

SOBHAYGYA MERCANTILE LIMITED

CIN: L45100MH1983PLC031671

Registered Office - B-61, Floor 6, Plot No. 210, B-Wing, Mittal Tower, Free Press Journal Marg,
Nariman Point, Mumbai - 400021, Maharashtra, India

Contact Details :- Phone - 022-22882125 email - sobhagyamercantile9@gmail.com
website: www.sobhagyamercantile.com

To,
Department of Corporate Service (DCS-CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400001

Date: 05/09/2022

Subject: Submission of Annual Report as per Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Scrip Code: 512014 (SOBHAGYA MERCHANTILE LTD.)

Dear Sir/Madam,


With reference to the subject cited above, we enclosed herewith the 38th Annual Report of the Company of Annual General Meeting to be held on **Friday, the 30th day of September, 2022 at 04.00 P.M.** Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") for the Financial Year 2021-22.

This is for the information and records of the Exchange, please take it on record.

Copy of Annual Report being made available on www.sobhagyamercantile.com and www.bseindia.com

Thanking You

FOR SOBHAYGYA MERCANTILE LIMITED


SHRIKANT BHANGDIYA
MANAGING DIRECTOR
(DIN-02628216)



**SOBHAYGYA MERCANTILE
LIMITED**

38TH ANNUAL REPORT

2021-2022

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CORPORATE INFORMATION

BOARD OF DIRECTORS & KMP:

Mr. Shrikant Bhangdiya	-	Managing Director (DIN: 02628216)
Mrs. Sonal Bhangdiya	-	Director (DIN: 03416775)
Mr. Prashantkumar Lahoti	-	Independent Director (DIN: 00091140)
Mr. Anil Khawale	-	Chief Financial Officer ("CFO") (PAN: AESPK9850L)
Mrs. Shalinee Singh	-	Company Secretary ("CS") (PAN: CFOPS2367P)

REGISTERED OFFICE:

B-61, Floor 6, Plot No 210, B Wing, Mittal Tower, Free Press Journal Marg, Nariman Point, Mumbai – 400021 MH

CIN: L45100MH1983PLC031671

STATUTORY AUDITORS:

M/s. Joshi & Shah,
Chartered Accountants (Firm Registration No. 144627W)
257, Gurunanak Motor Market,
Khotachi Wadi, V P Road, Prathana Samaj,
Charni Road, Mumbai - 400004

INTERNAL AUDITOR:

M/s. Ashish Mittal & Associates
Chartered Accountants (Firm Registration No. 019185C)
2nd Floor, Samarth Building above HDB Financial Services,
CA Road, Gandhibagh, Nagpur -400001 MH IN

SECRETARIAL AUDITOR:

Parag Dasarwar
Company Secretaries
Plot Q 22, Flat No.402, Laxmivasudev Apartment,
Laxminagar, Nagpur – 440022 MH IN

BANKERS:

Bank of Maharashtra, Dharampet Branch, Nagpur

AUDIT COMMITTEE:

Mr. Prashantkumar Lahoti	-	Chairman
Mrs. Sonal Bhangdiya	-	Member
Mr. Shrikant Bhangdiya	-	Member

NOMINATION & REMUNERATION COMMITTEE:

Mr. Prashantkumar Lahoti - Chairman
Mrs. Sonal Bhangdiya - Member
Mr. Shrikant Bhangdiya - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Mr. Prashantkumar Lahoti - Chairman
Mrs. Sonal Bhangdiya - Member
Mr. Shrikant Bhangdiya - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Prashantkumar Lahoti - Chairman
Mrs. Sonal Bhangdiya - Member
Mr. Shrikant Bhangdiya - Member

REGISTRAR & SHARE TRANSFER AGENTS:

M/s. Purva Sharegistry (I) Private Limited
9 Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel (E),
Mumbai, 400011
Phone Number: 23018261 / 23012518,
Website: www.purvashare.com
Email- purvashr@mtnl.net.in

LISTED AT:

Bombay Stock Exchange Limited

DEMAT ISIN NUMBER IN NSDL & CDSL:

INE754D01018

WEBSITE:

www.sobhagyamercantile.com

INVESTOR E-MAIL ID:

sobhagyamercantile9@gmail.com

NOTICE

Notice is hereby given that the 38th Annual General Meeting of members of M/s. Sobhaygya Mercantile Limited will be held on **Friday, the 30th day of September, 2022 at 04.00 P.M.** Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Sonal Kirtikumar Bhangdiya (DIN: 03416775), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. APPOINTMENT OF MR. NIRESH MAHESHWARI (DIN: 06735182) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT Mr. Niresh Maheshwari (DIN: 06735182) who was appointed as an Additional Director with effect from 20th August, 2022 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and has consented to act as a Director of the Company and in respect of whom, the Company has received a notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors to appoint Mr. Niresh Maheshwari having DIN 06735182, as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five consecutive years from 20th August, 2022 to 19th August, 2027.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things and to finalize the terms and conditions as may be considered, necessary, expedient or desirable in order to give effect to this resolution.”

4. APPROVAL OF RELATED PARTY TRANSACTIONS DURING FINANCIAL YEAR 2022 - 2023:

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

“RESOLVED THAT pursuant to the provisions of sections 188, 184 and other applicable provisions, if any, of the Companies Act, 2013(the Act) and rules made thereunder and Regulation 23 of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into contract(s)/arrangement(s)/ transaction(s), as may be appropriate, with the following Related Parties as defined under Section 2(76) of the Act for Sales, purchase or supply of any goods and/or materials and/or services directly or through appointment of agent and selling or otherwise disposing of or buying, renting, and leasing properties of any kind or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and any of the Related Parties, for an amount which may exceed the limit as prescribed under section 188 of the Companies Act, 2013 and rules made thereunder in a Financial Year 2022-23.”

SR.NO.	RELATED PARTIES WITH WHOM TRANSACTIONS ARE ESTIMATED	AMOUNT LIMIT (RS. IN CRORES)
1.	Mahendra Construction	5
2.	MKS Constro Venture Pvt Ltd	6
3.	HPS Construction	12
4.	Shanta Infracventure	5
5.	Mnec – Mks (Jv)	7
6.	B. K. Buildcon	30
7.	R.B. Infra	25

“RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to increase the financial limit of the transactions with each of the related parties upto 30% over and above the limit mentioned herein above on recommendation by the Audit Committee, in case the financial limit of the transactions of the company with any of the related parties get exhausted during financial year 2022-23.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things and to finalize the terms and conditions as may be considered, necessary, expedient or desirable in order to give effect to this resolution.”

**By Order of the Board of Directors
For Sobhaygya Mercantile Limited**

Sd/-

**Shrikant Bhangdiya
Managing Director
(DIN: 02628216)**

Place: Nagpur

Date: 05/09/2022

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. National Securities Depository Limited (NSDL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Instructions for members NSDL e-Voting System – For Remote e-voting and e-voting during AGM below and is also available on the website of the NSDL at evoting@nsdl.co.in.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

3. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

4. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.

5. In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, details in respect of the Directors seeking appointment/ re-appointment at the AGM, form part of this Notice.

6. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive).

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Registrar in case the shares are held by them in physical form.

8. Corporate Members (i.e other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing

its representative for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to pdcsngp@gmail.com with a copy marked to sobhagyamercantile9@gmail.com

9. 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.

10. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in DEMAT mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their DEMAT account and Members holding shares in physical mode are requested to submit the said bank details to the Company's Registrar & Share Transfer Agent.

11. Members are requested to immediately notify any change in their address and e-mail ID's to the Registrar & Share Transfer Agent of the Company at the following address:

M/s . Purva Sharegistry (I) Private Limited

Address: 9, Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel (E),
Mumbai, 400011

Phone Number: 23018261 / 23012518,

Email- purvashr@mtnl.net.in

12. The Securities and Exchange Board of India issued a circular for submission of Aadhar number by every participant in securities market. Members holding shares in DEMAT form are, therefore, requested to submit Aadhar Card details to the Depository Participants with whom they have DEMAT accounts. Members holding shares in physical form can submit their Aadhar card details to the Company's Registrar and Share Transfer Agents (M/s. Purva Sharegistry (I) Private Limited).

13. As a measure of austerity, copies of the annual report will be distributed by mail with the notice of AGM. Members are therefore, requested to save their copies of the Annual Report in their system for their records.

In accordance with, the General Circular No. 20/2020 dated 5 May 2020 issued by MCA and Circular No. SEBI/ HO/CFD/ CMD1/CIR/P/2020/79 dated 12 May 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies, Notice of AGM is being sent in electronic mode to Members whose e-mail address is registered with the company or the Depository Participant(s). Members holding shares in physical mode and who have not updated their email addresses with the company are requested to update their email addresses by writing to the company at sobhagyamercantile9@gmail.com or NSDL Email evoting@nsdl.co.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised

mode are requested to register or update their email addresses with the relevant Depository Participants. The Notice of AGM is available on the website of the company at www.sobhagyamercantile.com and on the websites of Stock Exchanges i.e. BSE Limited (www.bseindia.com).

14. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Purva Shareregistry (I) Private Limited, Share Transfer Agents of the Company for their doing the needful.

15. Members are requested to send their queries at least 7 days before the date of meeting so that information can be made available at the meeting.

16. The members may kindly note that no gifts or gift coupons or cash in lieu of gifts will be distributed at or in connection with the AGM.

17. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, DEMAT / REMAT, change of address, issue of duplicate shares certificates, ECS and nomination facility.

18. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

For any communication, the shareholders may also send requests to the Company's investor email id: sobhagyamercantile9@gmail.com

19. Voting through Electronic Means (E-Voting Facility)

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. 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 for 200 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.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting throughout AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sobhagyamercantile.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 27th September, 2022 at 10:00 A.M. and ends on Thursday, 29th September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

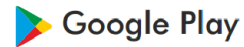
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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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. NSDL and CDSL.

Login type	Helpdesk details
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve

the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pdcsngp@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 sobhagyamercantile9@gmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to sobhagyamercantile9@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sobhagyamercantile9@gmail.com. The same will be replied by the company suitably.
6. In case of any assistance before or during the AGM, members can contact on jagdish@themksgroup.com.
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 at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company's registered email id i.e. sobhagyamercantile9@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company's registered email id i.e.

sobhagyamercantile9@gmail.com. These queries will be replied by the company suitably by email.

20. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the registered office of the Company during the office hours, on all working days between 10.00 a.m. to 5.00 p.m. up to the date of Annual General Meeting.

21. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Company which are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.

22. Pursuant to SEBI Circular SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have / have incomplete details with respect to PAN and bank particulars are mandatorily required to furnish the PAN and bank account details to the Company's Registrar & Transfer Agent (RTA) for registration under their folio. Further, as per the said circular all the unclaimed/ unpaid dividends also will be paid via electronic bank transfers only. Hence, the shareholders are requested to update their PAN and bank details.

23. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (DEMAT) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization.

24. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agent.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF,
SOBHAYGYA MERCANTILE LIMITED**

Sd/-

**SHRIKANT MITESH BHANGDIYA
MANAGING DIRECTOR
(DIN : [02628216](#))**

Place: Nagpur

Date: 05/09/2022

**EXPLANATORY STATEMENT
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013, sets out all material facts relating to Special Business mentioned in the accompanying Notice for convening the Annual General Meeting of the members of the Company:

Item 3:

Mr. Niresh Maheshwari (DIN: 06735182) was appointed as an Additional Director of the Company by the Board of directors on the recommendation of Nomination & Remuneration Committee in their meeting held on 20th August, 2022 with immediate effect. In accordance with provisions of section 161 of the Companies Act, 2013 and applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, he will hold office upto the date of the Annual General Meeting of the Company.

Mr. Niresh Maheshwari (DIN: 06735182) is not disqualified from being appointed as Directors in terms of Section 164 of the Act. As per the recommendation of Nomination and Remuneration Committee and based on the performance evaluation, the Board is considering the regularization of appointment of Mr. Niresh Maheshwari (DIN: 06735182) from Additional Director to Independent Director of the Company in ensuing Annual General Meeting for a period of five consecutive years from 20th August, 2022 to 19th August, 2027.

Mr. Niresh Maheshwari is a professionally qualified Chartered Accountant and a Master of Financial Administration from Devi Ahilya University Indore. He is also a member of Arbitration Panel of The Institute of Chartered Accounts of India. He is a professional since 2001. He possesses a wide exposure for banking sector, business structuring, government incentives and other allied areas. He has independently handled debt syndication, merger & acquisition activity, subsidy related consultancy and other advisory services for various corporate and SME clients in the field of media, software, real estate, manufacturing clients.

