



ANNUAL REPORT 2021-22

Mercantile Ventures Limited

BOARD OF DIRECTORS

Mr AL. Chandramouli Director (DIN: 02299091)
Mr B. Narendran Director (DIN:01159394)
Ms Sashikala Srikanth Director (DIN:01678374)
Mr. G D Sharma Director (DIN: 08060285)
Mr. K Gopalakrishnan Director (DIN: 00621061)
Mr E.N. Rangaswami Whole-time Director (DIN: 06463753)

CHIEF FINANCIAL OFFICER

Mr V. Padmanabha Sarma

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms V. Padmapriya

REGISTRARS AND SHARE TRANSFER AGENT

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

REGISTERED OFFICE

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

AUDITORS

M/s. DPV & Associates
"Sri Ranga", First Floor,
New no.151, Mambalam High Road, T. Nagar,
Chennai – 600 017.

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty first Annual General Meeting of **MERCANTILE VENTURES LIMITED** will be held on Thursday, **22nd September, 2022 at 3.00 PM** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company and other Reports for the year ended 31st March, 2022 by passing the following as an **Ordinary Resolution**:

“RESOLVED THAT

- a. The audited standalone financial statements of the Company for the year ended 31st March 2022 and the Reports of the Board of Directors and Auditors thereon
 - b. The audited consolidated financial statements of the Company for the year ended 31st March 2022 and the Reports of the Auditors thereon; be and are hereby received and adopted.”
2. To appoint a Director in place of Mr. E N Rangaswami (DIN:06463753), who retires by rotation and being eligible, offers himself for re-appointment, by passing the following as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to section 152 and other applicable provisions, if any of the Companies Act, 2013, Mr. E N Rangaswami (DIN: 06463753), Whole-time Director who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

3. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**.

“**RESOLVED** that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Venkatesh & Co, Chartered Accountants (Firm Registration No. 004636S) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Twenty Sixth AGM to be held in the year 2027, at a remuneration of Rs. 4,50,000 (Rupees Four Lakhs and Fifty Thousand only) plus reimbursement of out of pocket expenses and applicable taxes.”

SPECIAL BUSINESS

4. To approve the increase in remuneration to Mr. E N Rangaswami (DIN: 06463753), Whole Time Director, by passing the following **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and subject to such other approvals as may be required, consent of the Members is accorded for the increased remuneration to Mr. E N Rangaswami (DIN: 06463753), Whole Time Director as shown below:

- a. Total annual remuneration shall be Rs. 60 lakhs (Rupees Sixty lakhs only) which includes all other allowances.
- b. Contribution to Provident and other Funds, gratuity, leave with salary and encashment thereof, and other benefits shall be in accordance with the applicable law / service rules of the Company.
- c. In the event of loss or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration payable to Mr. E N Rangaswami.
- d. The contribution to provident fund, gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of ceiling for the aforesaid minimum remuneration.
- e. The aforesaid revised remuneration shall be effective from 1st April 2022.
- f. All the other terms and conditions of appointment and remuneration shall remain the same.”

5. To approve the increase in limits to give loans, provide guarantees, to make investment and to acquire securities under Section 186 of the Companies Act by passing the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), read with Rule 13 of the Companies (Meeting of Board and its powers) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, and such other approvals as may be required in that behalf, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) to give loans from time to time on such terms and conditions as it may deem expedient to any person or any bodies corporate, to provide guarantee or security in connection with a loan to any Body corporate or person and to make investment or to acquire by way of subscription, purchase or otherwise the securities of any other body corporate, up to an aggregate sum of Rs. 600 crores, over and above the limits calculated under section 186 (3) notwithstanding that the aggregate outstanding of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate the terms and conditions of the above said investments, loan(s), security(ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

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

“RESOLVED that pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and all other applicable laws and regulations as may be applicable, the approval of the Members be and is hereby accorded for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) which is material in nature under Reg 23 of SEBI (LODR) Regulations 2015 with Cenotaph Developers LLP, a ‘Related Party’ of the Company as per IND AS for Rs. 3,025.00 Lakhs towards receipt of investments due to cancellation of allotment of apartments till 31st March 2022 and Rs.1,475 Lakhs during the FY 2022-23 which would be in excess of 10% of the annual consolidated turnover as per the Company’s last audited financial statements as on 31st March 2021 and 31st March 2022 respectively provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm’s length basis and are in the ordinary course of business of the Company.”

