(107.72)	(83.66)	
	Interest Income	(491.55)	(483.72)	
	Minority Interest	68.08	489.64	
	Other equity adjustments	-	892.86	
	Profit on sale of investments	-	(6.65)	
	Guarantee Commission	(60.00)	(60.00)	
	Deletion of Fixed assets	21.06	-	
	Share of profit of associate	815.60	211.80	1,059.28
	<b>Operating Profit before Working Capital changes</b>	<b>343.62</b>		<b>1,059.28</b>
	<b>Adjustments for:</b>			
	Other Current liabilities	(59.06)	70.14	
	Current provisions	(795.01)	52.62	
	Long Term Liabilities	29.18	49.80	
	Trade payables	(46.25)	26.42	
	Other current financial liabilities	(15.20)	(94.65)	
	Loans and Advances	3,513.66	(4,154.47)	
	Other current assets	281.71	(131.70)	
	Goodwill	(94.36)	(72.89)	
	Trade Receivables	(139.97)	(57.36)	
	Other Current tax Assets	768.07	(0.66)	(4,312.75)
		<b>2,384.40</b>		<b>(348.08)</b>
	<b>Tax paid</b>	<b>(245.14)</b>		<b>(265.88)</b>
<b>B</b>	<b>Net Cash from Operating activities (A)</b>	<b>2,139.26</b>		<b>(613.96)</b>
	<b>Cash Flow from Investing activities</b>			
	Proceeds from sale of shares		805.32	
	Adjustment of capital work-in-progress		4,401.62	
	Addition to Fixed Assets	(5.11)	(17.91)	
	Non Current Investments	(6,398.54)	(2,872.07)	
	Current Investments	3,433.37	(3,688.54)	
	Income from Investments	659.27	627.38	
	Loans and Advances - Other financial assets	(286.68)	(258.28)	(1,002.48)
<b>C</b>	<b>Cash Flow from investing activities (B)</b>	<b>(2,597.69)</b>		<b>(1,002.48)</b>
	<b>Cash Flow from Financing activities</b>			
	Increase in unsecured Loans	400.00		-
	<b>Net Cash used in Financing Activities (C)</b>	<b>400.00</b>		<b>-</b>
	<b>Net Cash Flows during the year (A) + (B) + (C)</b>	<b>-</b>	<b>(58.43)</b>	<b>(1,616.44)</b>
	<b>Cash &amp; Cash Equivalents at the beginning of the period</b>	<b>675.07</b>		<b>2291.51</b>
	<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>616.64</b>		<b>675.07</b>

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

As per our Report of even date.

**For Venkatesh & Co**  
**Chartered Accountants**  
**F.R.No. 0046365**

For and on behalf of the Board

**V.Dasaraty**  
Partner  
M.No. 026336

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**B Narendran**  
Director  
DIN:01159394

Place : Chennai  
Date: 26 May 2023

**V.Padmanabha Sarma**  
Chief Financial Officer

**V Padmapriya**  
Company Secretary

## CONSOLIDATED NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### 1. Group Overview and Significant Accounting Policies

#### 1.1. Group Overview

Mercantile Ventures Limited ( MVL) is a public limited company incorporated and domiciled in India and has its registered office at Chennai, Tamilnadu India. The Company's shares are listed in the BSE.

List of Subsidiaries with percentage Holding:

Name of the entity	Country of incorporation and other particulars	Holding (%)
i3 Security Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100
India Radiators Ltd	a subsidiary of the company incorporated under the laws of India.	92.21*
Sahoj Ventures Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100
Cunningham Ventures Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100
Willingdon Ventures Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100
Chitharanjan Developers LLP	a subsidiary of the company incorporated under the laws of India.	99

\* The company is entitled to 92.21% Voting rights pursuant to the provisions of sub section (2 ) of section 47 of the Companies Act 2013

#### 1.2. Basis of preparation of consolidated financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting polices have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards which requires a change in the accounting policy hitherto in use.

#### 1.3. Basis of Consolidation

The consolidated financial statements include the financial statements of Mercantile Ventures and all its subsidiaries. The consolidated financial statements are prepared on the following basis:

- The financial statements of the parent company and the subsidiaries have been combined on a line by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profit/losses in full in accordance with Ind AS110 for Consolidated Financial Statements. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.
- The excess of cost to the company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies are made being an asset is recognized as "Goodwill" in the consolidated financial statements.
- The proportionate share of the Group's interest in associates is accounted under equity method of accounting in accordance with Ind AS 28 Investments in Associates and Joint Ventures.



- d) Minority interest in the net assets of consolidated subsidiaries consists of: (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in equity since the date the parent subsidiary relationship came into existence share of movements in equity since the date the parent subsidiary relationship came into existence. Minority interest in share of net result for the year is identified and adjusted against the profit after tax.

#### 1.4. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 1.5. Cash Flow Statement

Cash Flows are reported using the indirect method whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating investing and financing activities of the company are segregated based on the available information.

#### 1.6. Critical accounting estimates

##### A) Revenue recognition

Revenue is recognised on accrual method on rendering of services when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured.

- a. Revenue recognition from rent is recognised based on the agreement entered with the customers.
- b. Reimbursement of expenses in respect of Repairs & Maintenance, Electricity Charges & Fuel charges are accounted on accrual basis.
- c. Interest income is recognised based on accrual basis .
- d. Other Income is accounted on accrual basis.