The Company has also received a declaration from Mr. Niresh Maheshwari (DIN: 06735182) declaring that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Niresh Maheshwari fulfills the conditions required to be fulfilled for being appointed as an Independent Director of the Company as per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

The Board places the above resolution before the Members for their approval as being the Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Niresh Maheshwari is concerned or interested in passing of the above resolution.

Item 4:

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 governs the Related Party Transactions for entering into any contract(s), transaction(s) or arrangement(s) with the Related Party(ies), subject to approval of members by way of a Resolution as prescribed in rule 15 of the Companies (Meeting of Board and its Power) Rules,2014 in the Sales, purchase or supply of any goods and/or materials and/or services directly or through appointment of agent and selling or otherwise disposing of or buying, renting, and leasing properties of any kind or other obligations, if any.

In the light of provisions of the Companies Act, 2013, subject to approval of members the proposed transactions along with annual limit that the Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

SR.NO.	RELATED PARTIES WITH WHOM TRANSACTIONS ARE ESTIMATED	AMOUNT LIMIT (RS. IN CRORES)
1.	Mahendra Construction	5
2.	MKS Constro Venture Pvt Ltd	6
3.	HPS Construction	12
4.	Shanta Infraventure	5
5.	Mnec – Mks (Jv)	7
6.	B. K. Buildcon	30
7.	R.B. Infra	25

The Board of Directors recommend the special resolution at item No. 4 of the Notice for approval of the proposed financial limit of the transactions with aforesaid related parties during financial year 2022 – 2023 and also to authorize the Board of Directors to increase the financial limit of the transactions with each of the abovementioned parties upto 30% over and above the limit mentioned herein above on recommendation by the Audit Committee, in case, the financial limit of the transactions of the company with any of the above parties gets exhausted during financial year 2022-23.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF,
SOBHAYGYA MERCANTILE LIMITED**

Sd/-

SHRIKANT MITESH BHANGDIYA
MANAGING DIRECTOR
(DIN : [02628216](#))

Place: Nagpur

Date: 05/09/2022

DIRECTORS' REPORT

To,

The Members,

SOBHAYGYA MERCANTILE LIMITED.

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'Sobhaygya') along with the audited "Financial statement for the "Fiscal Year ended March 31, 2022.

1. Financial summary/highlights:

The performance during the period ended 31st March, 2022 has been as under:

Particulars	(Rupees in Lakhs)	
	2021-22	2020-21
Total Income	7161.89	4237.42
Less: Total Expenditure	5856.68	3311.51
Profit/(Loss) before tax	1305.21	925.91
Less: Tax Expenses	209.28	135.13
Profit/(Loss) after tax	1095.94	790.78
Add: Other comprehensive Income, net of income Tax	1.91	3.52
Profit/Loss and other Comprehensive income during the year	1097.84	794.30

2. Overview & state of the company's affairs:

During the year under review, the Company has recorded an income of **Rs. 7161.89 Lakhs** and Profit of **Rs. 1097.84 Lakhs** as against the income of **Rs. 4237.42 Lakhs** and profit of **Rs. 794.30 lakhs** in the previous financial year ending 31.03.2021.

The Company is looking forward for good profit margins in near future.

3. Dividend:

The Company has earned profit of Rs. 1097.84 lakhs in the financial year 2021-22 and the Board of directors decided to plough back the profit in the operations of the company, therefore your Directors have decided not to recommend dividend for financial year 2021-22.

4. Transfer to reserves:

Pursuant to provisions of Section 134(3)(j) of the Companies Act, 2013, the company has not transferred any amount to reserves of the company during the year under review.

5. Material changes & commitment affecting the financial position of the Company :

During the period under review, following are the material changes and commitments affecting the financial position of the Company have been occurred between the end of the financial year and the date of this report:-

- A. The Board of Directors of the Company has appointed Mr. Niresh Maheshwari (DIN: 06735182) as an additional director on the Board of the Company at its meeting held on 20 August, 2022 pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.
- B. The Board of Directors of the Company has considered and approved withdrawal as a partner from Partnership firm- M/s. RB Infra, M /s. HPS Construction, M/s. BK Buildcon, M/s Shanta Infraventure in their meeting held on 22nd April, 2022.

6. Significant & material orders passed by the regulators or courts or tribunals:

No significant or material orders have been passed against the Company by the Regulators, Courts or Tribunals, which impacts the going concern status and company's operations in future.

7. Transfer of un-claimed dividend to Investor Education and Protection:

There is no such amount of Un-paid or Unclaimed Dividend be transferred to Investor and Education and Protection Fund for the financial year ended 31st March 2022.

8. Revision of financial statements:

There was no revision of the financial statements for the year under review.

9. Change in the nature of business, if any:

There was no change in the nature of Business during the year under review.

10. Deposits from public:

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company would be complying with this requirement within the prescribed timelines.

11. Depository System:

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that the transfer, except transmission and transposition, of securities shall be carried out in dematerialized form only with effect from 1st April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. The Company has, directly as well as through its RTA, sent intimation to shareholders who are holding shares in physical form, advising them to get the shares dematerialized.

12. Subsidiary companies:

Your Company has no subsidiaries as on March 31, 2022.

13. Selection and procedure for nomination and appointment of directors:

The Company has a Nomination and Remuneration Committee ("NRC") which is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, and financial condition and compliance requirements.

The NRC makes recommendations to the Board in regard to appointment of new Directors and Key Managerial Personnel ("KMP") and senior management. The role of the NRC encompasses conducting a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The NRC is also responsible for reviewing the profiles of potential candidates' vis-à-vis the required competencies; undertake a reference and due diligence and meeting of potential candidates prior to making recommendations of their nomination to the Board.

The appointee is also briefed about the specific requirements for the position including expert knowledge expected at the time of appointment.

14. Criteria for determining qualifications, positive attributes and independence of a director:

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

Qualifications - The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.

Positive Attributes - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate high standards of ethical behaviour, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations.

15. Training of Independent Directors:

Your Company's Independent Directors are highly qualified and have been associated with corporate and business organizations. They understand Company's business and activities very well, however, pursuant to Regulation 4 of the Listing Regulations, the Board has shown all the Independent Directors Company's business and activities and were also introduced to Company's staff.

16. Independent director's familiarization programmes:

The familiarization program aims to provide the Independent Directors with the scenario within the Companies Business Activity, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant development so as to enable them to take well-informed decisions in timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization programme for Independent Directors is hosted on your Company's website and its web link is <https://www.sobhagyamercantile.com>.

17. Board's performance evaluation:

We conducted a formal Board effectiveness review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement in order to enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements of the Companies Act, 2013 and the Listing Regulations. The Corporate HR team of company worked directly with the Chairperson and the Nomination and Remuneration Committee of the Board to design and execute this process. It was later adopted by the Board.

The criteria for Board processes included Board composition, strategic orientation and team dynamics. Evaluation of each of the Board Committees covered whether they have well-defined objectives and the correct composition, and whether they achieved their objectives. The criteria for

Individual Board Members included skills, experience, level of preparedness, attendance, extent of contribution to Board debates and discussion, and how each Director leveraged their expertise and networks to meaningfully contribute to the Company. The criteria for the Chairperson's evaluation included leadership style and conduct of Board meetings. The performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the management.

18. Formal Annual Evaluation:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, its structure and composition, establishment and delegation of responsibilities to various Committees. Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management of the Company. Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

19. Managerial Remuneration and particulars of employees:

The information required pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in Annexure III and annexed to the Directors Report.

Particulars of employees drawing remuneration in excess of limits prescribed under Section 134 (3)(q) read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees drawing remuneration exceeding Rupees One crore and two Lakhs per annum if employed throughout the financial year or Rupees Eight Lakh and Fifty Thousand per month if employed for part of the financial year or draws remuneration in excess of Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

20. Number of Board Meetings:

During the year, Seven(7) meetings of the Board of Directors of the Company were duly convened viz. 30/06/2021, 14/08/2021, 05/09/2021, 11/11/2021, 02/12/2021, 12/01/2022, and 14/02/2022; all the meetings are held in accordance with the provisions of the Act. The maximum time gap between any two meetings was less than 120 days. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

Attendance and directorships held:

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting are given below:-

Sr. No.	Name	Category	Designation	No. of Meetings		Whether attended Last AGM
				Held	Attended	
1	Mr. Shrikant Bhangdiya	Promoter Executive	Managing Director	7	7	Yes
2	Mrs. Sonal Bhangdiya	Non-Independent Non- Executive	Member	7	7	Yes
3	Mr. Prashantkumar Lahoti	Independent Non-Executive	Member	7	7	Yes

21. Committees of the Board

In compliance with the provisions of Sections 177, 178 of the Act, the Board constituted, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee (Committees). The details of composition of the Committees, their meeting and attendance of the members are given below:-

A. Audit Committee

The Board of Directors has constituted an Audit Committee and empowered the committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors. The details of composition, meetings and attendance of the Meetings of the Audit Committee are as under:-

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Mr. Prashant Kumar Lahoti	Independent Non-Executive	Chairman	4	4
2	Mr. Shrikant Bhangdiya	Promoter Executive	Member	4	4
3	Mrs. Sonal Bhangdiya	Non- Independent Non- Executive	Member	4	4

There have been no instances of non acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

B. Nomination And Remuneration Committee

The Board constituted Nomination and Remuneration committee. The Committee has formulated a Nomination and Remuneration Policy. The details of composition, meetings and attendance of the Meetings of the Nomination and Remuneration committee are as under:-

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Mr. Prashant Kumar Lahoti	Independent Non-Executive	Chairman	2	2
2	Mr. Shrikant Bhangdiya	Promoter Executive	Member	2	2
3	Mrs. Sonal Bhangdiya	Non- Independent Non- Executive	Member	2	2

A separate meeting of Independent Directors, pursuant to Section 149(7) read with Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was held on 30/06/2021.

C. Stakeholder Relationship Committee:

The Board constituted Stakeholder Relationship Committee. The Committee has formulated to solve complaints and disputes of Shareholders and investors. The details of composition, meetings and attendance of the Meetings of the Stakeholder Relationship Committee are as under:-

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Mr. Prashant Kumar Lahoti	Independent Non-Executive	Chairman	1	1
2	Mr. Shrikant Bhangdiya	Promoter Executive	Member	1	1
3	Mrs. Sonal Bhangdiya	Non- Independent Non- Executive	Member	1	1

D. Corporate Social Responsibility Committee:

The Board constituted Corporate Social Responsibility Committee. The Committee has formulated to find out and spend amount of Corporate Social Responsibility in proper manner. The details of composition, meetings and attendance of the Meetings of the Corporate Social Responsibility Committee are as under:-

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Mr. Prashant Kumar Lahoti	Independent Non-Executive	Chairman	2	2
2	Mr. Shrikant Bhangdiya	Promoter Executive	Member	2	2
3	Mrs. Sonal Bhangdiya	Non- Independent Non- Executive	Member	2	2

22. DETAILS ON GENERAL BODY MEETINGS:

a) Location, date and time of last three AGMS and special resolutions there at as under:

Financial Year	Date	Time	Location	Special Resolution Passed
2020-21	30/09/2021	04.00 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No special resolution Passed
2019-20	30/12/2020	04.00 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No special resolution Passed
2018-19	30/09/ 2019	11.00 a.m.	B-61, Floor 6, Plot No 210 B Wing Mittal Tower Free Press Journal Marg Nariman Point Mumbai - 400021	No special resolution Passed

b) PASSING OF RESOLUTIONS BY POSTAL BALLOT

Company has not passed any Resolution by postal ballot during the Financial Year 2021-22.

