

Date: May 07, 2024

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalai Street,
Fort Mumbai - 400001

BSE Scrip Code – 538943

Dear Sir / Madam,

Sub.: Submission of Annual Secretarial Compliance Report for the year ended March 31, 2024

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, we are submitting herewith the Annual Secretarial Compliance Report of the Company for the year ended March 31, 2024, issued by M/s Shobhit Mahesh and Associates, Practicing Company Secretaries holding COP No. 22713.

Kindly take the same on your records.

Thanking you,

For and on behalf of
Sonal Mercantile Limited




Akshay Khare
Company Secretary
Place : New Delhi



SHOBHIT MAHESH AND ASSOCIATES
Practicing Company Secretary

Ref: SMA/PCS/2024-25/001

Date:04-05-2024

ANNUAL SECRETARIAL COMPLIANCE REPORT OF

SONAL MERCANTILE LIMITED

for the financial Year ended 31st March, 2024

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Sonal Mercantile Limited**, having its Registered Office at **365, Vardhman Plaza, III Floor Sector-3, Rohini New Delhi-110008** Secretarial Review was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my/our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I/we hereby report that the listed entity has, during the review period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

We, **M/s Shobhit Mahesh & Associates**, have examined:

- (a) all the documents and records made available to us and explanation provided by **Sonal Mercantile Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this report, for the financial year ended 31st March, 2024 ("Review Period") in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");



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The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

I hereby report that, during the Review Period:

1. **(a) (**) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:**

Sr. No.	Compliance Requirement (Regulations/ circulars/ guide- lines including specific clause)	Regulation/ Circular No.	De via tions	Actio n Taken by	Typ e of Acti on	Detail s of Vio- latio n	Fine Amou nt	Obser- vations/ Re- marks of the Prac- ticing Compa- ny Sec- retary	Man- age- ment Re- spons e	Re- mar ks
	Not Applicable									



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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S.N.	Particulars	Details
1	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
2	Regulation/ Circular No.	Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015
3	Deviations	The Company has not maintained Structured Digital Database with time stamp.
4	Action Taken by	Stock Exchange
5	Type of Action	Clarification
6	Details of Violation	The Company has not maintained Structured Digital Database with time stamp, rather it is maintained in Microsoft Excel and is temperable.
7	Fine Amount	-
8	Observations/ Remarks of the Practicing Company Secretary	The Company has not maintained Structured Digital Database with time stamp, rather it is maintained in Microsoft Excel and is temperable. As per the information and explanation provided by the management, the Company is in the process of obtaining the suitable software for maintaining SDD.
9	Management Response	The Company has successfully implemented a suitable SDD software that fulfills the regulatory requirements pursuant to provisions of Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015
10	Remarks	The Company is in compliance of the provisions of



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		Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015
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II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	Not Applicable	No appointment or re-appointment during the review period.
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	Not Applicable	-
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	Not Applicable	-
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material	Not Applicable	No such resignation during the review period.



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	subsidiary to the Audit Committee:		
	<p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non- cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p>	Not Applicable	-
	<p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee</p>	Not Applicable	-
	<p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p>	Not Applicable	-
	<p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as</p>	Not Applicable	-



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	required by the auditor.		
Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	Not Applicable	-

III. I hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	-
2.	Adoption and timely updation of the Policies: ● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	-



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3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none">• The Listed entity is maintaining a functional website• Timely dissemination of the documents/information under a separate section on the website <p>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website</p>	Yes	-
4.	<p>Disqualification of Director:</p> <p>None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013as confirmed by the listed entity.</p>	Yes	None of the Directors are disqualified during financial year 2023-2024.
5.	<p>Details related to Subsidiaries of listed entities have been examined w.r.t.:</p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	Yes	Sonal Mercantile Limited does not have any subsidiary company. The company has one Associate Company i.e. Rudraveerya Developers Limited but it is not material subsidiary as identified by management as it does not meet the Criteria.
6.	<p>Preservation of Documents:</p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	-



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7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	-
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Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	The Company has passed Ordinary Resolutions in this regards and Audit Committee has approved the same with prior approval
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	The Company has maintained Structured Digital Database with time stamp.
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	Yes	-
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	-



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Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Shobhit Mahesh & Associates
Company Secretaries
ICSI Unique Code: S2019UP714700
Peer Review Cert. No.: 3745/2023



Shobhit Mahesh
Mem No.: 42278
Cop No: 22713
UDIN: A042278F000310172

Place: Moradabad
Date: 04-05-2024