##### B) Expenditure

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities

#### 1.7. Property, Plant and Equipment

The land and properties of the company are stated at fair value and depreciation provided on straight line method over the estimated useful lives of the assets. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. The Company depreciates property, plant and equipment over their estimated useful lives using the Straight line method.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Amounts paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date and cost of property, plant, and equipment not ready for intended use before such date are disclosed under capital work-in-progress. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

## 1.8. Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating Unit) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is adjusted to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

## 1.9. Financial Instruments

### 1. Initial recognition

- a. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Loans, borrowings and payables are recognised net of directly attributable transaction costs.
2.
  - (i) Financial assets carried at at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  - (ii) They are presented as current assets except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method less any impairment loss.
  - (iii) Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.
  - (iv) Cash and cash equivalents comprise cash on hand and in banks.

### 3. Financial assets at fair value through other comprehensive income :

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

### 4. Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### 5. Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### 1.10. Employee benefit

**Gratuity:** In accordance with the Payment of Gratuity Act, 1972, the company provides for payment to eligible employees who have completed five years of continuous service in the company through a Group Gratuity Policy taken with M/s. Life insurance corporation of India. Gratuity payable is computed based on the last drawn salary and years of employment with the company.

**Compensated absences:** The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at the end of each financial year.

#### 1.11. Foreign Currency Transactions

There are no such transactions in the current financial year.

#### 1.12. Segment Reporting

The business of the company comprises lease of immovable properties, man power supply services Security Services and investment activities.

#### 1.13. Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

**(a) Current income tax:** Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**(b) Deferred income tax:** Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

#### **1.14. Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

**2 Fixed Assets  
Property Plant and Equipment and Intangible Assets**

(Rs. in lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01-04-2022	Additions	Deletions	Total	As at 01-04-2022	Deletions For the Year	Total	As at 31-3-2023	As at 31-3-2022
	<b>a) , Plant and Equipment</b>								
Freehold Land*	5,805.99	-	-	5,805.99	-	-	-	5,805.99	5,805.99
Leasehold Land	0.90	-	0.90	-	-	-	-	-	0.90
Buildings*	2,050.98	-	48.17	2,002.81	588.10	43.34	74.28	1,383.77	1,462.88
Computers	34.88	3.64	0.87	37.65	32.46	0.87	2.32	3.74	2.42
Plant and Machinery, Airconditioners,etc	124.63	-	-	124.63	54.17	7.89	7.89	62.57	70.46
Furniture and Fixtures	151.88	0.15	0.05	151.98	124.07	0.05	13.21	14.75	27.81
Office Equipments	19.90	1.33	1.30	19.93	19.15	1.14	0.45	1.47	0.75
Plant & Machinery	284.66	-	284.28	0.38	270.43	270.07	-	0.02	14.23
Electrical Installation	25.15	-	19.28	5.87	23.90	18.31	-	0.28	1.25
<b>Total</b>	8,498.97	5.12	354.85	8,149.24	1,112.28	333.78	98.15	7,272.59	7,386.69
<b>b) Capital work-in Progress - MVL</b>	-	-	-	-	-	-	-	-	-
<b>c) Intangible Assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	8,498.97	5.12	354.85	8,149.24	1,112.28	333.78	98.15	7,272.59	7,386.69
<b>Previous Year</b>	12,882.68	17.91	4,401.62	8,498.97	1,013.27	-	99.01	7,386.69	11,869.41

Notes:

- \* One of the properties of the company has been offered as security to Housing Development Finance Corporation Limited for a loan availed by a Third party which has provided a counter security for an equivalent value of the property
- The fair value of freehold land and buildings adopted in the previous year has been retained in the current financial year also.

### 3 Financial Assets-Investments:

#### Non Current Investments:

Particulars	Subsidiary / Associates / Joint Venture / Others	Face Value (Rs.)	No. of Shares	As at 31 March 2023	No. of Shares	As at 31 March 2022
Investments in Equity instruments-fully paid up at fair value through Other Comprehensive Income						
<b>Quoted</b>						
Sical Logistics Ltd	Others	10	12,600	1.00	12,600	1.62
Sicagen India Ltd	Others	10	9,89,510	299.83	7,29,510	169.25
Southern Petrochemical Industries Corporation Ltd	Others	10	8,53,810	483.00	8,53,810	622.43
Tamil Nadu Petroproducts Ltd	Others	10	2,01,000	142.97	2,01,000	233.56
Manali Petrochemicals	Others	5	24,97,810	1,501.68	24,97,810	2,953.64
Integrated Digital Info Services Ltd	Others	10	200	-	200	-
Kumbhat Financial Services Ltd	Others	10	10,100	1.74	10,100	-
Tuticorin Alkali Chemicals and Fertilisers Ltd	Others	10	1,37,71,072	6,966.79	-	-
SIV Industries Ltd	Others	10	850	-	850	-
Sharp Industries Ltd	Others	10	40	-	40	-
TTK Prestige Ltd	Others	1	1,000	7.00	-	-
Temba Shipyards Ltd	Others	10	2,050	-	2,050	-
TN Jayabharat Mills Ltd	Others	10	2,000	-	2,000	-
Tribology India Ltd	Others	10	2,150	-	2,150	-
<b>Sub Total - (A)</b>				9,404.01		3,980.50
<b>Unquoted</b>						
National Trust Housing Finance Ltd	Associate	10	73,49,890	6,031.82	73,49,890	5,216.23
Express Carriers Limited	Others	10	1,00,000	1.00	1,00,000	1.00
AM Foundation	Others	10	1,200	-	1,200	-
<b>Sub Total - (B)</b>				6,032.82		5,217.23
<b>Total (C) : (A) + (B)</b>				15,436.83		9,197.73
<b>Investments in Preference Shares</b>						
EDAC Engineering Ltd	Others	10	2,00,00,000	1,730.99	2,00,00,000	1,571.54
<b>Sub Total - (D)</b>				1,730.99		1,571.54
<b>Investment in capital of LLP &amp; Partnership Firms- at cost</b>						
Chitharanjan Developers LLP *	Subsidiary	-	-	297.00	-	297.00
<b>Sub Total - (E)</b>				297.00		297.00
<b>Net Value of Investments (C)+(D)+(E)</b>				17,464.82		11,066.27