23. Directors and key managerial personnel:

As on date of this report, the Company has **Three** Directors, out of those One is Independent Director, one Managing Director and one Non-Executive Director and also have one Chief Financial Officer and One Company Secretary.

a) Appointment/ Re-appointment of Directors of the Company:

Brief profile of the Directors seeking appointment/re-appointment, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard, is furnished below:

i) Mrs. Sonal Kirtikumar Bhangdiya

Name of Director	Mrs. Sonal Kirtikumar Bhangdiya
Date of Birth	08/12/1981
Date of Appointment	09/08/2019
Qualification	B.Com
Expertise in specific functional areas	Commerce
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	NIL
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and	NIL

Stakeholders' Relationship Committee.)	
Number of shares held in the Company	14457
Number of Board Meetings attended during the financial year 2021-22	7
Remuneration	14 lakh
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the company	Sister in law of Mr. Shrikant Bhangdiya

ii) Mr. Niresh Maheshwari

Name of Director	Mr. Niresh Maheshwari
Date of Birth	04/08/1978
Date of Appointment	20/08/2022
Qualification	CA,MFA
Expertise in specific functional areas	Debt syndication, financial management, M&A, IPO, Audit and Assurance services
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL
Number of shares held in the Company	NIL
Number of Board Meetings attended during the financial year 21-22	NIL
Remuneration	Sitting fees for attending Board Meeting
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A.

b) Key Managerial Personnel:

During the Year under review, there was no appointment of Key Managerial Personnel (KMP).

24. Statutory Auditors :

M/s. Joshi & Shah, Chartered Accountants, Mumbai (Firm Registration No. 144627W) were appointed as Statutory Auditor of your Company in 36th Annual General Meeting to hold office until the conclusion of the 41st Annual General Meeting.

The report given by the Auditors on the financial statements of the Company is a part of the Annual Report.

The Auditors have not expressed a qualified opinion in their Audit Report for Financial Year ended 31st March, 2022.

The Statutory Auditor of the Company has not reported any instances of fraud as specified under the second proviso to Section 143(12) of the Act.

25. Internal auditors:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; M/s. Ashish Mittal & Associates, Chartered Accountants (Firm Registration No. 019185C) were appointed as Internal Auditors of the Company for the Financial Year 2021-22.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board.

26. Secretarial auditors:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. Parag Dasarwar, Practicing Company Secretaries as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2022.

The Board of Directors of the Company appointed M/s. Parag Dasarwar, Practicing Company Secretaries to conduct the Secretarial Audit as per Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 prescribed under Section 204 of the Companies Act, 2013 for the financial year 2021-2022.

27. Audit reports:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made, if any —

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2022 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the rapid global challenges.

The Auditors Report annexed with this Annual Report, does not contain any qualification, reservation or adverse remarks.

(b) Secretarial Audit Report:

The Secretarial Audit was carried out by M/s. Parag Dasarwar, Practicing Company Secretaries, for the financial year ended March 31, 2022. The Report given by the Secretarial Auditor is annexed herewith and forms integral part of this Report.

The Secretarial Compliance Report for the financial year ended 31st March, 2022, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations is set out in **Annexure IV** to this report.

The Secretarial Audit Report contains certain observations which are as follows:

- a. Pursuant to the provisions of section 149(4) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, minimum number of Independent Directors were not appointed during the year under review.
-The Company is in the process of regularizing Mr. Niresh Maheshwari as an Independent Director in the ensuing 38th Annual General Meeting which will suffice the requirement of the provisions of section 149(4) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- b. Pursuant to the provisions of section 177 of the Companies Act, 2013 and rules framed thereunder, The Audit Committee shall consist of minimum of three directors with independent directors forming a majority. However, during the year under review the Company has only one Independent Director on its Board.
- The Company is in the process of regularizing Mr. Niresh Maheshwari as an Independent Director in the ensuing 38th Annual General Meeting which will suffice the requirement of the provisions of section 177 of the Companies Act, 2013 and rules framed thereunder.
- c. Pursuant to the provisions of section 178 of the Companies Act, 2013 and rules framed thereunder, the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. However, during the year under review the Company has only one Independent Director on its Board.
- The Company is in the process of regularizing Mr. Niresh Maheshwari as an Independent Director in the ensuing 38th Annual General Meeting which will suffice the requirement of the provisions of section 178 of the Companies Act, 2013 and rules framed thereunder.

28. No Frauds Reported by Statutory Auditors:

During the Financial Year 2021-22, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3)(ca) of the Companies Act, 2013.

29. Conservation of energy, technology absorption and foreign exchange outgo:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder and Rule 8 of Companies (Accounts) Rules, 2014:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

1. Foreign Exchange Earnings: Nil
2. Foreign Exchange Outgo: Nil

30. Management discussion and analysis report:

- INDUSTRY STRUCTURE AND DEVELOPMENTS

During the financial year 2021-22, the company has managed its operations effectively as there was a recovery phase in the market and the company is in the process to achieve its objectives with its inherent strengths like visionary leadership, versatile work force, future visionary projects, ultra-modern infrastructure machineries, aggressive work force strategies and well penetrated distribution network.

The Government of our Country is taking steps to revive the economy and has come out with schemes to provide financial aid to the Companies.

- OPPORTUNITIES

This could be achieved by:

- (i) Reviving infrastructure projects, or design, build, finance, operate, and transfer mode of project execution for Greenfield projects; and
- (ii) Raising resources for investments through aggressive asset monetisation. Government was a significant source of project investments till 2019; however, land acquisition and environmental clearance delays threw spanners in the works. The model can be revived by rejigging the risk allocation framework for projects—with the government taking on land acquisition and environmental risks entirely—and creating a shelf of implementable projects.

31. Risk management policy:

The Board of Directors has developed risk management policy so as to identify elements of risk in different areas of operations and to take necessary actions to mitigate the risks. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

32. Corporate governance:

During the Year under review, pursuant to the Provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Corporate Governance is not applicable to the company since the paid up equity share capital and net worth of the company does not exceed Rs. 10 crores and Rs. 25 crores respectively.

33. Code of Conduct for Prevention of Insider Trading :

The Board of Directors has adopted the Insider Trading Policy in accordance with the Requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to protect the interest of shareholders at large and to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons, Employees and their immediate relatives and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website www.sobhagyamercantile.com.

34. Extract of Annual Return:

As provided under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return under form MGT 9 is annexed herewith as **Annexure- I** to this report.

35. Authorised and paid-up capital of the company:

During the year under review, the authorized capital of the company is Rs. 5,00,00,000/- (Rupees Five Crore Only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each and paid-up capital of the Company is Rs. 24,00,000/- divided into 2,40,000 equity shares of Rs. 10/- each.

36. Declaration of independence:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

37. Policy on Directors appointment and Remuneration and other details:

The Board Governance, Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), senior management personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available on the Company's website at www.sobhagyamercantile.com.

The information required pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure III to the Directors Report.

Particulars of employees drawing remuneration in excess of limits prescribed under Section 134 (3)(q) read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees drawing remuneration exceeding Rupees One crore and two Lakhs per annum if employed throughout the financial year or Rupees Eight Lakh and Fifty Thousand per month if employed for part of the financial year or draws remuneration in excess of Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.

38. Director's Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that: -

- a) in the preparation of the annual accounts for the financial year ended 31 March 2022, the applicable accounting standards and schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- b) the Directors have 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 your Company as on 31 March 2022 and the profit of the Company for the financial year ended 31 March 2022;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

39. Vigil Mechanism/Whistle Blower Policy:

The Board of Directors has formulated a Vigil Mechanism Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company has a vigil mechanism to deal with fraud and mismanagement, if any. The policy is on the website of the Company.

The policy provides for adequate safeguards against the victimisation of the employees who use the vigil mechanism. The vigil mechanism is overseen by the audit Committee.

40. Employee stock option scheme:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

41. Corporate social responsibility policy:

Since, the company has earned a net profit of Rs.5 crore or more during financial year 2021-2022, hence Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is applicable for F.Y. 2021-2022 and the company will comply with the same as per CSR policy and Section 135 of the Companies Act, 2013.

CSR Annual Report for F.Y. 21-22 is annexed herewith as Annexure V to this report.

42. Secretarial Standards:

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

43. Insurance:

The properties and assets of your Company are adequately insured.

44. Particulars of loans, guarantees:

Company has taken loans from banks during the year under review, these are followings:

Sr. No.	Charge Holder's Name & Address	Date of Creation	Amount (Rs.)
1	BANK OF MAHARASHTRA C O, Bhole Bangalow, Laxmi Bhawan Chowk, West High Court Road, Nagpur MH 440010	03/12/2021	14600000
2	BANK OF MAHARASHTRA C O, Bhole Bangalow, Laxmi Bhawan Chowk, West High Court Road, Nagpur MH 440010	05/01/2021	49500000
3	KOTAK MAHINDRA BANK LIMITED 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	22/09/2020	7132000

45. Internal Financial Control Systems:

Your Company has well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting compliance of ethical and well defined standards. The Company follows an exhaustive budgetary control and standard costing system. Moreover, the management team regularly meets to monitor goals and results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee which meets at regular intervals also reviews the internal control systems with the Management and the internal auditors.

The internal audit is conducted at the Company and covers all key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly.

46. Related Party Transactions:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure- II** to this report.

47. CEO/CFO Certification:

The provision of Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is not applicable to the Company.

48. Prevention of sexual harassment at workplace:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at www.sobhagyamercantile.com.

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Committee at all its locations known as the Prevention of Sexual Harassment (POSH) Committees, to inquire and redress complaints received regarding sexual harassment. During the year under review, there were no Complaints pertaining to sexual harassment.

49. Details of Complaints/Requests Received, Resolved and Pending During the Year 2021-22:

- | | |
|---|-----|
| a. Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission :- | NIL |
| b. complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on:- | NIL |
| c. Number of complaints resolved:- | NA |
| d. Number of complaints not resolved to the satisfaction of the investors as on March 31, 2022:- | NIL |
| e. Complaints pending as on March 31, 2022:- | NIL |
| f. Number of Share transfers pending for approval, as on March 31, 2022:- | NIL |

50. Other Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- c. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

51. Appreciation & acknowledgement:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other "financial institutions and shareholders of the Company like SEBI, BSE, NSDL, and etc. for their continued support for the growth of the Company.

**For and on behalf of the Board of
Sobhaygya Mercantile Limited**

**Sd/-
Shrikant Bhangdiya
Managing Director
(DIN: 02628216)**

**Sd/-
Sonal Bhangdiya
Director
(DIN: 03416775)**

Place: Nagpur

Date: 05/09/2022

DIRECTORS & RELATIVES									
* MARKET MAKERS	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	106160	51010	157170	65.48	117910	39260	157170	65.48	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	106160	51010	157170	65.48	117910	39260	157170	65.48	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	188990	51010	240000	100	200740	39260	240000	100	0

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		Demat	Total	% of Total Shares	Demat	Total	% of Total Shares	
1	SHRIKANT BHANGDIYA	25002	25002	10.42	25002	25002	10.42	--
2	MANISHA OMPRAKASH MANIYAR	14457	14457	6.02	14457	14457	6.02	--
3	MEGHA MITESH BHANGDIYA	14457	14457	6.02	14457	14457	6.02	--
4	AARTI SHRIKANT BHANGDIYA	14457	14457	6.02	14457	14457	6.02	--
5	SONAL KIRTIKUMAR BHANGDIYA	14457	14457	6.02	14457	14457	6.02	--
	TOTAL	82830	82830	34.50	82830	82830	34.50	--

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

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of The company	No. of Shares	% of total shares of the company
1	Sandeep Keshao Rao Koche	11800	4.92	0	0
2	Kunal Manoj Varma	11800	4.92	11800	4.92
3	Ajay Sadanand Singh	11750	4.90	3050	1.27
4	Durgendra Vashisth Singh	11750	4.90	0	0
5	Deepak Mithalal Mohta	11750	4.90	11750	4.90
6	Akshay Baghreacha	11750	4.90	11750	4.90
7	Brijkishore Govindlal Sarda				

		11750	4.90	9749	4.06
8	Praphull Chhotalal	No. of shares	% of total shares of The company	No. of Shares	% of total shares of the company
		11750	4.90	11750	4.90
9	Suraj Sukhdeo Gandhi	No. of shares	% of total shares of The company	No. of Shares	% of total shares of the company
		11750	4.90	11750	4.90
10	Ankit Dwarkadas Bhutada	No. of shares	% of total shares of The company	No. of Shares	% of total shares of the company
		11750	4.90	11749	4.90
11	Sanjay Malani	No. of shares	% of total shares of The company	No. of Shares	% of total shares of the company
		11700	4.88	11700	4.88

