



Independent Auditor's Report

Report on the Audit of the Financial Results

To,
Board of Directors,
Sobhaygya Mercantile Limited.

Opinion

We have audited the accompanying annual financial results of Sobhaygya Mercantile Limited ("the Company") for the year ended March 31, 2024 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibility for the Financial Results

This Statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of



the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 this Statement.

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 Statement, 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 control 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 with reference to financial statements in place and the operating effectiveness of such controls.



JOSHI & SHAH

CHARTERED ACCOUNTANTS

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Matter

The Statement includes the results for the quarter ended March 31, 2024, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Joshi & Shah
Chartered Accountants
Firm Registration No. - 144627W

Jaydip Joshi
Partner
Membership No. - 170300
UDIN: 24170300BKFGWS6015



Place: Mumbai
Date: 27th May, 2024

SOBHAGYA MERCANTILE LIMITED

CIN NO: L45100MH1983PLC031671

B-61, Floor 6, Plot No. 210 B Wing Mittal Tower Free Press Journal Marg, Nariman Point, Mumbai- 400 021.

Tel no: 022-22882125, Email Id: sobhagyamercantile9@gmail.com Website: www.sobhagyaltd.com

Audited Statement of Assets and Liabilities For The Year Ending On 31.03.2024

(Rs. In Lakhs)

Particulars	Year Ended	Year Ended
	Audited 31.03.2024	Audited 31.03.2023
ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	150.00	120.09
(b) Capital work-in-progress	-	-
(c) Investment Property	-	-
(d) Goodwill	-	-
(e) Other Intangible assets	96.99	112.16
(f) Intangible assets under development	-	-
(g) Biological Assets other than bearer plants	-	-
(h) Financial Assets	-	-
(i) Investments	12.84	9.48
(ii) Trade receivables	-	-
(iii) Loans & Advances	-	-
(iv) Others -deposits	-	-
(i) Deferred tax assets (net)	4.21	0.45
(j) Other non-current assets	-	-
(2) Current assets		
(a) Inventories	190.29	85.53
(b) Financial Assets	-	-
(i) Investments.	-	-
(ii) Trade receivables (considered good)	1,911.31	5,120.56
(iii) Cash and cash equivalents	162.47	3.75
(iv) Bank balances other than (iii) above	132.63	173.55
(v) Other Financial Asset	99.17	203.69
(vi) Loans	5,262.12	2,597.57
(vii) Others	-	-
(c) Current Tax Assets (Net)	-	-
(d) Other current assets	678.09	351.62
Total Assets	8,700.13	8,778.45
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share capital	24.00	24.00
(b) Other Equity	4,695.91	3,534.27
(2) LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	88.25	93.76
(ii) Trade payables	-	-
(iii) Lease Liabilities	5.71	16.10
(iv) Other financial liabilities (other than those specified in item (b), to be specified)	-	-
(b) Provisions	-	-
(c) Deferred tax liabilities (Net)	-	-
(d) Other Financial Liabilities	-	-
Current liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings.	1,277.32	584.48
(ii) Trade payables	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	830.23	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	1,210.74	3,839.29
(iii) Other Financial Liabilities-Lease Liabilities	10.39	9.45
(b) Other Current Liabilities	140.22	107.90
(c) Provisions.	417.36	569.20
(d) Current Tax Liabilities	-	-
Total Equity and Liabilities	8,700.13	8,778.45

Place : Nagpur
Date : 27-05-2024



Sobhagya Mercantile Limited
For and on behalf of the Board of Directors

Managing Director
Shrikant Bhargava
Managing Director
DIN: 02628216


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CIN NO: L45100MH1983PLC031671

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Audited Financial Results for Quarter and Year Ended as on 31.03.2024

(Rs. In Lakhs)