**Details of Investment in LLP:**

(Rs. In Lakhs)

Names of partners	As at 31.03.2023		As at 31.03.2022	
	Capital	Share of Profit	Capital	Share of Profit
Mercantile Ventures Limited	297.00	99%	297.00	98%
R Narayanaswamy	-	-	-	1%
V.Rajagopal	3.00	1%	3.00	1%
	<b>300.00</b>	<b>100%</b>	300.00	100%

**4 Deferred Tax Asset (Net)**

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	947.45	1,156.31
Additions DTA(net)	41.05	(208.86)
<b>Total</b>	<b>988.50</b>	947.45

**5 Inventories**

Stock in trade	0.22	1.35
<b>Total</b>	<b>0.22</b>	1.35

**6 Current investments:**

Investments in Mutual Funds at Fairvalue		
UTI Money Market Fund Regular Plan Growth - 9783 units (121363 units)	255.17	2,993.48
SBI Liquid fund_Regular Plan( 20994 units)	-	695.06
<b>Total</b>	<b>255.17</b>	3,688.54

**7 Trade Receivables:**

Unsecured-considered good	957.10	817.13
<b>Total</b>	<b>957.10</b>	817.13
<b>Trade Receivables ageing</b>		
<b>Undisputed Trade receivables-considered good</b>		
Outstanding for less than six months	898.67	755.14
Outstanding for period 6months -1year	24.46	28.86
Outstanding for period 1 -2 years *	28.14	33.13
Outstanding for period 2- 3 years *	5.83	
Outstanding for more than 3 years	-	-
<b>Disputed Trade receivables-considered good</b>	-	-
<b>Total</b>	<b>957.10</b>	817.13

\* Considering the subsequent repayments from customers, the management is of the view that provision for any expected credit loss is not required.

## 8 Cash & Cash Equivalents

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on Hand	0.51	1.07
Balance with Banks in Current Accounts	616.13	674.00
<b>Total</b>	<b>616.64</b>	<b>675.07</b>

## 9 Loans & Advances :

Loans and Advances- Related parties	1.71	1,383.22
Loans and Advances- Deposits Others	10,337.66	12,469.81
Provision for doubtful advances	(6,627.71)	(6,627.71)
<b>Total</b>	<b>3,711.66</b>	<b>7,225.32</b>

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	1.71	1,383.22
<b>Total</b>	<b>1.71</b>	<b>1,383.22</b>
Percentage to the total Loans and Advances in the nature of loans	<b>0.05</b>	19.14

Details of inter corporate deposits/loans disclosed pursuant to section 186(4) of the companies Act 2013

Edac Engineering Limited	2,721.92	3,213.32
Chitharanjan Developers LLP	1.71	-
Greenstar Fertilizers Limited	-	1,796.60
<b>Total</b>	<b>2,723.63</b>	<b>5,009.92</b>

The above inter corporate deposits/loans are given for the business purposes of the recipient entities.

## 10 Other current financial assets:

Other Advances	1,991.25	1,697.30
GST input credit	-	0.60
Interest accrued but not due	-	0.84
Security Deposit	14.45	19.16
<b>Total</b>	<b>2,005.70</b>	<b>1,717.90</b>



### 11 Current Tax assets

(Rs. In Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Advance income tax	780.86	1,303.79
<b>Total</b>	<b>780.86</b>	<b>1,303.79</b>

### 12 Other Current assets

Share of Profit from LLP	200.13	485.73
Other advances	3.89	
<b>Total</b>	<b>204.02</b>	<b>485.73</b>

### 13 Share Capital

<b>Authorised Capital</b>		
11,50,00,000 Equity Shares of Rs.10/- each	11,500.00	11,500.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00	1,500.00
<b>Total</b>	<b>13,000.00</b>	<b>13,000.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>		
11,19,18,195 Equity Shares of Rs.10/- each fully paid up (Of the total issued Capital, 8,16,68,000 Equity Shares of Rs.10/- each were issued at a premium of Rs.15/- per share in pursuance of the Scheme of Arrangement with the Creditors approved by the Hon'ble Madras High Court))	11,191.82	11,191.82
<b>Total</b>	<b>11,191.82</b>	<b>11,191.82</b>