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

“RESOLVED that pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and all other applicable laws and regulations as may be applicable, the approval of the Members be and is hereby accorded for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with the subsidiary India Radiators Limited (IRL), a ‘Related Party’ of the Company as per Section 2(76) of the Companies Act, 2013, and IND AS 24, entered into during the year 2021-22 with respect to conversion of Inter corporate Deposits (ICDs) into Preference shares of Rs. 883.67 Lakhs and proposed to be entered into during 2022-23 by way of Loans and advances and interest to be granted, for value of Rs.300 Lakhs and 100 Lakhs towards unforeseen transactions provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out at arm’s length basis and are in the ordinary course of business of the Company.”

8. To consider the approval of material related party transactions and if thought fit, to pass with or without modifications, the following Resolution as **Ordinary Resolution**:

(1) Related Party Transactions of Chitaranjan Developers LLP with Mercantile Ventures Limited.

“**RESOLVED** that pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and all other applicable laws and regulations as may be applicable, the approval of the Members be and is hereby accorded for the approval of material Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with the subsidiary Chitaranjan Developers LLP, a ‘Related Party’ of the Company as per Section 2(76) of the Companies Act, 2013, and IND AS -24 ,to be entered into during the FY 2022-23 with respect to receipts by way of share of profits for value of Rs.1,000 lakhs and Rs.100 lakhs towards unforeseen transactions provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out at arm’s length basis and are in the ordinary course of business of the Company.”

(2) Related Party Transactions of Chitaranjan Developers LLP with Cenotaph Developers LLP.

“**RESOLVED FURTHER** that pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and all other applicable laws and regulations as may be applicable, the approval of the Members be and is hereby accorded for the approval of Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) entered into by Chitaranjan Developers LLP (CDL) our subsidiary with Cenotaph Developers LLP (Associate of CDL) , a ‘Related Party’ of the Company as per IND AS 24 with respect to receipts by way of share of profits for an value of Rs. 1,000 Lakhs provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out at arm’s length basis and are in the ordinary course of business of the Company.”

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

**E N Rangaswami
(DIN: 06463753)**

Whole-time Director

Place: Chennai

Date: 12 August, 2022

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out details relating to the Special Business of the meeting, is annexed hereto which may also be regarded as the disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations).
2. Circulars issued by the Ministry of Corporate Affairs (“MCA”) dated April 8, 2020 , April 13, 2020, May 5, 2020, 13 January 2021, December 14, 2021 , read with circular dated May 5, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. It may be noted that any service request can be processed only after the folio is KYC Compliant.
4. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number, ECS mandate, nominations, power of attorney, bank account details in case the shares are held by them in physical form. Folios wherein any one of PAN, KYC and Nomination are not available on or before April 01, 2023, shall be frozen and those shareholders will not be eligible to lodge grievance or avail service request from the RTA or be eligible for receipt of dividend in physical mode.

5. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, 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 and route map of AGM are not annexed to this Notice.
6. Pursuant to Regulation 44 of the Regulations, read with Section 108 of the Companies Act, 2013 and the relevant Rules, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) to facilitate the Members to exercise their right to vote at the Annual General Meeting by electronic means. The detailed process for participating in e-voting is furnished in the Annexure to the Notice. The Company has appointed M/s KRA & Associates, Practicing Company Secretaries as the scrutinizer for e-voting.
7. A person who has participated in e-voting is not debarred from participating in the meeting though he/she shall not be able to vote at the meeting again and his/her earlier vote cast electronically shall be treated as final. However, as per Rule 20 of the Companies (Management & Administration) Rules, 2014, facility for voting will also be made available at the meeting and Members who have not cast their vote by e-voting shall be able to exercise their right at the meeting, which would also be through electronic means.
8. The Register of Members and the Share transfer Books will remain closed from 16 September, 2022 to 22 September 2022 both days inclusive.
9. The shareholding of the members will be reckoned as on the date of 15th September, 2022 for the purpose of e-voting.
10. The Members can join the Annual General Meeting 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 Annual General Meeting through VC/OAVM will be made available for at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Annual General Meeting without restriction on account of first come first served basis.
11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrars and Transfer Agents ("RTA") Cameo Corporate Services Limited ("CAMEO") in case the shares are held by them in physical form.
12. 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.
13. 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 on or before **19 September, 2022** mentioning their name, demat account number/folio number, email id, mobile number at cs@mercantileventures.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before **19 September, 2022** mentioning their name, demat account number/folio number, email id, mobile number at cs@mercantileventures.co.in. These queries will be replied to by the company suitably by email.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021, May 13, 2022 Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.mercantileventures.co.in and website of the BSE Stock Exchange at www.bseindia.com.