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	SHRIKANT MITESH BHANGDIYA (Managing Director)	No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
		NA			
		Change in Share holding during the year	25002	10.42	25002
2	SONAL KIRTIKUMAR BHANGDIYA (Director)	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		NA			
		Change in Share holding during the year	14457	6.02	14457
3	PRASHANTKUMAR LAHOTI (Independent Director)	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		NA			
		Change in Share holding during the year	0	0	0
4	ANIL RAMRAOJI KHAWALE (Chief Financial Officer)	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		NA			
		Change in Share holding during the year	0	0	0
5	SHALINEE CHANDRABHUSHAN SINGH (Company Secretary)	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		NA			
		Change in Share holding during the year	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rupees in Lakhs)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
(i) Principal Amount	32.67	626.29	0	658.96
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	32.67	626.29	0	658.96
Change in Indebtedness during the financial year				
Addition / (Reduction)	99.37	(508.57)	0	(409.2)
Net Change	99.37	(508.57)	0	(409.2)
Indebtedness at the end of the financial year				
i) Principal Amount	132.04	117.72	0	249.76
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	132.04	117.72	0	249.76

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. no.	Particulars of Remuneration	Shrikant Bhangdiya (Managing Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	6000000	6000000
2.	Stock Option	0	--
3.	Sweat Equity	0	--
4.	Commission - as % of profit - Others, specify...	0	-- -- --
5.	Others, please specify	0	--
6.	Total (A)	6000000	6000000
7.	Ceiling as per the Act	NA	NA

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Sonal Bhangdiya (Non-Executive Director)	Total Amount
	Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	0	0
	Total (1)	0	0
	Other Non-Executive Directors · Fee for attending board / committee meetings · commission · Others, please specify	1400000	1400000
	Total (2)	1400000	1400000
	Total (B)=(1+2)		0
	Total Managerial Remuneration	1400000	1400000
	Overall Ceiling as per the Act	NA	NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total

			Shalinee Singh	Anil Khawale	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	3,36,800	9,00,000	12,36,800
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - Others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
6.	Total	0	3,36,800	9,00,000	12,36,800

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

**For and on behalf of the Board of
Sobhaygya Mercantile Limited**

Sd/-

Sd/-

**Shrikant Bhangdiya
Managing Director
(DIN: 02628216)**

**Sonal Bhangdiya
Director
(DIN: 03416775)**

**Place: Nagpur
Date: 05/09/2022**

ANNEXURE II

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 at Arm's length basis.

List of Related Parties:

Related party in which directors are interested

Balaji Stone Crusher & Infrastructure Pvt Ltd.
Kitadi Torgaon Highway Pvt. Ltd.
Mahendra Construction
Mks Acme-Build Pvt Ltd
Mks Constro Venture Pvt. Ltd.
Mks Flexituff Ltd.
Mks Industries
Mnec – Mks (Jv)
Mul Podsa Roadways Pvt Ltd
Shankarpur Chimur Highway Pvt Ltd
Shanta Infraventure
Surbodi Bhis 167 Highway Pvt. Ltd.

Associates / Firms where in Company is Partner

B. K. Buildcon
Hps Construction
R.B. Infra
Shanta Infraventure

Key Managerial Personnel

Shrikant Bhangdiya – Managing Director
Mrs Sonal Bhangdiya – Director

Relatives of Key Managerial Personnel

Aarti Bhangdiya – Wife of Director
Kirti Kumar Bhangdiya
M G Bhangdiya

Directors are Trustees in the Trust

Bhangdia Foundation

(Rs.in Lakhs)

Name of the Party	Nature of transaction	March 31, 2022	March 31, 2021
Mr. Shrikant Bhangadiya	Managerial Remuneration	60.00	20.00
Mrs. Sonal Kirtikumar Bhangadiya	Managerial Remuneration	14.00	12.00-
MKS Acme Build Private Limited	Interest free loan - taken - repaid	5.50 6.50	0.00 195.75 397.77
MKS Constro Venture Private Limited	1.Sales 2.Purchase 3.Loan - Taken - Repaid	140.17 1756.65 1821.41	20.74 65.00 481.28 727.92
MKS Flexituffs Limited	Advance -Given -Repaid	114.5 157.01	0.00 46.00 7.08
MNEC – MKS (JV)	Sales	375.6	159.00
BK Buildcon	Share of Profit Investment made Sales 3.Loan -Given -Repaid	236.97 2480.27 280.42 168.35	95.11 65.00 882.98 0.00 0.00
HPS Construction	Sales Share of Profit Investment Made 3.Loan -Given -Repaid	775 30.9729 146.41 316.98	257.49 75.53 157.00
RB Infra	Share of Profit Investment Made Sales	226.71 463.06 2,194.65	112.54 333.24 1909.23
Shanta Infraventure	Share of Profit Investment Made Sales	7.97 63.09 23.26	134.54 119.29 436.14
Mahendra Construction	Purchase Advance against Services	162.1265	140.99 162.13
Balaji Stone Crusher & Infrastructure Pvt Ltd.	Loan Given	0.5	5.00
Bhangdia Foundation (L & A)	Loan Given	3	1.50
Shrikant Bhangdiya	Loan Taken Repaid	120.59 120.59	0.00 10.80 59.42
Aarti Bhangdiya	Loan Taken Repaid	0 0 0	0.00 3.00 3.00
Lokshahi Publication Pvt. Ltd.	Loan Taken Repaid	0 0 0	0 6.00 6.00
Kirtikumar Bhangadiya-USL	Loan Taken Repaid	0 0 0	0 5.70 5.70

Annexure III

Disclosure for ratio of remuneration of each director to the median employee's remuneration and other details as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 21-22:

Name	Remuneration for F.Y. 2021-22	Median remuneration of employees F.Y. 2021-22	Ratio of the remuneration of each Directors/to median remuneration of the employees
Mr.Shrikant Bhangdiya	60	3.38	17.76
Mrs. Sonal Kirtikumar Bhangadiya	14	3.38	4.14

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company:

Name	% Increase in the remuneration
Mr. Shrikant Bhangdiya	200
Mrs. Sonal Kirtikumar Bhangadiya	16.67
Mr. Anil Khawale	15.38
Mrs. Shaline Singh	10

3. The number of permanent employees on the rolls of the Company: 7
4. It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company: The Company affirms that remuneration is as per remuneration policy.
5. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable

**By Order of the Board of Directors
For Sobhaygya Mercantile Limited**

Sd/-
Shrikant Bhangdiya
Managing Director
(DIN: 02628216)

Annexure IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members
SOBHAYGYA MERCANTILE LIMITED
CIN: L45100MH1983PLC031671
B-61, Floor 6, Plot No 210 B Wing Mittal Tower Free Press Journal Marg Nariman Point
Mumbai City 400021

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SOBHAYGYA MERCANTILE LIMITED (hereinafter referred to as 'the Company') having CIN:- L45100MH1983PLC031671. The Secretarial Audit was conducted for the Financial Year from 1st April 2021 to 31st March, 2022 in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the **SOBHAYGYA MERCANTILE LIMITED** 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 authorised representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("**Audit Period**"), complied with the statutory provisions listed hereunder, as amended from time to time 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, to the extent, applicable, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder:

The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made thereunder *except for the matter listed below under point a, b & c.*

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder:

The Company has satisfactorily complied with the provisions of the (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:

The Company is a listed Public Company, the shares are in the dematerialised form except 16.36% of the Paid up share capital is held in physical form and the Company has complied with the provisions of the Depositories Act, 1996 and the Regulations and the Bye Laws framed there under.

(iv) The Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs):

The aforesaid act is not applicable as there was no reportable event during the financial year under review.

(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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable as there was no reportable event during the financial year under review;**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- **Not applicable as there was no reportable event during the financial year under review;**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **-Not applicable as there was no reportable event during the financial year under review;**

(e) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **-Not applicable as there was no reportable event during the financial year under review;**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable as there was no reportable event during the financial year under review**

(g) The Securities and Exchange Board of India (Registrars to an Issue & Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; **-Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and- **Not applicable as there was no reportable event during the financial year under review;**

(i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015;

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company.

(vi) Based on the information provided by the management of the Company, the Company has adequate compliance management system in place which running effectively and efficiently for the Compliances of General Laws as specified by the directives issued by the Institute of Company Secretaries of India. 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.

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

- (i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered by the Company with BSE Limited.

During the year under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Standards, etc., mentioned above, **Subject to the following observations:-**

- a. *Pursuant to the provisions of section 149(4) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, minimum number of Independent Directors were not appointed during the year under review.*
- b. *Pursuant to the provisions of section 177 of the Companies Act, 2013 and rules framed thereunder, The Audit Committee shall consist of minimum of three directors with independent directors forming a majority. However, during the year under review the Company has only one Independent Director on its Board.*
- c. *Pursuant to the provisions of section 178 of the Companies Act, 2013 and rules framed thereunder, the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. However, during the year under review the Company has only one Independent Director on its Board.*

I further report that:

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, **except** for Non-Executive Directors and Independent Directors.
- II. Adequate notices were given to all the 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 meetings and for meaningful participation at the meetings.

- III. During the year under review, all the decisions at the meetings of the Board and Committees thereof, were carried out unanimously as the Minutes of these Meetings did not reveal any dissenting member's view.

I 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, Standards, etc.

I further report that no specific event having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Standards, etc., has taken place during the year under review.

Place: Nagpur
Date: 01.09.2022

FOR PARAG DASARWAR
COMPANY SECRETARIES

Sd/-

Parag Dasarwar
Company Secretary
Proprietor
FCS No. 9304
CP No.: 8227
UDIN: F009304D000889062

Encl.: Annexure - I

Annexure – I

Notes on the Secretarial Audit report of Sobhaygya Mercantile Limited dated 01.09.2022:

Our report of event date is to be read along with the following notes:-

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes 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 secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial statements and books of accounts of the company. Further, the scope of our audit does not include financial laws and allied acts.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Nagpur
Date: 01.09.2022

FOR PARAG DASARWAR
COMPANY SECRETARIES

Sd/-

Parag Dasarwar
Company Secretary
Proprietor
FCS No. 9304
CP No.: 8227
UDIN: F009304D000889062

Annexure V
CSR Annual Report

1. Brief outline on CSR Policy of the Company:

The CSR policy has been framed in accordance with the Section 135, Schedule VII of the Companies Act, 2013 and CSR Rules issued by the Ministry of Corporate Affairs on February 27, 2014.

The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr.Prashant Kumar Lahoti	Chairperson	2	2
2.	Mrs. Sonal Kirtikumar Bhangdiya	Member	2	2
3.	Mr. Shrikant Mitesh Bhangdiya	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

Composition of CSR committee www.sobhgyamercantile.com

CSR Policy and CSR projects www.sobhgyamercantile.com

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of Companies (CSR Policy) Rules, 2014, if applicable (attach the report)- Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (CSR Policy) Rules, 2014 and amount required for set off for the financial year, if any-Not Applicable

6. Average net profit of the company as per section 135(5) For F.Y.2021-22: Rs.5,66,52,788

7. (a) 2% of average net profit of the company as per section 135(5): Rs.11,33,056

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c) For F.Y. 2021-22: Rs. 11,33,056

8. (a). CSR amount spent or unspent for the financial year: Total amount spent was Rs. 12,00,000 in the F.Y. 21-22

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12,00,000	NIL				

- (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the Current Financial Year (in Rs.)	Amount Transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR registration no.
Not Applicable												

- (c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount Spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
1.	Purchase of oxygen plant	Promoting health Care including preventive health care	Yes	Maha-rashtra	Mum-Bai	5 lakh	No	Siddha-giri Gurukul Founda-tion	CSR00007041

2.	Education includes Scholarships Magazine and Talks/ Sessions	Promoting education including special education	Yes	Maha-rashtra	Mum-Bai	2.5 lakh	No	Happy Triangle Founda-tion	CSR00025879
3.	Women Empow-erment activities	Promoting gender equality empower-ing women	Yes	Maha-rashtra	Mum-Bai	4.5 lakh	No	Bhang-diya Foun-dation	CSR00029975

(d). Amount spent in Administrative Overheads-NIL

(e). Amount spent on Impact Assessment, if applicable-NIL

(f). Total amount spent for the Financial Year (8b+8c+8d+8e)-NIL

(g). Excess amount for set off, if any-NIL

Sl. No.	Particulars	Amount (in Rs.)
i)	2% of average net profit of the company as per section 135(5) For F.Y.2020-21	Rs.4,24,612
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

9. (a) Details of unspent CSR amount for the preceding three financial years:

Sl.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount Spent in the reporting Financial Year (in Rs)	Amount transferred to any fund specified under Schedule VII as per section 135(6) if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
1	20-21	-	-	-	-	-	4,24,612
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project – Completed / On-going
1					NIL			
Total								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s) : Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset.: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s), created or acquired (including complete address and location of the capital asset):. Not Applicable

11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5).