A	Particulars	Quarter ended			Year ended	
		Audited 31.03.2024	Unaudited 31.12.2023	Audited 31.3.2023	Audited 31.03.2024	Audited 31.03.2023
	1 Income					
	a Revenue from operations	3,166.05	2,655.67	4,478.50	11,523.75	10,880.50
	b Other Operating Income	110.05	86.81	85.62	486.86	327.51
	Total Income	3,276.10	2,742.48	4,564.12	12,010.61	11,208.01
	2 Expenses:					
	a Cost of Material consumed	580.39	1,102.32	1,064.16	4,104.93	3,583.69
	b Changed in Inventories of finished goods, WIP & Stock in Trade	(3.33)	5.73	398.05	(104.76)	(48.92)
	c Employee benefits expense	85.81	66.08	89.52	265.39	283.60
	d Finance & Interest cost	32.32	71.33	11.76	176.62	88.82
	e Depreciation and amortization expense	13.74	13.86	13.50	53.42	48.96
	f Power and Fuel Charges	270.24	298.96	692.10	1,386.64	1,596.38
	g Machinery Hire Charges	360.79	213.73	362.78	1,014.29	681.34
	h Sub Contract Charges	527.76	226.91	215.94	1,025.64	1,623.21
	i Other expenses	879.12	428.95	1,092.49	2,515.60	1,911.47
	Total Expenses	2,746.84	2,427.87	3,940.30	10,437.76	9,768.55
	3 Profit / (Loss) from Ordinary activities before exceptional items (1-2)	529.26	314.61	623.82	1,572.85	1,439.46
	4 Exceptional items	-	-	-	-	-
	5 Profit / (Loss) from Ordinary activities before tax (3+/-4)	529.26	314.61	623.82	1,572.85	1,439.46
	6 Tax expenses	135.74	98.63	172.45	414.59	366.70
	7 Net Profit / (Loss) from Ordinary activities after tax (5+/-6)	393.52	215.98	451.37	1,158.26	1,072.76
	8 Other comprehensive income, net of income Tax	0.58	1.48	(0.07)	3.36	(0.52)
	9 Total Comprehensive income for the period (7+8)	394.11	217.46	451.30	1,161.63	1,072.24
	10 Paid-up Equity share capital (Face Value of Rs. 10/- each)	24.00	24.00	24.00	24.00	24.00
	11 Reserves excluding Revaluation Reserves as per balance sheet	4,695.91	4,393.93	3,534.27	4,695.91	3,534.27
	12 i) Earnings per equity share (before extraordinary Items)					
	(a) Basic	164.21	90.61	188.04	484.01	446.77
	(b) Diluted	164.21	90.61	188.04	484.01	446.77
	12 ii) Earnings per equity share (after extraordinary Items)					
	(a) Basic	164.21	90.61	188.04	484.01	446.77
	(b) Diluted	164.21	90.61	188.04	484.01	446.77
Quarter Ended 31st March, 2024						
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter					0
	Received during the quarter					0
	Disposed of during the quarter					0
	Remaining unresolved at the end of the quarter					0
	Place : Nagpur Date : 27-05-2024	Sobhagya Mercantile Limited For and on behalf of the Board of Directors  Shrikant Bhangale Managing Director DIN: 02628216				



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Notes forming part of Financial Results for Quarter Ended on 31st March 2024

a) This statement has been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

b) The Statutory Auditors of the Company have carried out Audit of the financial results for the quarter and Year Ended on March 31, 2024 in compliance with terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The above financial results have been Audited and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held as on 27.05.2024

c) Figures for the previous periods /year have been regrouped ,restated and /or reclassified wherever considered necessary to make them comparable to the current periods /presentation.

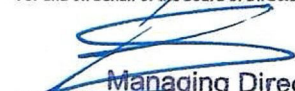
d) The Board of Directors at their meeting held on 12th August, 2023, has inter alia considered and approved the raising of funds , through the Issuance of equity shares of the company by way of a rights issue. Subsequently, The Rights Issue Committee has approved and adopted the Draft Letter Of Offer (DLOF) in their meeting held on 18th October, 2023 which was filed with Securities and Exchange Board of India (SEBI)and BSE Limited (BSE) for an amount aggregating up to 1900.00 lakhs on a Rights basis to the eligible equity shareholders of the Company.

BSE Limited ("the Exchange") has granted vide its letter dated December 26, 2023, its in-principle approval for listing of Fully paid up equity shares proposed to be issued on rights basis, subject to the Company's completing post -issue requirements and complying with the necessary statutory, legal and listing formalities.

In relation to the aforesaid Rights Issue and pursuant to the finalization of the Basis of Allotment of the Rights Issue, in consultation with the Designated Stock Exchange, BSE Limited, the Board of Directors at its meeting held on 27th May, 2024, inter alia, considered and approved the allotment of 81, 60,000 Fully Paid -up Equity Shares at a price of Rs.21 per Rights Equity Share (including a premium of Rs. 11 per Right Equity Share and face value Rs. 10 each) ("Allotment").

e) The Company is not a large corporate borrower as per the applicability criteria given under the SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018

Sobhagya Mercantile Limited
For and on behalf of the Board of Directors


Managing Director
Shrikant Bhangdiya
Managing Director
DIN: 02628216

Place : Nagpur
Date : 27-05-2024



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CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2024

(Rs.In Lakhs)