Shareholders are requested to furnish their email ids along with the mobile number with the company/RTA in order to facilitate sending the Annual report, notices for the General Meetings and other important communications, like dividend declaration, etc. Also, wherever shares are held in demat mode, they are requested to register the email id/mobile with concerned Depository.

To cater the above needs, the Company's RTA has developed a web module <https://investors.cameoindia.com/> wherein they can log in and register their email id and mobile number against the folio number in which you hold the shares. This module also enables them to submit the Form 15G / 15H by way of uploading of scanned copy of the same.
15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during normal business hours (9.00 AM to 5.00 PM) on all working days except on holidays, up to the date of the AGM.

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

Item No. 3

Disclosure pursuant to 36(5) of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

M/s. DPV & Associates, Chennai (Firm Registration No.011688S), Chartered Accountants have completed their term of office stipulated under section 139, 141, 142 and other applicable provisions of Companies Act 2013 read with Rules thereunder. M/s Venkatesh & Co Chartered Accountants (Firm Registration No. 004636S) are proposed to be appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Twenty Sixth AGM to be held in the year 2027, at a remuneration of Rs. 4,50,000 (Rupees Four Lakhs and Fifty Thousand only) plus out of pocket expenses and applicable taxes .

M/s Venkatesh & Co Chartered Accountants (Firm Registration No. 004636S) is a firm of Chartered Accountants established since 1979 which is a pioneer in the latest filed of accounting , audit and allied services . The firm has diversified client profile has a team of qualified Chartered Accountants and holds a valid peer review certificate.

They have given their consent to be appointed as statutory auditors and have provided the certificate that they are eligible to be appointed under sec 141 of the Companies Act 2013. The Audit Committee after considering the firms's experience and expertise have recommended the appointment of M/s Venkatesh & Co Chartered Accountants (Firm Registration No. 004636S) as the Statutory Auditors of the Company to the Board of Directors. The Board, considered the recommendation of the Audit committee and approved the appointment of M/s Venkatesh & Co Chartered Accountants (Firm Registration No. 004636S) as the Statutory Auditors from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Twenty Sixth AGM to be held in the year 2027, at a remuneration of Rs. 4,50,000 (Rupees Four Lakhs and Fifty Thousand only) (Previous year Rs. 3,50,000), plus out of pocket expenses and applicable taxes, subject to the approval of the shareholders.

None of the directors or Key Managerial Personnel of the Company or their relatives are interested or concerned financially or otherwise in the above resolution.

This Explanatory Statement may also be regarded as disclosure under Regulation 36 of the Listing Regulations.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board at the Meeting held on 26th May 2022 approved increased remuneration to Mr. E N Rangaswami (DIN: 06463753), Whole-time Director as detailed in the resolution. The revised remuneration is considered reasonable taking into account various factors including but not limited to the performance of the Company, the individual, remuneration to similarly placed executives in other companies.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I	General Information:			
(1)	Nature of industry	Leasing of immovable properties and manpower services.		
(2)	Date or expected date of commencement of commercial production	The company was incorporated on: 23/12/1985 and commenced its operations.		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
(4)	Financial performance based on given indicators	Amount in Lakhs		
		F.Year	Revenue from Operation	Profit after Tax
		2019-20	1,606.10	853.74
		2020-21	1,547.56	699.84
	2021-22	1461.36	647.72	
(5)	Export performance and net foreign Exchange collaborations.	None.		
(6)	Foreign investments or collaborators, if any.	Nil		

II Information about the appointee:	
	Name of the Directors Mr. E N Rangaswami
(1).	Background details. Mr. E N Rangaswami aged 66 years is a Chartered Accountant with 42 years of experience.
(2).	Past remuneration. Rs. 53 Lakhs per annum FY 21-22.
(3).	Recognition or awards. None
(4).	Job profile and his suitability. The Whole Time Director is responsible for the complete operations of the Company and he has vast experience in the corporate sector.
(5).	Remuneration proposed. Rs.60 Lakhs per annum with effect from 01 st April, 2022.
(6).	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person The Company operates a niche business model. Secondary data on managerial remuneration for equivalent positions is not readily available. However considering current state of competition across the industry, the remuneration offered to the Whole-time Director is fully in line with the responsibilities shouldered.
(7).	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any Nil
III Other information:	
(1).	Reasons of loss or inadequate profits The company has made adequate profits in the current financial year.
(2).	Steps taken or proposed to be taken for improvement The Company has expanded manpower services during the year.
(3).	Expected increase in productivity and profits in measurable terms. The company expects to improve upon the current year operating profits in the ensuing years.
IV Disclosures – Provided under head Corporate Governance in Board of Directors' report	
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board;	Directorships in the following companies: India Radiators Limited - Whole-time Director Committee memberships: India Radiators Limited:- Stakeholders Relationship Committee - Member
Shareholding of non-executive directors.	Nil

The Board recommends the proposal for the consideration of the members as a Ordinary Resolution.