- Due to the outbreak of COVID-19 senior management of the company had contacted the virus and therefore the company could not finalize the projects for spending the CSR amount for F.Y. 20-21

Sd/-

Shrikant Mitesh Bhangdiya

**Managing Director
(DIN: 02628216)**

Sd/-

Prashantkumar Lahoti

**Chairman CSR Committee
(DIN: 00091140)**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Sobhaygya Mercantile Limited (Sobhaygya) has its business operations in the field of large scale Infrastructure Sector. Each Business vertical is headed by able, experienced and proven professionals to take the company to the next level of growth. The company is looking at diversification in other sectors related to Infrastructure in a big way and in this direction have plans of acquiring companies related to this sector to achieve rapid inorganic growth in the coming years.

The Company also offers market preparation services. It provides a range of services, including buying, selling hiring, repairing altering, manipulating, treating and otherwise deal in merchandise and commodities and other movable and immovable asset which creates the many opportunities in the Local and Global Market.

To grab the more opportunities and to extend the scope of the Business the company started entering in the Infrastructure sector and doing well in the same field.

Management and our Professional teams are taking efforts to learn and apply new skills in the market for more development in the Businesses of the Company.

COMPANY STRENGTHS: -

Investing in quality and delivering the very best by customization, innovation, adaptability and systems, whether it be our products, services or people, for deeper penetration and visibility for its associates.

COMPANY OPPORTUNITIES AND THREATS: -

The opportunities include reviving infrastructure projects, or design, build, finance, operate, and transfer mode of project execution for Greenfield projects, Raising resources for investments through aggressive asset monetisation, rising middle class disposable income, rising middle class income and consumerism, however Company faces threats such as Shortage of raw material and labour supply, Slow progress towards international, quality standard and catering changing needs. Competition from international entities.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE: -

During the financial year 2021-22, the company has managed its operations effectively as there was a recovery phase in the market and the company is in the process to achieve its objectives.

OUTLOOK: -

The Company with its inherent strengths like visionary leadership, versatile work force, future visionary projects, ultra-modern infrastructure machineries, aggressive work force strategies and well penetrated distribution network is confident to achieve its pre-determined goals.

RISK AND CONCERNS: -

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks, inter alia, are Regulations, Competition, Business risk, Technology Obsolescence, Retention of talent etc. Business risk, inter-alia, further includes Financial risk, Political risk, Legal risk etc. For managing Risk more efficiently the company would need to identify the risks that it faces in trying to achieve the objectives of the Company. Once these risks are identified, the Company would need to evaluate these risks to see which of them will have critical impact on the Company and which of them are not significant enough to deserve further attention.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY: -

The internal control system of our Company is effective and adequate. The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Internal Control Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Senior Management are taking action to strengthen controls where necessary.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE: -

During the financial year 2021-22, the company has recorded an income of Rs. 7161.89 Lakhs against an income of Rs. 4237.42 Lakhs in financial year 2020-21. The income of the company is increased in this financial year. Net Profit of the company in financial year 2021-22 is Rs. 1097.84 Lakhs against a net profit of Rs. 794.30 lakhs in last financial year of the Company.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED: -

Your Company recognizes the value addition of its employees and their contribution to the growth and development of the Company. In turn, the Company is committed to train and develop its people and motivate them. Industrial relations have been cordial and mutually beneficial. We have an effective strategy to nurture and grow our people so much so that employee turnaround has been much lower.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

INDEPENDENT AUDITORS' REPORT

To the Members of,
Sobhaygya Mercantile Limited.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Sobhaygya Mercantile Limited (“the Company”), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as “financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the ‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
<p>1. Revenue Recognition:</p> <ul style="list-style-type: none">The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of sales, including the timing of transfer of control, the nature of	<p>Audit procedures included the following:</p> <ul style="list-style-type: none">Considered the adequacy of the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition.

<p>discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues. The risk is, therefore, that revenue is not recognized in the correct period in accordance with terms of Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter in our audit of the Ind AS financial statements</p>	<ul style="list-style-type: none"> • Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the incoterms in accordance with Ind AS 115. • Selected sample of sales transactions made pre and post year end, agreed the period of revenue recognition to underlying supporting documents. • Assessed the relevant disclosures made in the Ind AS financial statements.
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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the 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 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the asset 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 also 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstance. 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors in the financial results.
- 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 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-2" to this report;
- B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) On the basis of written representations received and taken on record from the management, no funds other than as disclosed in the notes to the accounts have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies), including foreign entities (“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) further, management has represented that no funds other as disclosed in the notes to the accounts have been received by the company from any person(s) or entity(ies), including foreign entities (“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; and
- (c) Based on our audit procedures nothing has come to our notice that can cause us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. In our opinion, based on information and explanation provided to us dividend not declared or paid during the year by the company is in compliance with section 123 of the Companies Act 2013.
- vi. In our opinion, based on information and explanation provided to us company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

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

Sd/-
Jaydip Joshi
Partner
Membership No. 170300
UDIN: 22170300AIYSDL8401
Place: Mumbai
Date: 30th May, 2022

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

[[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of SOBHAYGYA MERCANTILE LIMITED for the year ended on March 31st 2022]

- i. In respect of the Company's Property, Plant and Equipment and Intangible asset:
 - a) (A) The Company is in the process of maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The Company is maintaining proper records showing full particulars of intangible assets;
 - b) The Company is in process of physically verifying the Property, Plant and Equipment.
 - c) The company have immovable properties and title deeds are held in the name of the Company.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its property, Plant and Equipment and intangible assets during the year.
 - e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii.
 - a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets during the year.
- iii. In our opinion and according to information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of paragraph 3(iii)(a) to (f) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security are not applicable. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.

- v. The Company has not accepted any amounts which are deemed to be deposits. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a) According to information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including Goods and Service tax, Provident fund, Employees' state Insurance, Income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the year and no such dues are outstanding for more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues of Income tax, service tax, Value Added Tax, Goods and Service Tax, which have been outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the company does not have any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, the provisions of paragraph 3(ix)(b) to (f) of the Order are not applicable to the Company and hence not commented upon.
- x. The Company has raised not any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the order is not applicable to the Company.
- xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have neither come across any instance of whistle-blower complaints nor have we been informed of such case by the management.
- xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

- xiii. In our opinion and according to the information and explanations given to us and based on examination of records, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Company has Internal Audit System in place and it is in commensurate with the size and nature of the business of company. No material discrepancy was observed in the Internal Audit Report provided to us.
- xv. According to the information and explanations given to us and based on examination of records, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year. Accordingly, clause 3(xvii) of the Order is not applicable.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that Company is not 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

xxi. In our opinion, the financial statements are standalone; hence, paragraph 3(xxi) is not applicable.

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

Sd/-
Jaydip Joshi
Partner
Membership No. 170300
UDIN: 22170300AIYSDL8401
Place: Mumbai
Date: 30th May, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of SOBHAYGYA MERCANTILE LIMITED on the financial statements for the year ended March 31, 2022]

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 Sobhaygya Mercantile Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 (ICAI). 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 Company's internal financial controls system over financial reporting.

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.

Inherent 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, 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, 2022, based on 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 (ICAI).

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

Sd/-
Jaydip Joshi
Partner
Membership No. 170300
UDIN: 22170300AIYSDL8401
Place: Mumbai
Date: 30th May, 2022

SOBHAYGYA MERCANTILE LIMITED
CIN NO: L45100MH1983PLC031671

Balance Sheet as at 31st March, 2022

Rs In Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
(1) ASSETS			
<u>Non-current assets</u>			
(A) Property, Plant & Equipment and Intangible Asset			
(a) Property, Plant & Equipment	4	126.55	159.44
(b) Intangible Asset		5.01	15.02
(B) Financial Assets			
(i) Investments	5	463.50	1,272.12
(ii) Loans		-	-
(C) Deferred tax assets (net)	6	0.15	-
<u>(2) Current assets</u>			
(a) Inventories		36.61	6.40
(b) Financial Assets			
(i) Trade Recivables	7	1,128.47	1,496.92
(ii) Cash and cash equivalents	8	3.71	191.84
(iii) Other Financial Asset	9	598.09	43.88
(iv) Loans	10	2,593.30	-
(c) Other current Asset	11	280.77	311.10
Total Assets		5,236.16	3,496.72
EQUITY AND LIABILITIES			
<u>Equity</u>			
(a) Equity Share capital	12	24.00	24.00
(b) Other Equity	13	2,462.06	1,364.06
<u>Non Current Liabilities</u>			
(a) Financial Liabilities			
(i) Borrowings	14	132.04	32.67
(ii) Lease Liabilities	15	-	5.71
(b) Deferred Tax Liabilities (Net)	16	-	3.14
<u>Current liabilities</u>			
(a) Financial Liabilities			
(i) Short Term Borrowings	17	117.72	626.29
(ii) Trade Payable	18		
- Total Outstanding dues of MSMEs		-	-
- Total Outstanding Dues of Other Than MSMEs		1,975.40	1,236.92
(iii) Lease Liabilities	19	5.71	10.39
(iv) Other Financial Liabilities	20	-	44.77
(b) Provisions	21	330.95	133.92
(c) Other Current Liabilities	22	188.29	14.85
Total Equity and Liabilities		5,236.16	3,496.72

Significant accounting policies

3

See accompanying notes to standalone financial statements

As per our report of even date,

For **Joshi & Shah**

Chartered Accountants

FRN.- 144627W

sd/-

Jaydip Joshi

Partner

Membership No.170300

UDIN :22170300AIYSDL8401

Place : Mumbai

Date : 30.05.2022

For and on behalf of the board of Directors

sd/-

Shrikant Bhangdiya

Managing Director

DIN: 02628216

sd/-

Anil Khawal

Chief Financial Officer

sd/-

Sonal Bhangdiya

Director

DIN:03416775

sd/-

Shalinee Singh

Company Secretary

SOBHAYGYA MERCANTILE LIMITED

CIN NO: L45100MH1983PLC031671

Statement of Profit and Loss for the period ended 31st March, 2022

(In Lakhs)

	Particulars	Note No.	2021-2022	2020-2021
I	Revenue From Operations	23	6,655.58	3,819.66
II	Other Income	24	506.31	417.76
III	Total Income (I+II)		7,161.89	4,237.42
IV	EXPENSES			
	Cost of material consumed	25	2,555.54	1,375.62
	Employee benefits expense	26	185.43	130.68
	Change in inventory	27	-30.21	-6.22
	Finance cost	28	48.93	17.23
	Depreciation and Amortization Expense		52.19	50.43
	Other expenses	29	3,044.80	1,743.76
	Total expenses (IV)		5,856.68	3,311.51
V	Profit/(loss) before exceptional items and tax (I- IV)		1,305.21	925.91
VI	Exceptional Items			
VII	Profit/(loss) before tax (V-VI)		1,305.21	925.91
	Tax expense:			
VIII	(1) Current tax		212.57	133.64
	(2) Deferred tax		-3.29	1.49
IX	Profit (Loss) for the Year		1,095.94	790.78
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		1.91	3.52
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
X	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period)		1,097.84	794.30
	Earnings per equity share			
XII	(1) Basic		457.43	330.96
	(2) Diluted		457.43	330.96

Significant accounting policies

3

See accompanying notes to standalone financial statements

As per our report of even date,

For **Joshi & Shah**

Chartered Accountants

FRN. - 144627W

For and on behalf of the board of Directors

sd/-

Jaydip Joshi

Partner

Membership No.170300

UDIN :22170300AIYSDL8401

sd/-

Shrikant Bhangdiya

Managing Director

DIN: 02628216

sd/-

Sonal Bhangdiya

Director

DIN:03416775

sd/-

Anil Khawale

Chief Financial Officer

sd/-

Shaline Singh

Company Secretary

Place : Mumbai

Date : 30.05.2022

Sobhayya 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.sobhagyamercantile.com

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.3.2022

(In Lakhs)