PARTICULARS	For the Year			
	Ended 31.03.2024		Ended 31.03.2023	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before Tax as per Profit and Loss Account		1,572.85	-	1,439.46
Adjusted for :				
Other comprehensive income	3.36		0.52	-
Depreciation	53.42		48.96	-
Share of profit from Investment in Firm	-		(20.24)	
Interest Exp	176.62		88.82	
		233.40		118.06
Operating Profit Before Working Capital Changes		1,806.25		1,557.52
Adjusted for :				
Inventories	(104.76)		(48.92)	
Trade Receivable	3,209.25		(3,992.10)	
Other Current Asset	(326.47)		(68.55)	
Other Financial Asset	104.52		343.34	
Loans	(2,664.56)		(4.27)	
Current Tax Assets	(3.76)		(0.30)	
Trade Payable	(1,798.32)		1,863.88	
Other Current Liability	32.32		(80.40)	
Short Term Provision	(151.84)		238.25	
Short Term Borrowings	692.84		515.50	
Bank Balance other than cash and cash equivalent	40.92		(173.56)	
Lease Liability	0.94		3.73	
less: Provision for tax	(414.59)	(1,383.50)	366.69	(1,770.07)
Cash from Operating Activities		422.75		(212.55)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets & Capital WIP	(68.16)		(149.65)	
Proceeds from Sale of Investment in Firm	-		453.50	
Profit/Loss from Capital firm	-		20.24	
(Increase)/ Decrease in Value of Share	(3.36)		(0.52)	
Movement in Loans & Advances	-		-	
Net Cash used in Investing Activities		(71.53)		323.57
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds/ (Repayment) of ShortTerm Borrowing	-		-	
Long term Lease Liability	(10.39)		16.10	
Long term Borrowing	(5.50)		(38.27)	
Interest Exp	(176.62)		(88.82)	
Net Cash used in Financing Activities		(192.51)		(110.98)
Net Increase/(Decrease) in Cash and Cash Equivalents :		158.72		0.04
Opening Balance of Cash & Cash Equivalents		3.75		3.71
Closing Balance of Cash & Cash Equivalents		162.47		3.75
Components of Closing Cash & Cash Equivalent				
Cash & Bank Balances		162.47	-	3.75



Place : Nagpur
Date : 27-05-2024

Sobhagya Mercantile Limited
For and on behalf of the Board of Directors

Managing Director
Shrikant Bhargaviya
Managing Director
DIN: 02628216

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Segment Information for the period ended on 31st March 2024

Sr.no	Particulars	Quarter ended on			Year ended on	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
1	Segment Value of Sales and Services					
	Engineering Segment	1,690.06	792.17	2,270.69	3,548.36	4,361.18
	Metal Sale (Stone Crusher) Segment	1,475.99	1,863.50	2,207.82	7,975.39	6,519.32
	Gross Value of Sales & services	3,166.05	2,655.67	4,478.51	11,523.75	10,880.50
	Less: Inter Segment Transfer value of Sales and Services	0	0			
	Less: GST Recovered	0	0			
	Revenue from operations	3,166.05	2,655.67	4,478.51	11,523.75	10,880.50
2	Segment Results (EBDITA)					
	Engineering Segment	686.87	(1.38)	1,691.96	366.52	2,056.63
	Metal Sale (Stone Crusher) Segment	279.71	631.48	(354.47)	2,398.78	405.49
	Total Segment Profit before Interest, Depreciation, Tax and Amortization	966.58	630.10	1,337.49	2,765.30	2,462.13
3	Segment Results (EBIT)					
	Engineering Segment	686.87	(1.38)	1,691.96	366.52	2,056.63
	Metal Sale (Stone Crusher) Segment	265.97	617.62	(367.97)	2,345.36	356.53
	Total Segment Profit before Interest and Tax	952.84	616.24	1,323.99	2,711.88	2,413.17
	(i) Finance cost	(32.32)	(51.05)	(11.76)	(176.62)	(88.82)
	(ii) Other Income	110.05	86.81	85.62	486.86	307.63
	(iii) Other Unallocable Expenses	(501.31)	(337.40)	(774.03)	(1,449.27)	(1,192.53)
	Profit Before Tax	529.26	314.61	623.82	1,572.85	1,439.46
	(i) Current Tax	135.74	98.63	172.45	414.59	367.00
	(ii) Deferred Tax	-	-		-	(0.30)
	Profit After Tax	393.52	215.98	451.37	1,158.26	1,072.76
4	Segment Asset					
	Engineering Segment	1,480.64	2,112.45	1,784.00	1,480.64	1,784.00
	Metal Sale (Stone Crusher) Segment	715.07	5,330.81	1,150.20	715.07	1,150.20
	Unallocable Assets	6,504.42	4,165.69	5,844.25	6,504.42	5,844.25
	Total Segment Asset	8,700.13	11,608.95	8,778.45	8,700.13	8,778.45
5	Segment Laibilities					
	Engineering Segment	1,238.49	3,752.44	2,115.57	1,238.49	2,115.57
	Metal Sale (Stone Crusher) Segment	574.74	1,047.38	1,723.72	574.74	1,723.72
	Unallocable Liabilities	2,166.99	2,391.19	1,380.89	2,166.99	1,380.89
	Total Segment Laibilities	3,980.22	7,191.01	5,220.18	3,980.22	5,220.18

Sobhagya Mercantile Limited
For and on behalf of the Board of Directors

Place : Nagpur
Date : 27-05-2024


Managing Director
Shrikant Bhangdiya
Managing Director
DIN: 02628216