### Number of Equity Shares at the beginning and end of the reporting year

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Shares issued during the year	-	-	-	-
Shares outstanding at the close of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82

### Shares held by promoters at the end of the year

Promoter name	No: of shares	% of total shares	% change during the year	Remarks
Mr Jawahar Vadivelu	-	-	(0.02)	Promoter Group
Mr AC Muthiah	13,068	0.01	-	Promoter Group
Mr AL Vadivelu	8,144	0.01	-	Promoter
Mr Ashwin C Muthiah	230	-	-	Promoter Group
Trinity Auto Points Private Ltd	2,09,56,000	18.72	-	Promoter Group

Promoter name	No: of shares	% of total shares	% change during the year	Remarks
South India Travels Private Ltd	1,86,09,156	16.63	0.02	Promoter
Golden Star assets Consultants Private Ltd	1,43,96,000	12.86	-	Promoter Group
Ranford Investmentd Lt	78,07,955	6.98	-	Promoter
Dornolly Investments Ltd	64,37,000	5.75	-	Promoter
Twinshield Consultants Private Ltd	52,81,899	4.72	-	Promoter Group
Sicagen India Ltd	77,23,005	6.90	3.32	Promoter
First Leasing Company of India Ltd	1,77,250	0.16	-	Promoter
Navia Markets Ltd	11,600	0.01	-	Promoter
<b>Total</b>	<b>8,14,21,307</b>	<b>72.75</b>	<b>3.32</b>	

**Details of Shareholders holding more than 5% shares in the company**

Name of Shareholder	As at 31.03.2023		As at 31.03.2022	
	No. of shares	% of Holding	No. of shares	% of Holding
Trinity Auto Points Limited	2,09,56,000	18.72%	2,09,56,000	18.72%
South India Travels Private Limited	1,86,09,156	16.63%	1,85,82,056	16.60%
Golden Star Assets Consultants Private Limited	1,43,96,000	12.86%	1,43,96,000	12.86%
Southern Petrochemical Industries Corporation Limited	1,50,28,000	13.43%	1,50,28,000	13.43%
Ranford Investments Limited	78,07,955	6.98%	78,07,955	6.98%
Dornolly Investments Limited	64,37,000	5.75%	64,37,000	5.75%
Sicagen India Limited	77,23,005	6.90%	4008205	3.58%

**14 Other Equity**

(Rs. In Lakhs)

Particulars	Reserves and surplus			General Reserve	Retained earnings	Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account			
<b>Balance as at 01-04-2022</b>	-	1,188.14	12,252.47	375.60	8,811.67	22,627.88
Profit for the year	-	-	-	-	674.17	674.17
Share of profit from LLP	-	-	-	-	172.52	172.52
Share of profit of associate	-	-	-	-	815.60	815.60
Minority interest	-	-	-	-	(68.08)	(68.08)
Profit for the year	-	-	-	-	1,594.21	1,594.21
Other comprehensive income for the year	-	-	-	-	(2,389.04)	(2,389.04)
Total comprehensive income for the year	-	-	-	-	(794.83)	(794.83)
Any other change	-	-	-	-	-	-
<b>Balance as at 31-03-2023</b>	-	<b>1,188.14</b>	<b>12,252.47</b>	<b>375.60</b>	<b>8,016.84</b>	<b>21,833.05</b>

(Rs. In Lakhs)

Particulars	Reserves and surplus				Retained earnings	Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve		
<b>Balance as at 01-04-2021</b>	-	295.28	12,252.47	375.60	6,191.16	19,114.51
Profit for the year	-	-	-	-	1,148.39	1,148.39
Share of profit from LLP	-	-	-	-	279.26	279.26
Share of profit of associate	-	-	-	-	211.80	211.80
Minority interest	-	-	-	-	(489.64)	(489.64)
Profit for the year	-	-	-	-	1,149.81	1,149.81
Other comprehensive income for the year	-	-	-	-	1,470.70	1,470.70
Total comprehensive income for the year	-	-	-	-	2,620.51	2,620.51
Capital Reserve on Consolidation	-	892.86	-	-	-	892.86
Any other change	-	-	-	-	-	-
<b>Balance as at 31-03-2022</b>	-	<b>1,188.14</b>	<b>12,252.47</b>	<b>375.60</b>	<b>8,811.67</b>	<b>22,627.88</b>

\* includes other comprehensive income (Refer note on changes in equity for details).

#### 15 Other Financial Liabilities (Non Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Rent Deposit	326.09	296.91
<b>Total</b>	<b>326.09</b>	<b>296.91</b>

#### 16 Current Borrowings

(Rs. In Lakhs)

Unsecured:		
Inter Corporate Deposit from others	400.00	-
<b>Total</b>	<b>400.00</b>	<b>-</b>

## 17 Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Due to Micro, Small and Medium Enterprises	-	-
Due to others	1.31	47.56
<b>Total</b>	<b>1.31</b>	<b>47.56</b>
Less than 1 year	1.31	39.50
1-2 years	-	8.06
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>1.31</b>	<b>47.56</b>

## 18 Other Current Financial Liabilities

Advance from customers	-	0.46
Other Payables	58.64	73.38
<b>Total</b>	<b>58.64</b>	<b>73.84</b>