PARTICULARS	For the Year			
	Ended March 31, 2022		Ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before Tax as per Profit and Loss Account		1,305.21		925.91
Adjusted for :				
Other comprehensive income	(1.91)		(3.52)	
Depreciation	52.19		50.43	
Share of profit from Investment in Firm	(502.62)	(452.34)	(559.95)	(513.03)
Operating Profit Before Working Capital Changes		852.87		412.88
Adjusted for :				
Inventories	(30.21)		(6.22)	
Trade Receivable	368.45		(1,185.35)	
Other Current Asset	30.32		(297.28)	
Other Financial Asset	(554.21)		-	
Loans	(2,593.30)		-	
Current Tax Assets	(0.15)		0.62	
Trade Payable	738.47		964.77	
Other Current Liability	128.68		37.70	
Short Term Provision	197.03		99.09	
Current Tax Liability	(3.14)		2.66	
less: Provision for tax	209.28	(1,927.34)	135.13	(519.15)
Cash from Operating Activities		(1,074.47)		(106.26)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets & Capital WIP	(9.11)		(93.52)	
Investment in Capital firm	1,313.13		254.48	
Increase in value of share	1.90		2.21	
Dividend Received	-		-	
Movement in Loans & Advances	-		9.31	
Net Cash used in Investing Activities		1,305.92		172.49
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds/ (Repayment) of ShortTerm Borrowing	(508.58)		90.35	
Proceed from Shares	-		0.00	
Long term Borrowing	99.37		29.58	
Net Cash used in Financing Activities		(409.21)		119.93
Net Increase/(Decrease) in Cash and Cash Equivalents :		(177.75)		186.16
Opening Balance of Cash & Cash Equivalents		191.84		5.67
Closing Balance of Cash & Cash Equivalents		14.08		191.84
Components of Closing Cash & Cash Equivalent				
Bank Balances & Cash-on-Hand		3.71		191.84

As per our report of even date,
 For **Joshi & Shah**
 Chartered Accountants
 FRN.- 144627W

For and on behalf of the board of Directors

sd/-
Jaydip Joshi
 Partner
 Membership No.170300
 UDIN :22170300AIYSDL8401

sd/-
Shrikant Bhangdiya
 Managing Director
 DIN: 02628216

sd/-
Sonal Bhangdiya
 Director
 DIN:03416775

Place : Nagpur
 Date: 30.05.2022

sd/-
Anil Khawale
 Chief Financial Officer

sd/-
Shalinee Singh
 Company Secretary

SOBHAYGYA MERCANTILE LIMITED
CIN NO: L45100MH1983PLC031671

Statement of Changes in Equity for the period ended 31.03.2022

(In Lakhs)

Particulars	Equity Share Capital	Other Equity				Equity Instruments through Other Comprehensive Income	Total
		Reserves and Surplus					
		Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings		
Profit / (Loss) for the year					(4.37)	(4.37)	
Balance as at 31st March, 2019	24.00				(12.90)	(4.85)	(17.75)
Changes during the year							-
Comprehensive income (Net) for the year						(1.92)	(1.92)
Profit / (Loss) for the year					589.43		589.43
Balance as at 31st March, 2020	24.00				576.53	(6.77)	569.76
Changes during the year						(1.17)	(1.17)
Comprehensive income (Net) for the year						4.69	4.69
Profit / (Loss) for the year					790.78		790.78
Balance as at 31st March, 2021	24.00				1,367.31	(3.25)	1,364.06
Changes during the year							-
Comprehensive income (Net) for the year						1.91	1.91
Earlier year Provision					0.16		0.16
Profit / (Loss) for the year					1,095.94		1,095.94
Balance as at 31st March, 2022	24.00				2,463.40	(1.34)	2,462.06

As per our report of even date,
For Joshi & Shah
Chartered Accountants
FRN.- 144627W

sd/-
Jaydip Joshi
Partner
Membership No.170300
UDIN :22170300AIYSDL8401

Place : Mumbai
Date : 30.05.2022

For and on behalf of the board of Directors

sd/-
Shrikant Bhangdiya
Managing Director
DIN: 02628216

sd/-
Sonal Bhangdiya
Director
DIN:03416775

sd/-
Anil Khawale
Chief Financial Officer

sd/-
Shalinee Singh
Company Secretary

Notes To Standalone Financial Statements

1 Reporting entity

SOBHAYGYA MERCANTILE LIMITED (the 'Company') is a company domiciled in India, with its registered office situated B-61, FLOOR 6, Plot No.210 B Wing Mittal Tower Free Press Journal Marg, Nariman Point, Mumbai-400021. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on Bombay Stock Exchange (BSE) in India. The Company is primarily involved in Engineering Consultancy and Metal(Aggregate) Sales.

2 Basis of preparation of Financial Statements

A Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

C Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which have been measured at fair value as described below :

Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1) In the principal market for the asset or liability, or
- 2) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

D Use of estimates and judgments

In preparing these standalone financial statements, the Company has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Note 4 - useful life of property, plant and equipment

3 Significant accounting policies

a. Property, plant and equipment

i *Recognition and measurement*

Items of property, plant and equipment, are measured at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

ii **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii **Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using Reducing Balance Method over the useful lives of assets estimated by the Company based on an internal technical evaluation performed by the Company and is recognised in the Statement of Profit and Loss.

Assets acquired under lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Depreciation for assets purchased / sold during the period is proportionately charged. The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life
Plant and equipment	7.5 - 15 years
Motor vehicles	8 years
Furniture and fixtures	10 years
Office equipment	5 years
Buildings	30 - 60 years
Leasehold land	Lease period

Freehold land is not depreciated.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. **Capital work-in-progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

b. **Impairment**

i. **Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

ii **Non-financial assets**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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 increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

c. **Leases**

Effective from 1 April 2019, the Company has applied Ind AS 116, which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. The Company has applied Ind AS 116 using the modified retrospective approach and has accordingly not restated the comparative information.

The Company at the inception of a contract assesses whether a contract, is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Ind AS 116 introduces a single balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. On the Balance Sheet, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in borrowings and other financial liabilities.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life or the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

d. **Inventories**

Inventories are valued at the lower of cost and estimated net realizable value, after providing for obsolescence, where appropriate. The comparison of cost and net realizable value is made on an item-by-item basis. The net realizable value of materials in process is determined with reference to the selling prices of related finished goods

Raw materials, packing materials and stores and spares are valued at cost computed on moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

Work-in-progress is valued at input material cost plus conversion cost as applicable.

Finished goods and stock-in-trade are valued at the lower of net realizable value and cost, computed on a moving weighted average basis.

e. **Financial instruments**

i. **Recognition and initial measurement**

The Company initially recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. 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.

ii. **Classification and subsequent measurement**

Financial assets

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortised 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.

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.

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.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. 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.

Investment in subsidiaries, joint venture and associates

Investment in equity shares in subsidiaries, joint venture and associates is carried at cost in the financial statements.

iii. **Derecognition**

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognized in the Statement of Profit and Loss.

iv. **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

f. **Revenue recognition**

The Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

(i) Sale of goods and Services :

Revenue is recognized when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the governments which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is recognized when the return period lapses or a reasonable estimate can be made. A refund liability and an asset for recovery is recognized for these contracts and presented separately in the balance sheet.

(ii) Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Profit and Loss.

g. Income tax

Income tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

i. Provisions and contingent liabilities

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

j. Employee benefits

The company has not provided for Gratuity and Leave encashment benefits till 31.03.2020. The retirement benefits will be debited as and when paid.

k. Cash and cash equivalents

Cash and cash an equivalent includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

L. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

m Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

n. **Foreign Exchange Transactions**

a) Transactions in Foreign Currency are accounted at the exchange rate prevailing on the date of Transactions. Exchange fluctuations between the transaction date and the settlement date in respect of Revenue Transactions are recognized in Profit & Loss Account.

b) All export proceeds not realised at the year end are restated at the rate prevailing at the year end. The exchange difference arising there from has been recognised as income / expenses in the Current Year's Profit & Loss A/c along with underlying transaction.

c) The premium or discount arising at the inception of forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

SOBHAYGYA MERCANTILE LIMITED
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Schedule 4 : Fixed Assets
For year ended on 31.3.2022

(In Lakhs)

Block No.	DescriptionOf Assets/Block of Assets	GROSS BLOCK			DEPRECIATION					NET BLOCK		
		As on	Addition/	As on	As on	For The	Adjustment	As on	Sale	Profit	As on	As on
		1.04.2021	Deduction	31.03.2022	1.04.2021	Year	for sale	31.03.2022	Amount	(Loss)	31.03.2022	31.03.2021
A	Plant & Machinery	194.70	2.71	197.41	49.74	33.33	-	83.07	-	-	114.34	144.95
1	Conveyor Belts	0.29	-	0.29	0.09	0.04	-	0.13	-	-	0.15	0.20
2	Crusher Herqlis Rock Breaker HQ	9.50	-	9.50	2.74	1.49	-	4.24	-	-	5.26	6.76
3	Crusher Plant	71.27	-	71.27	21.86	10.91	-	32.77	-	-	38.50	49.41
4	Electrical Fitting & Installation	31.01	2.71	33.72	10.84	5.70	-	16.54	-	-	17.18	20.17
5	Electrical Motors	0.33	-	0.33	0.12	0.05	-	0.17	-	-	0.16	0.21
6	Tools and Equipments	0.57	-	0.57	0.32	0.11	-	0.43	-	-	0.13	0.24
7	Weigh Bridge	4.46	-	4.46	1.37	0.68	-	2.05	-	-	2.41	3.09
8	Tandem Roller	75.00	-	75.00	12.30	13.85	-	26.15	-	-	48.85	62.70
9	Hydraulic roll cleaning broomer	1.40	-	1.40	0.06	0.30	-	0.36	-	-	1.04	1.34
10	Pipe- Compresure FB	0.88	-	0.88	0.04	0.19	-	0.22	-	-	0.66	0.84
B	Office Equipments	3.27	5.18	8.44	1.39	0.81	-	2.20	-	-	6.24	1.87
1	CC TV Installation	0.45	-	0.45	0.24	0.09	-	0.33	-	-	0.11	0.20
2	Invertor & Batteries	0.86	-	0.86	0.48	0.17	-	0.65	-	-	0.21	0.39
3	Ac and Led TV	1.96	5.18	7.13	0.67	0.54	-	1.21	-	-	5.92	1.28
C	Computer & Peripherals	16.00	1.40	17.41	3.39	8.04	-	11.44	-	-	5.97	12.61
1	Computer	3.56	-	3.56	1.90	1.12	-	3.03	-	-	0.53	1.66
2	Software	12.44	1.40	13.85	1.49	6.92	-	8.41	-	-	5.44	10.95
D	Leasehold Asset	30.05	-	30.05	15.02	10.02	-	25.04	-	-	5.01	15.02
		244.01	9.29	253.30	69.56	52.19	-	121.74	-	-	131.56	174.46

SOBHAYGYA MERCANTILE LIMITED
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Notes Forming part of Balance Sheet for year ended on 31.3.2022

(In Lakhs)

5	NON-CURRENT INVESTMENTS	Face Value (Rs.)	As at March 31, 2022		As at March 31, 2021	
			Quantity Nos.	Rs.	Quantity Nos.	Rs.
	Other Investments					
	Investment measured at fair value through other comprehensive income					
	In Equity Shares - Quoted, Fully paid up					
	Arvind Limited (Formerly Arvind Products Ltd.)	10	90	0.10	66	0.06
	Arvind Fashions Ltd. (Issued 1 share for 5 share of Arvind Ltd.)	4	18	0.05	139	0.03
	Anveshan Heavy Engg Ltd (The Anup Engg. Ltd.) (issued 1 share for 27 shares of Arvind Ltd.)	10	3	0.02	570	0.02
	Arvind Smartspaces Limited	10	9	0.02	97	0.01
	GSL Securities Limited	10	39,200	2.41	4	1.68
	ICICI Bank Limited	2	55	0.40	581	0.32
	Jai Prakash Associates Limited	2	7,500	0.62	7	0.52
	BPCL (Issued in lieu of 100 shares of Kochi Refinery Ltd.)	10	264	0.95	428	1.13
	Orkay Industries Limited	10	550	-	-	-
	Steel Authority of India Limited	10	5,500	5.42	79	4.34
	Total Non-Current Investments			10.00		8.09
5.1	Category-wise Non Current Investment					
	Financial Assets measured at cost			453.50		1,264.03
	Financial Assets carried at Amortised cost			-		-
	Financial Assets measured at Fair Value through Other Comprehensive Income			10.00		8.09
	Financial Assets measured at Fair Value through Profit and Loss			-		-
	Total Non-Current Investments			463.50		1,272.12
	LOANS					
	Other Loans and Advances (Unsecured, considered good)			-		-
	Total			-		-
6	Deffered Tax Assets					
	Deffered Tax Assets			0.15		-
				0.15		-
7	Trade Receivables					
	Trade receivables (considered good)			1,128.47		1,496.92
				1,128.47		1,496.92
	Particulars					
	(i) Undisputed Trade receivables - considered goods					
	Not Due			-		-
	Less than 6 month			1,068.18		1,339.20
	6 month- 1 year			1.25		59.19
	1 - 2 Years			59.05		98.53
	2 -3 Years			-		-
	More than 3 Years			-		-
	Total			-	-	1,496.92

SOBHAYGYA MERCANTILE LIMITED
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8 CASH AND CASH EQUIVALENTS		As at March 31, 2022		As at March 31, 2021	
Cash on Hand			2.63		4.21
Balance with Banks :					
RBL Ltd			0.25		0.25
Bank of Maharashtra			0.83		187.38
Union Bank of India			-		-
Total			3.71		191.84
9 Other Financial Asset		As at March 31, 2022		As at March 31, 2021	
Deposit			0.30		0.30
Advance To Employees			2.01		1.27
Advance to Related Parties			525.16		22.57
Other Loans and Advances			70.62		19.74
			598.09		43.88
10 Other current Asset		As at 31st March, 2022		As at 31st March, 2021	
Loan to Related Parties			2,593.30		-
Total			2,593.30		-
Type of Borrower		Amount of loan	% of Total Loan		
Promoters		-	0.00%		
Directors		-	0.00%		
KMPs		-	0.00%		
Related parties		2,593.30	100.00%		
		2,593.30	100%		
11 Other current Asset		As at 31st March, 2022		As at 31st March, 2021	
TDS Receivable			24.13		14.20
TCS Receivable			4.48		3.04
Income Tax Refund Receivable			18.04		18.65
GST & Royalty			185.60		110.74
Advance To Suppliers			48.53		164.48
Dividend Receivable			0.00		-
Total			280.77		311.10
12 SHARE CAPITAL		As at March 31, 2022		As at 31st March, 2021	
		Quantity Nos.	Rs. In Lakhs	Quantity Nos.	Rs. In Lakhs
Authorised share capital					
Equity Shares of Rs. 10/- each		50,00,000	500.00	50,00,000	500
			500.00		500
Issued Capital :					
Equity Shares of Rs. 10/- each		2,40,000	24.00	2,40,000	24
			24.00		24
Subscribed and fully paid up Capital :					
Equity Shares of Rs. 10/- each		2,40,000	24.00	2,40,000	24
Subscribed but not fully paid up Capital :					
Equity Shares of Rs. 10/- each		-	-	-	-
Total			24.00		24

SOBHAYGYA MERCANTILE LIMITED
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12.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year :					
		As at March 31, 2022		As at 31st March, 2021	
		No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Shares outstanding at the beginning of the year		2,40,000	24.00	2,40,000	24.00
Add: Shares issued during the year		-	-	-	-
Less: Shares bought back during the year		-	-	-	-
Shares Outstanding at the end of the year		2,40,000	24.00	2,40,000	24.00
12.2 Details of Calls unpaid					
		As at March 31, 2022		As at 31st March, 2021	
		No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Equity Shares with voting rights					
- By Directors		-	-	-	-
- By Officers		-	-	-	-
- By Others		-	-	-	-
Total Unpaid Calls		-	-	-	-
12.3 Terms/Rights attached to equity shares:					
The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. During the year ended 31st March 2022, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2021 Rs. Nil)					
12.4 Details of Equity shareholders holding more than 5 % shares in the Company					
		As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares held	% of holding	No. of Shares held	% of holding
Manisha Maniyar		14,457	6.02	14,457	6.02
Shrikant Bhangdiya		25,002	10.42	25,002	10.42
Megha Bhangdiya		14,457	6.02	14,457	6.02
Aarti Bhangdiya		14,457	6.02	14,457	6.02
Sonal Bhangdiya		14,457	6.02	14,457	6.02
12.5 Shareholding of Promoters and Promoters Entity					
		As at 31st March, 2022		As at 31st March, 2021	
		No. of Shares held	% of holding	No. of Shares held	% of holding
Manisha Maniyar		14,457	6.02	14,457	6.02
Shrikant Bhangdiya		25,002	10.42	25,002	10.42
Megha Bhangdiya		14,457	6.02	14,457	6.02
Aarti Bhangdiya		14,457	6.02	14,457	6.02
Sonal Bhangdiya		14,457	6.02	14,457	6.02
13 OTHER EQUITIES					
		As at 31st March, 2022		As at 31st March, 2021	
<u>Retained Earnings</u>					
As Per last Balance Sheet			1,367.31		576.53
Add / (Less) : Earlier Year Provision			0.16		-
Add / (Less) : Profit/(Loss) for the year			1,095.94		790.78
Balance at end of the reporting period			2,463.40		1,367.31
Equity instruments through other comprehensive income (FVTOCI Reserve)					
As Per last Balance Sheet			(3.25)		(6.77)
Add / (Less) : Movement in OCI (Net) during the year			1.91		3.52
Balance at end of the reporting period			(1.34)		(3.25)

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		As at 31st March, 2022		As at 31st March, 2021	
14	Borrowings- Non Current				
	Term Loan - From Banks		4.94		32.67
	GECL (MSME) - From Banks		127.10		
	Total		132.04		32.67
14.a	Term Loan from Banks are Construction Equipment Loan obtained from Kotak Mahindra Bank Limited secured by First Charge on corresponding equipment financed . Term Loan is repayable in 35 equal insallment with maturity date of June 2023 and rate of Interest of 8.55%				
	GECL MSME loan is sanctioned by Bank of Maharashtra with tenure of 48 Months . The Rate of Interest is 8.05% and Monthly repayment obligation Is Rs 4.05 Lakhs.				
15	Lease Liability- Non Current				
					5.71
			-		5.71
16	Deferred Tax Liabilities				
	Deferred tax Liability		-		3.14
	Total		-		3.14
16.a	Movement of Deferred Tax Liability				
	Opening balance of Deferred Tax Liability(Net)		3.14		0.48
	Net Deferred tax liability Recognized during the reporting period of difference in depreciation in block of fixed assets as per tax books and financial books, net of Deferred Tax being deprecation loss unabsorbed during the year recognized.		3.29		2.66
	Net Balance(Deferred Tax Asset)		0.15		3.14
17	Borrowings- Current				
	Unsecured Loans From:-				
	Related Parties		90.00		105.02
	(Repayable on demand)				
	Working capital Loan from Bank		-		497.64
	Current Maturities of Loan term Debt		27.72		23.64
	Total		117.72		626.29
17.a	Working Capital Loan repayable on demand to be renewed annually and is secured in favour of Lending Bank by way of :- (a) First Charge against hypothecation of Stock , Works in progress and Receivables (b) Mortgage of Properties in the name of Director (c) Rate of Interest linked with RLLR				
18	Trade Payable				
	Sundry Creditor For Transportation		355.73		81.01
	Sundry Creditor Professional		95.31		96.10
	Sundry Creditors Fixed Assets		4.28		4.30
	Sundry Creditors for Contractors		973.86		33.17
	Sundry Creditors for Expenses		180.45		293.19
	Sundry Creditors for Diesel		50.72		28.18
	Sundry Creditors for Stores		315.05		700.96
	Total		1,975.40		1,236.92
	Particulars				
	Undisputed dues				
	Not Due		-		-
	Less than 1 Year		1,860.75		1,143.52
	1 - 2 Years		40.73		93.40
	2 - 3 Years		73.92		-
	More than 3 Years		-		-
	Grand Total		-		1,236.92
19	Lease Liability				
	Lease Liability		5.71		10.39
			5.71		10.39
20	Other Financial Liabilities				
	Legal & Publication Charges Payable		-		0.01
	Share Transfer & Demat Exps. Payable		-		0.19
	Director Salary Payable		-		-
	Bills in Transit		-		34.86
	Electricity Charges payable		-		1.74
	Salary payable		-		7.96
			-		44.77

SOBHAYGYA MERCANTILE LIMITED
CIN NO: L45100MH1983PLC031671

		As at 31st March, 2022		As at 31st March, 2021	
21	Provisions				
	Provision for Taxation		326.38		132.90
	Provision for Audit fees		1.10		1.02
	Provision For CSR		3.47		-
	Total		330.95		133.92
22	Other Current Liabilities				
	TDS Payable		56.11		10.80
	TCS Payable		1.94		-
	E.P.F. Payable		0.46		0.35
	Maharashtra Labour Welfare Fund		0.01		0.01
	GST Payable		70.72		3.22
	Profession Tax payable		0.68		0.47
	Advances Received From Customers		0.78		-
	Rent Payable		1.75		-
	Electricity Charges payable		4.21		-
	Salary payable		14.10		-
	Withheld For Quantity Reconciliation		37.54		-
	Total		188.29		14.85

SOBHAYGYA MERCANTILE LIMITED
CIN NO: L45100MH1983PLC031671

Notes forming part of Profit and Loss Statement for period ended on 31.03.2022

(In Lakhs)

23	Revenue From Operations	<u>As of 31st March 2022</u>		<u>As of 31st March 2021</u>	
	Revenue from Engineering Consultancy		1,031.85		307.42
	Metal Sale		5,623.73		3,512.24
	Total		6,656		3,820

24	OTHER INCOME	<u>As of 31st March 2022</u>		<u>As of 31st March 2021</u>	
a	<u>Dividend Income :</u>				
	From Long Term Investments		0.18		0.04
b	Sundry Balances W/Off		3.51		-
c	Share of profit from investment in firm		502.62		417.72
	Total		506		418

25	Cost of material consumed	<u>As of 31st March 2022</u>		<u>As of 31st March 2021</u>	
	Cost of material purchased		2,555.54		1,375.62
	Total		2,555.54		1,375.62

26	Employee Benefit Expense	<u>As of 31st March 2022</u>		<u>As of 31st March 2021</u>	
	Salaries and wages		185.43		130.68
	Total		185.43		130.68

27	Change in inventory	<u>As of 31st March 2022</u>		<u>As of 31st March 2021</u>	
	Opening stock		6.40		0.18
	Closing stock		36.61		6.40
	Change in inventory		-30.21		-6.22

28	Finance cost	<u>As of 31st March 2022</u>		<u>As of 31st March 2021</u>	
	Interest on Lease Liability		1.61		2.55
	Interest on TDS		0.98		2.98
	Interest on Loan		46.33		11.65
	Interest to Others		0.00		0.05
	Total		48.93		17.23

29	Other Expense	As of 31st March 2022		As of 31st March 2021	
	Rent Rates and taxes		2.40		2.55
	Power & Fuel		225.71		170.22
	Printing and stationery		0.42		0.22
	Legal and Professional charges		25.42		13.31
	Office Expense		0.21		0.09
	Consultancy Charges for DP, Survey & Mapping		70.17		274.65
	Crusher Handling Expenses		379.62		499.08
	Crusher Site Expenses		80.85		35.65
	Drilling & Blasting Charges		239.54		53.06
	Tender Fees		0.11		-
	Sub Contractor Charges		957.65		-
	Subscription & Donation		3.00		-
	Service Charges		0.19		0.90
	Royalty Expenses		316.55		196.13
	Penalties & late Fees		-		2.60
	Vehical Hire Charges		21.87		77.73
	Miscellaneous expenses		13.80		1.18
	Repair & Maintanance		6.25		10.70
	Travelling Expense		1.50		-
	Transportation Expense		634.69		360.93
	Bank Charges		3.00		5.44
	Insurance expense		0.36		0.37
	Processing and Job charges		19.65		16.42
	Electricity expenses		40.75		21.42
	Payments to auditors:-				
a	For Statutory Audit		1.10		1.10
	Total		3,044.80		1,743.76

Other Notes to the Financial Statements for the year ended 31st March, 2022

Contingent Liabilities Not Provided For		31.03.2022	31.03.2021
a.	Estimated amount of contracts remaining to be executed on capital account	Nil	Nil
b.	Claims against company not acknowledge as debt	Nil	Nil
31	Foreign Exchange earnings and out-go is Rs. NIL (P.Y. NIL)		
32	Segment Information for the period ended on 31st Mar 2022		
	Particulars	31.03.2022	31.03.2021
1	Segment Value of Sales and Services		
	Engineering Consultancy Segment	1,031.85	307.42
	Metal Sale (Stone Crusher) Segment	5,653.94	3,512.24
	Gross Value of Sales & services	6,685.79	3,819.66
	Less: Inter Segment Transfer value of Sales and Services	-	-
	Less: GST Recovered	-	-
	Revenue from operations	6,685.79	3,819.66
2	Segment Results (EBDITA)		
	Engineering Consultancy Segment	74.20	208.74
	Metal Sale (Stone Crusher) Segment	1,427.89	445.35
	Total Segment Profit before Interest, Depreciation, Tax and Amortization	1,502.10	654.09
3	Segment Results (EBIT)		
	Engineering Consultancy Segment	74.20	208.74
	Metal Sale (Stone Crusher) Segment	1,375.70	394.92
	Total Segment Profit before Interest and Tax	1,449.91	603.65
	(i) Finance cost	-48.93	-17.79
	(ii) Other Income	506.31	417.74
	(iii) Other Unallocable Expenses	-600.18	-77.69
	Profit Before Tax	1,307.12	925.91
	(i) Current Tax	209.28	134.20
	(ii) Deferred Tax	-	-
	Profit After Tax	1,097.84	791.71
4	Segment Asset		
	Engineering Consultancy Segment	248.07	55.80
	Metal Sale (Stone Crusher) Segment	880.40	1,536.05
	Unallocable Assets	4,058.94	1,904.88
	Total Segment Asset	5,187.42	3,496.72
5	Segment Laibilities		
	Engineering Consultancy Segment	95.31	96.10
	Metal Sale (Stone Crusher) Segment	319.33	817.05
	Unallocable Liabilities	2,286.71	2,559.57
	Total Segment Laibilities	2,701.36	3,472.72

33 **Disclosure requirements as per Indian Accounting Standard "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.**

List of Related Parties:

Related party in which directors are interested

Balaji Stone Crusher & Infrastructure Pvt Ltd.