## 19 Other Current Liabilities

Advance for sale of assets	-	99.50
Duties & Taxes	112.67	143.09
Other payables	71.46	0.60
<b>Total</b>	<b>184.13</b>	<b>243.19</b>

## 20 Current Provisions

Provision for employee benefits	279.64	266.08
Provision for Taxation	726.83	1285.91
<b>Total</b>	<b>1,006.47</b>	<b>1551.99</b>

## 21 Income from Operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rent of immovable properties	593.87	519.53
Maintenance Charges	102.78	85.41
Manpower Supply services	1,386.51	860.11
Sale of Services	2,603.73	2,195.23
Sale of products	28.01	42.65
Job Work Income	-	0.82
<b>Total</b>	<b>4,714.90</b>	<b>3,703.75</b>

## 22 Other Income

(Rs. In Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend received	107.72	83.66
Guarantee commission	60.00	60.00
Interest received	395.74	483.72
Profit on sale of investments	38.88	6.65
Reimbursement of expenses	-	39.00
Interest on Fixed Deposits	14.91	9.67
Notional Income on FV of pref shares(IND AS 109)	-	927.20
Provision no longer required	39.43	-
Interest on Refund of Income Tax	1.56	2.10
Miscellaneous income	1.03	19.55
<b>Total</b>	<b>659.27</b>	<b>1,631.55</b>

## 23 Cost of services/materials consumed

cost of manpower supply services	1,289.48	803.17
cost of maintenance services	50.67	41.98
Cost of materials consumed	24.54	30.48
<b>Total</b>	<b>1,364.69</b>	<b>875.63</b>

## 24 Employment Benefit Expenses

Salaries and allowances	2,295.91	1,940.01
Contribution to PF and other fundsGratuity	236.01	197.20
Staff Welfare	33.22	19.13
<b>Total</b>	<b>2,565.14</b>	<b>2,156.34</b>

## 25 Finance Cost

Notional interest on Rent Deposit	29.18	21.28
Notional interest on Financial liability	69.64	85.70
Interest on Inter Corporate Deposits	5.60	0.98
Bank charges	0.06	0.05
<b>Total</b>	<b>104.48</b>	<b>108.01</b>

## 26 Other Expenses

Rates & Taxes	56.46	72.82
Repairs & Maintenance	84.61	66.52
Postage, Telephone & Courier charges	12.59	8.71
Travelling Expenses	20.02	12.74
Director's Sitting Fees	8.75	7.50
Professional & Consultancy charges	18.32	22.10
Auditors Remuneration	10.20	9.10

Director's Remuneration	42.16	42.16
Miscellaneous Expenses	17.77	17.56
Advertisement Charges	3.58	3.48
Rent	21.02	12.07
Advances written off	-	0.35
Electricity and Fuel charges	45.58	50.57
Filing Fees	0.58	2.53
Printing & Stationery	6.94	4.01
Assets written off	0.11	-
Insurance Expenses	1.75	2.53
Donation	-	25.00
Contribution to CSR Activities	13.92	10.95
Bank Charges	0.06	0.03
Legal expenses	-	0.25
TDS written off	-	61.36
Bad Debts written off	34.86	18.90
Expected credit loss on advances	48.42	-
Interest on income tax	3.36	-
<b>Total</b>	<b>451.06</b>	<b>451.24</b>

**27 Exceptional Items**

This relates to the profit from discontinued business of India Radiators Ltd, Subsidiary at their Puducherry unit	91.96	NIL
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**28 Expenditure in foreign currency during the current period**

**NIL NIL**

**29 Earnings in Foreign Exchange received during the current period**

**NIL NIL**

**30 As per IND AS 24- "Related party disclosures", the disclosures of transactions with the related parties are given below:**

**Related Parties:**

**Subsidiaries:**

i3 Security Private Limited

India Radiators Limited

Chitaranjan Developers LLP

Cunningham Ventures Private Limited

Willingdon Ventures Private Limited

Sahoj Ventures Private Limited

**Associate:**

National Trust Housing Finance Limited

**Promoter**

Twinshield Consultants Private Ltd

Sicagen India Limited

**Key Managerial Personnel:**

Mr. E.N. Rangaswami, Whole-time Director

The following are transactions and Closing Balances with the related parties during current year

(Rs. In Lakhs)

Particulars of transaction	Year ended 31 March 2023	Year ended 31 March 2022
<b>Transaction with related parties :</b>		
<b>Chitaranjan Developers LLP:</b>		
Loans & Advances	5.36	6.60
Recovery from loans & advances	10.26	-
Receipts in current account	458.12	196.91
<b>Cenotaph Developers LLP</b>		
Cancellation of allotment of apartments	-	4401.62
Payments received	1376.62	3025.00
<b>National Trust Housing Finance Limited:</b>		
Dividend Received	33.07	36.75
<b>Twinshield Consultants Private Limited-Purchase of shares</b>	80.66	-
<b>Sicagen India Ltd</b>		
Lease Rent,maintenance and Manpower supply services	96.11	87.92
<b>Mr. E. N. Rangaswami</b>		
Remuneration	60.00	53.00
<b>Closing Balances</b>		
<b>Cenotaph Developers LLP</b>		
Loans and advances	-	1,376.62
<b>Chitaranjan Developers LLP*:</b>		
Investment in capital	297.00	297.00
Loans and advances	1.71	6.60
Current Account	200.13	485.73
<b>National Trust Housing Finance Limited - Equity Shares</b>	6,031.82	5216.23
<b>Sicagen India Ltd(promoter)</b>		
Sundry Debtors	22.57	22.54