Kitadi Torgaon Highway Pvt. Ltd.

Mahendra Construction

Mks Acme-Build Pvt Ltd

Mks Constro Venture Pvt. Ltd.

Mks Flexituff Ltd.

Mks Industries

Mnec - Mks (Jv)

Mul Podsa Roadways Pvt Ltd

Shankarpur Chimur Highway Pvt Ltd

Shanta Infraventure

Surbodi Bhisi 167 Highway Pvt. Ltd.

Associates / Firms where in Company is Partner

B. K. Buildcon

Hps Construction

R.B. Infra

Shanta Infraventure

Key Managerial Personnel

Shrikant Bhangdiya - Managing Director

Mrs Sonal Bhangdiya - Director

Relatives of Key Managerial Personnel

Aarti Bhangdiya - Wife of Director

Kirti Kumar Bhangdiya

M G Bhangdiya

Directors are Trustees in the Trust

Bhangdia Foundation

Name of the Party	Nature of transaction	March 31, 2022	March 31, 2021
Mr. Shrikant Bhangadiya	Managerial Remuneration	60.00	20.00
Mrs. Sonal Kirtikumar Bhangadiya	Managerial Remuneration	14.00	12.00
MKS Acme Build Private Limited	Interest free loan		0.00
	- taken	5.50	195.75
	- repaid	6.50	397.77
MKS Constro Venture Private Limited	1.Sales	140.17	20.74
	2.Purchase		65.00
	3.Loan		
	- Taken	1756.65	481.28
	- Repaid	1821.41	727.92
MKS Flexituffs Limited	Advance		0.00
	-Given	114.5	46.00
	-Repaid	157.01	7.08
MNEC - MKS (JV)	Sales	375.6	159.00
BK Buildcon	Share of Profit	236.97	95.11
	Investment made		65.00
	Sales	2,480.27	882.98
	3.Loan		
	-Given	280.42	0.00
	- Repaid	168.35	0.00
HPS Construction	Sales	775	257.49
	Share of Profit	30.9729	75.53
	Investment Made		157.00
	3.Loan		
	-Given	146.41	
RB Infra	- Repaid	316.98	
	Share of Profit	226.71	112.54
	Investment Made	463.06	333.24
Shanta Infraventure	Sales	2,194.65	1909.23
	Share of Profit	7.97	134.54
	Investment Made	63.09	119.29
	Sales	23.26	436.14
Mahendra Construction	Purchase	162.1265	140.99
	Advance against Services		162.13
Balaji Stone Crusher & Infrastructure Pvt Ltd.	Loan Given	0.5	5.00
Bhangdia Foundation (L & A)	Loan Given	3	1.50
Shrikant Bhangdiya	Loan		0.00
	Taken	120.59	10.80
	Repaid	120.59	59.42
Aarti Bhangdiya	Loan	0	0.00
	Taken	0	3.00
	Repaid	0	3.00
Lokshahi Publication Pvt. Ltd.	Loan	0	0.00
	Taken	0	6.00
	Repaid	0	6.00
Kirtikumar Bhangadiya-USL	Loan	0	0.00
	Taken	0	5.70
	Repaid	0	5.70

Balance of related party for the year ended 31st March 2022

Related Party	Closing Balance	Closing Balance
	31.03.2022	31.03.2021
	In Lakhs	In Lakhs
Balance at the End of the Year		
1. Related party in which directors are interested	2958.89	260.14
2. Joint Venture		
3. Partnership firms	1778.83	2574.17
4. relatives of Directors or Directors in a company		
5. Directors are Trustees in the Trust		1.5

34 **Financial Instruments**

Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in Note 2.

Financial Instruments - fair values and risk management

Particulars	FVTPL	FVTOCI	March 31, 2022
			Carrying Amount
Financial Assets			
Investments – Non current		10.00	453.50
Loans – Non Current			
Cash and Cash Equivalents			3.71
Other Financial Assets			598.09
Financial Liabilities			
Borrowings- Current			117.72
Trade payables – Current			1,975.40
Other Financial Liabilities			0

Particulars	FVTPL	FVTOCI	March 31, 2021
			Carrying Amount
Financial Assets			
Investments – Non current	-	8.09	1,264.03
Loans – Non Current	-	-	-
Cash and Cash Equivalents	-	-	191.84
Other Financial Assets	-	-	43.88
Financial Liabilities			
Borrowings- Current	-	-	602.65
Trade payables – Current	-	-	1,236.92
Other Financial Liabilities	-	-	44.77

35 **Financial Risk Management Objectives and Policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies

Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The company manages market risk through a risk management committee engaged in, inter-alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy on a yearly basis

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management

The company is not exposed to significant interest rate risk as at the respective reporting dates

Foreign currency risk

The company is not exposed to significant interest rate risk as at the respective reporting dates.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.

36 **Deferred taxes on Income**

The company is entitled to create deferred tax asset/ liability in the books of A/cs with respect to timing difference of carried forward business and depreciation losses as well as depreciation.

Particulars	March 31, 2022	March 31, 2021
Opening balance of Deferred Tax Liability(Net)	3.14	0.48
Net Deferred tax Recognized during the reporting period of difference in depreciation in block of fixed assets as per tax books and financial books, net of Deferred Tax being depreciation loss unabsorbed during the year recognized.	3.29	2.66
Net Balance (Deferred Tax Asset)	0.15	3.14

37 Disclosure As per IND-AS 116

a. Right to use Assets

The right to use asset for lease assets is recognized as under :-

Particular	2022	2021
a. Gross Carrying Amount		
Opening/Recognized	30.05	30.05
Additions/Disposals	-	-
Balance as at the Year End	30.05	30.05
b. Accumulated Depreciation		
Opening	15.02	5.01
Depreciation for the year	10.02	10.02
Balance as at the Year End	25.04	15.02
c. Net carrying Amount as at the Year End	5.01	15.02

b. Lease Liability

Particular	2022	2021
a. Maturity Analysis - Contractual undiscounted Cash Flows		
Less than one year	6.00	12.00
One to five years	-	6.00
Total Undiscounted Liabilities	6.00	18.00
b. Lease Liability included in The Financial Statements		
Current	5.71	10.39
Non - Current	-	5.71
Total	5.71	16.10

c. Amount recognized in Profit and Loss account

Particular	2022	2021
Interest on Lease Liability	1.61	2.55

38 In the absence of confirmation from some of the parties and pending reconciliation the debit and credit balances with regard to recoverable and payable have been taken as reflected in the books. In the opinion of the Directors, Loans and Advances and Current Assets, if realized in the ordinary course of business, have the value at which they are stated in the Balance Sheet.

39 As per Accounting Standard 20 "Earning Per Share" issued by Institute of Chartered Accountant of India the Company gives following disclosure for the year.

Basic & Diluted Earning per shares

Particulars		March 31, 2022	March 31, 2021
Net Profit Attributable to Shareholders	Rs. In Lakhs	1,097.84	794.30
Weighted average number of equity shares	No.	2,40,000	2,40,000
Nominal Value per share	Rs.	10	10
Earning per share	Rs.	457.43	330.96

40 The figures of the previous year have been regrouped and recast wherever necessary to confirm to the groupings of the current year

41 Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force in October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company is in the process of compiling information from its suppliers regarding their status as per the provisions of "Micro, Small and Medium Enterprise Development Act 2006". Thus, the relevant information is not readily available, no disclosures have been made in the Books of Accounts

Recent Amendments

Ministry of Corporate Affairs (MCA), vide notification dated March 23,2022, has made the following amendments to Ind AS which are effective from April 1, 2022:

- 42 Ind AS 109 : Annual Improvements to Ind AS (201)
 Ind AS 103 : Reference to Conceptual Framework
 Ind AS 37 : Onerous Contracts - Costs of Fulfilling a Contract
 Ind AS 16 : Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements

43 **Ratios**

Particular (Formula)	March 31, 2022	March 31, 2021	Variance
a) Current Ratio (Current Asset/ Current Liability)	1.79	0.99	0.81
b) Debt Equity ratio (TotalDebt/ Shareholders Equity)	0.08	0.47	-0.83
c) Debt Service Coverage Ratio (Earnings before Interest, Tax, Depreciation & Amortisation/Interest and Principal Repayment)	19.38	24.31	-0.20
d) Return on Equity (Profit After Tax / Average Shareholders Equity)	0.57	0.80	-0.29
e) Inventory Turnover Ratio (Revenue from Operation / Average Inventory)	309.47	1,161.63	-0.73
f) Trade Receivable Turnover Ratio (Revenue from Operations / Average Trade Receivables)	5.07	4.22	0.20
g) Trade Payable Turnover Ratio(Total purchases / Average Trade Payables)	1.59	1.82	-0.13
h) Net Capital Turnover Ratio (Revenue from Operations / Net Working Capital)	3.28	-224.69	-1.01
i) Net Profit Ratio (Profit After Tax / Revenue from Operations)	0.16	0.21	-0.20
j) Return on Capital Employed (Profit before tax and Interest / Capital Employed)	0.50	0.46	0.09
k) Return on Investment	NA	NA	NA

Explanation

- 1) Current Ratio has significantly improved due to improvement in Current Assets.
- 2) DE ratio has improved due to reduction in Debt
- 3) Return on Equity has reduced due to Increase in Equity base
- 4) Inventory Turnover has reduced due to Increase in average Inventory Holding.
- 5) Net Working Capital Ratio has improved due to Working capital has turned positive.
- 6) NP Ratio has reduced due to significant increase in turnover .

44 Disclosure Under Section 135 of the Companies Act: CSR

Particulars	Amount In lakhs
Amount required to be spent during the year	11.33
Amount of expenditure incurred	12.00
Shortfall at the end of the year	Nil
Total of previous year shortfall	4.24
Reason for shortfall	Due to the outbreak of COVID-19.
Nature of CSR activities	Education, oxygen plant ,Women Empowerment
Details of related party transactions; contribution to trust controlled by company as per AS	Bhangdiya Foundation

Where a provision is made w.r.t. liability incurred, the movement in provision during the year should be shown separately	
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- a The title in respect of self-constructed buildings and tile deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Financial Statements included under Property, Plant and Equipment are held in the name of the Company.
- b. The Company does not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- c The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- d The Company does not have any transactions with struck-off companies.
- e The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- f The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- g The Company has not advanced or loaned or invested funds to any other person(s) or
i. 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
ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
i. 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
ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- j The Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.

As per our report of even date,
For **Joshi & Shah**
Chartered Accountants
FRN.- 144627W

For and on behalf of the board of Directors

sd/-
Jaydip Joshi
Partner
Membership No.170300
UDIN :22170300AIYSDL8401

sd/-
Shrikant Bhangdiya
Managing Director
DIN: 02628216

sd/-
Sonal Bhangdiya
Director
DIN:03416775

Place : Mumbai
Date : 30.05.2022

sd/-
Anil Khawale
Chief Financial Officer

sd/-
Shallnee Singh
Company Secretary