**31 Contingent liabilities and commitments (to the extent not provided for):**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>i) Contingent liabilities :</b>		
a) Claims against the company not acknowledged as debt;	Nil	Nil
b) Guarantees-charge created on company's asset for third party loan	38500.00	38500.00
c) Other money for which the company is contingently liable.	Nil	Nil
Disputed tax demand in respect of Assessment Year 2015-16	33.55	35.39
Disputed tax demand in respect of Assessment Year 2016-17.	14.81	28.58

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>ii) Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
b) Uncalled liability on shares and other investments partly paid;	<b>Nil</b>	Nil
c) Other commitments (specify nature)	<b>Nil</b>	Nil

### 32 Corporate Social Responsibility

Particulars	2022-23	2021-22
i) Amount required to be spent by the company during the year	<b>13.92</b>	10.96
ii) Amount of expenditure incurred	-	-
iii) Shortfall at the end of the year	<b>13.92</b>	10.96
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	The entire amount of 13.92 lakhs transferred to CSR unspent account with a scheduled bank	Work Order released for renovation work in February 2022 which is under progress. The entire amount of 10.96 lakhs transferred to CSR unspent account with a scheduled bank
vi) Nature of CSR activities	Provision of smart class rooms in a Government School in Chennai	Renovation of sanitary blocks in a Government School in Chennai
vii) Details of related party transactions	<b>Nil</b>	Nil
viii) where a provision is made with respect to liability incurred by entering into a contractual obligation, movement in the provision during the year	<b>NA</b>	NA



### 33 Analytical Ratios:

Particulars	2022-23	2021-22	Remarks	Variance
(a) Current Ratio	5.17	8.30	Current assets / current liabilities	(37.75)%
(b) Debt Equity Ratio	NA	NA	-	-
(c) Debt Service Coverage Ratio	NA	NA	-	-
(d) Return on Equity	4.83	3.40	Net profit after tax / shareholder funds*100	41.99%
(e) Inventory Turnover Ratio	NA	NA	-	-
(f) Trade Receivables Turnover Ratio	5.31	4.70	Revenue from operation / average receivables	13.14%
(g) Trade Payables Turnover Ratio	NA	NA	-	-
(h) Net Capital Turnover Ratio	0.69	0.26	Revenue from operations / (Current assets-Current liabilities)	158.98%
(i) Net Profit Ratio	33.81	31.04	Net Profit/Revenue from operations	8.92%
(j) Return on capital employed	4.78	3.37	Net Profit / Total assets - current liabilities)	41.83%
(k) Return on Investment	4.55	3.19	Net Profit/Total assets	42.74%

#### Reasons for variance exceeding 25%

- a) Due to a significant reduction in Current investments and Loans and Advances
- d) Due to a substantial increase in share of profit from associate
- h) Due to a significant reduction in current investments and Loans and Advances
- j) Due to increase in PAT caused by increase in share of profit from associate
- k) Due to increase in PAT caused by increase in share of profit from associate

**34** The Company has a Group Gratuity Policy with LIC for payment gratuity under the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is based on the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company has adopted a Group Gratuity Scheme for Employees with Life Insurance Corporation of India. The company makes contributions to Employees Gratuity Trust which has taken a Group Gratuity policy with LIC.. The Below Mentioned Disclosure is as given based on Gratuity report provide by Life insurance corporation of India:

### Reconciliation of the projected benefit obligations

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Change in projected benefit obligation:</b>		
Present value of Obligations at the beginning of the year	50.84	33.07
Current Service cost	17.21	2.23
Interest cost	3.56	0.10
Actuarial gain/(loss) on obligations	(4.25)	15.44
Benefits settled	-	-
<b>Present value of Obligations as at the end of the year</b>	<b>67.36</b>	<b>50.84</b>
<b>Change in plan assets:</b>		
Plans assets at the beginning of the year, at fair value	70.27	3.70
Expected return on plan assets	5.41	54.35
Contributions	20.71	12.22
Benefits settled	-	-
<b>Plans assets at year end, at fair value</b>	<b>96.39</b>	<b>70.27</b>
<b>Amounts to be recognised in Balance Sheet</b>		
Present value of obligations as at the end of year	67.36	50.84
Fair value of plan assets as at the end of the year	96.39	70.27
Funded status	29.03	19.43
Net asset/liability recognised in balance sheet	29.03	19.43
<b>Expense recognised in the statement of profit and loss and other comprehensive income:</b>		
<b>Gratuity cost for the year</b>		
<b>Included in profit and loss:</b>		
- Service cost	20.71	12.22
- Past service cost	-	-
- Interest cost	3.56	0.10
<b>Net gratuity cost</b>	<b>24.27</b>	<b>12.32</b>
<b>Defined benefit obligation:</b>		
Assumptions		
Discount rate	7.00%	7.00%
Salary escalation	5.00%	5.00%
Retirement age	58 years	58 years
Mortality table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate

### 35 Segment reporting

The companies reportable segments under IND AS 108 are as follows:

- 1) Rent and Maintenance of immovable properties
- 2) Manpower Services
- 3) Security Services
- 4) Investment activities

The following is an analysis of the company's revenue and results from operations by reportable segments

(Rs. In Lakhs)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>Segment Revenue</b>		
a) Rent and Maintenance of immovable properties	696.65	604.94
b) Manpower Services	1,386.51	860.11
c) Security Services	2,631.74	2,237.88
d) Investment activity	619.84	665.35
e) Unallocated Income	39.43	967.02
<b>Total</b>	<b>5,374.17</b>	<b>5,335.30</b>
<b>Segment Profit:</b>		
a) Rent and Maintenance of immovable properties	415.84	348.05
b) Manpower Services	97.03	56.94
c) Security Services	162.00	165.22
c) Investment activity	619.84	665.35
<b>Total</b>	<b>1,294.71</b>	<b>1,235.56</b>
Finance Cost	(104.96)	108.01
Other net unallocable(income)expenses	( 307.14)	(517.52)
Tax expenses	(208.44)	496.68
<b>Profit for the year</b>	<b>674.17</b>	<b>1,148.39</b>
<b>Segment Assets and Liabilities</b>		
<b>Segment Assets</b>		
a) Rent and Maintenance of immovable properties	6,329.56	6,423.77
b) Manpower Services	264.62	124.54
c) Security Services	498.32	447.61
d) Investment activity	23,437.33	23,698.02
e) Unallocated Assets	4,471.68	5,339.25
<b>Total</b>	<b>35,001.51</b>	<b>36,033.19</b>
<b>Segment Liabilities</b>		
a) Rent and Maintenance of immovable properties	394.56	338.23
b) Manpower Services	102.71	95.19
c) Security Services	72.18	65.70
d) Unallocated	1407.19	1714.37
<b>Total Liabilities</b>	<b>1976.64</b>	<b>2213.49</b>

**Note:**

For the purpose of monitoring segment performance and allocating resources between segments:

- 1) All assets are allocated to reportable segments as applicable
- 2) All liabilities are allocated to reportable segments as applicable

**36 Relationship with struck off companies as at 31-03-2023:**

Name of struck off company	Nature of transaction with struck off company	Balance Outstanding	Relationship with struck off company
NA	Investment in securities	NIL	NA
NA	Receivables	NIL	NA
NA	Payables	NIL	NA
AS per list given below *	Shares held by struck off companies		
NA	Other outstanding balance	NIL	NA

**Details of shares held by struck off Companies**

Name of Holder	No of shares	% of Total Holding
ACM Finance P Ltd	200	-
Aditya Financial Services P Ltd	8,400	-
Alagu Investments P Ltd	50	-
Alpha Investments P Ltd	200	-
Ambika Estate Private Ltd	124	-
Arvee Finance Private Ltd	450	-
Beneeficent Housing & Allied Industries	125	-
Binjani Investments and Leasing P Ltd	500	-
Bolshoi Investments P Ltd	400	-
CRF Odd lot shares P Ltd	6	-
Conjeevaram Credits P Ltd	3,400	-
Cowcoody Investments Ltd	1,600	-
Emmess Financing Agencies P Ltd	150	-
Empire Finance Ltd	200	-
Everest Investments Ltd	55,000	0.05
Guru Trade Credits Private Ltd	700	-
Harrington Investments Ltd	1,55,000	0.14
Instar Inv & Financial Consultantic	200	-
Kandathil Investments Promotion Ltd	250	-

Name of Holder	No of shares	% of Total Holding
Kothari & Sons (Nominees ) P Ltd	88	-
Mercard Ltd	39,700	0.04
Madan Stock & Share P ltd	24	-
Mahodev Finance & Investments P Ltd	350	-
Mercury Software	250	-
Mohanrao Investments P Ltd	100	-
Parshwanath Finance Ltd	300	-
Prakruthi Finnace Services Ltd	100	-
Profad Ltd	12,648	0.01
Pushkar Financial Services Ltd	8	-
Ranjani Investments P Ltd	100	-
Richfield Investments & Fin P Ltd	325	-
Sagothram Housing Investments Ltd	100	-
Sanmar Properties & Investments Ltd	50	-
South India Invsts & Fin Cons Ltd	50	-
Sri Siddhi Vinayak Shares Ltd	100	-
ST Christophers Trang College	4	-
Startegy Investments & Consults P Ltd	500	-
Sundharama Private Ltd	50	-
Totarams Investment & Fin P Ltd	500	-
Transcorp Financial Services Ltd	500	-
Unique Business P Ltd	100	-
Vitaldev Investments P Ltd	1,350	-
Nagarathar Finance & Leasing P Ltd	800	-
Navratna Investments P Ltd	74	-
New Ambadi Investments P Ltd	25	-
<b>Total</b>	<b>2,85,151</b>	<b>0.24</b>

### 37 Additional Regulatory Information Required under Division II to Schedule II of the Companies Act 2013

Sl.No	Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
1	Title deeds of Immovable Property not held in name of the Company	The Company does not have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable
2	Revaluation of Property, Plant & Equipment	The Company has not revalued Property, Plant & Equipment, Hence disclosure under this clause is not applicable
3	Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets, Hence disclosure under this clause is not applicable
4	Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	<b>Refer Note No 9</b>
5	Capital-Work-in Progress (CWIP)	<b>Nil</b>
6	Intangible assets under development	Nil
7	Details of Benami Property held	The Company has no Benami Property
8	Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions secured against Current Assets, Hence disclosure under this clause is not applicable
9	Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender, Hence disclosure under this clause is not applicable
10	Relationship with Struck off Companies	<b>Refer Note No 36</b>
11	Registration of charges or satisfaction with Registrar of Companies (ROC)	<b>Note 2</b>
12	Compliance with number of layers of companies	The Company is in Compliance with Number of layers of the Companies
13	Anyaltical Ratios	<b>Refer Note No 33</b>
14	Compliance with approved Scheme(s) of Arrangements	The Company has filed a Scheme of Amalgamation filed with Chennai NCLT which is pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.
15	Utilisation of Borrowed funds and share premium	The company has utilised its borrowed funds for its operations and has not utilised share premium during the year
16	Undisclosed income	Nil
17	Corporate Social Responsibility (CSR)	<b>Refer Note No 32</b>
18	Details of Crypto Currency or Virtual Currency	The Company has not Traded or invested in crypto currency or virtual currency, Hence disclosure under this clause is not applicable

38 The figures for the previous year have been regrouped / reclassified wherever necessary.

Statement containing salient features of the financial statement of subsidiaries / associate companies pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 as at 31 March 2023 - Form AOC - 1

Part "A:" Subsidiaries

(Rs. In Lakhs)

Particulars	i3 Security Private Limited	India Radiators Ltd	Chitaranjan Developers LLP	Sahaj Ventures Private Ltd	Cunningham Ventures Private Ltd	Willingdon Ventures Private Ltd
Reporting period for the subsidiary concerned, (if different from the holding company's reporting period)	NA	NA	NA	NA	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA
Share capital	390.78	90.00	300.00	3.00	3.00	3.00
Other Equity	477.60	(445.80)	157.71	(2,929.18)	(1,710.31)	(2,051.29)
Total assets	1252.44	1201.52	459.70	173.59	407.18	258.63
Total Liabilities( Excluding Share Capital & Reserves)	384.06	1557.32	1.98	3099.77	2114.49	2306.91
Investments	1.00	-	205.00	-	-	-
Turnover	2682.10	6.32	179.65	-	-	-
Profit before taxation	126.71	50.76	174.25	(0.39)	(0.38)	(0.39)
Provision for taxation	32.31	(17.32)	-	-	-	-
Profit after taxation	94.41	68.08	174.25	(0.39)	(0.38)	(0.39)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	94.41	68.08	174.25	(0.39)	(0.38)	(0.39)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100.00	92.21 *	99.00	100.00	100.00	100.00

\* Partners' current account

\*\* Voting right entitlement pursuant to sub section (2) of section 47 of the companies Act 2013

**Part “B”: Associates Statement**

Name of the Associate	National Trust Housing Finance Limited
Latest audited Balance Sheet Date	31-03-2023
No. of Shares of Associate held by the company on the year end	73,49,890
Amount of Investment in Associates	4401.74
Extent of Holding %	49%
Description of how there is significant influence	by virtue of Shareholding
Reason why the associate is not consolidated	NA
Networth attributable to Shareholding as per latest audited Balance Sheet	4744.36
Profit / Loss for the year - (Total Comprehensive Income)	1664.48
i. Considered in Consolidation	815.60
ii. Not Considered in Consolidation	848.88

**Note:**

- 1) The Financial results of National Trust Housing Finance Limited, Associate have been consolidated based on the audited financial statement prepared as per IND-AS provided by the company..
- 2) The investments have been stated at fair value.

Names of subsidiaries, associates or joint ventures which are yet to commence operations - Nil

Names of subsidiaries, associates or joint ventures which have been liquidated or sold during the year - Nil

**For and on behalf of the Board**

**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

**B Narendran**  
Director  
DIN:01159394

Place : Chennai  
Date: 26 May 2023

**V. Padmanabha Sarma**  
Chief Financial Officer

**V Padmapriya**  
Company Secretary



Name of the entity in the Group	Net Assets, ie. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Mercantile Ventures Limited	118.68	39194.06	76.07	512.84	100.00	(2,389.04)	120.30	(956.16)
<b>Indian Subsidiaries:</b>								
i3 Security Private Limited	2.63	868.38	14.00	94.41	-	-	-11.88	94.41
Sahoj venturesprivate Ltd	(8.86)	(2,926.18)	(0.06)	(0.39)	-	-	0.05	(0.39)
Cuningham ventures Private Ltd	(5.17)	(1,707.31)	(0.06)	(0.39)	-	-	0.05	(0.38)
Willington Ventures Private Ltd	(6.20)	(2,048.29)	(0.06)	(0.38)	-	-	0.05	(0.39)
<b>Non-controlling interests in all subsidiaries</b>	(1.08)	(355.80)	10.10	68.08	-	-	(8.57)	68.08
<b>Total</b>	<b>100.00</b>	<b>33024.87</b>	<b>100.00</b>	<b>674.17</b>	<b>100.00</b>	<b>(2,389.04)</b>	<b>100.00</b>	<b>(794.83)</b>
Chitharanjan Developers LLP - Indian Subsidiary	-	457.72		174.26		-		174.26
National trust Housing Finance Limited Associate-Indian	-	9682.37		1664.48		-		1,664.48