Except Mr. E N Rangaswami, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution.

This Explanatory Statement may also be regarded as disclosure under Regulation 36 of the Listing Regulations.

Item No. 5

To approve the increase in limits to give loans, provide guarantees, to make investment and to acquire securities under Section 186 of the Companies Act

As per the provisions of Section 186 of the Companies Act, 2013, (the Act) the Company can invest in the securities of other bodies corporate, give loans, guarantees and provide securities for any loan facility to the extent of sixty percent of the paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more with the approval of Board of Directors but where the aggregate of investments, loans, guarantees given and securities provided exceeds the aforesaid limits, prior approval of the shareholders is required by way of a Special Resolution.

The shareholders at the AGM held on 23rd September, 2021 approved an overall limit of Rs. 500 crores under section 186 of the Companies Act, 2013. Considering the future operational requirements it is proposed to increase the limits from Rs.500 crores to Rs.600 crores over and above the limits prescribed under section 186 of the Companies Act, 2013. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Directors recommend the aforesaid proposal for the approval of the members by way of a Special Resolution

Item No. 6

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

Cenotaph developers LLP is an associate of the Company's subsidiary Chitaranjan Developers LLP which is a related party as per IND AS 24. The Company invested Rs. 4,402 Lakhs in Cenotaph project with Cenotaph developers LLP for allotment of apartments in tranches from February 2014 to July 2015 when Cenotaph developers LLP was not a related party. Subsequently due to adverse market conditions it was decided to cancel the allotment of apartments. As it also became a related party subsequently, due to which the receipts of investments from cancellation of allotment of apartments received / to be received in tranches during the FY 2021-22 and FY 2022-23 shall be construed as a material transaction under Reg 23 of SEBI (LODR) Regulations 2015. (The annual consolidated turnover of the company being Rs.3,703.75 Lakhs). The Company received Rs. 3,025.00 Lakhs during the year 2021-22 and Rs.1,475.00 lakhs shall be received during the FY 2022-23. The above transactions have been reviewed and approved by the Audit committee and Board.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

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

None of the Directors/Key Managerial Personnel of the Company is concerned or interested in this resolution other than Mr. E N Rangaswami being the whole time director of Mercantile Ventures Limited and authorized representative of Mercantile Ventures Limited in Cenotaph developers LLP.

The Audit Committee and the Board of Directors have recommended the Material Related Party Transactions for approval by the Members.

The particulars of the transaction(s) as required under Regulation 23 of the SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 on Disclosure Obligations in relation to Related Party Transactions is provided below:

(a) The name of the related party and nature of relationship; -	Cenotaph Developers LLP – Associate of Subsidiary M/s. Chitaranjan Developers LLP	
(b) The nature, duration of the contract and particulars of the contract or arrangement; -	Nature of Contract –Receipts from cancellation of allotment of apartments - Transactions as set out Regulation 23 of SEBI(LODR) Regulations 2015. Validity of the approval: For one year.	
(c) The material terms of the contract or arrangement including the value,if any:-	Return of amounts lent due to cancellation of allotment of apartments.	
(d) Any advance paid or received for the contract or arrangement, if any; - as at 31 st March 2022	Particulars	Rs. in Lakhs
	Return of Loans and Advances earlier given returned as such on cancellation of the purchase of apartments.	3,025.00
(e) Transactions to be entered after 01 April 2022	Return of Loans and Advances earlier given returned as such on cancellation of the purchase of apartments.	1,475.00

<p>(f) The percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis</p>	<p>In excess of 10% of annual consolidated turnover as per the last audited financial statements. (The annual consolidated turnover of the company being Rs. 3703.75 Lakhs)</p>
<p>(g) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;</p>	<p>The transaction is in the form of return of Loans and Advances earlier given returned as such on cancellation of allotment of apartments. Pricing is not applicable.</p>
<p>(h) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and -</p>	<p>Yes</p>
<p>(i) Any other information relevant or important for the Board to take a decision on the proposed transaction.</p>	<p>Nil</p>
<p>(j) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.</p> <p>Details of the source of funds in connection with the proposed transaction</p> <p>where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness, cost of funds; and tenure And applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>The purpose for which will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<p>The approval is sought for return of Loans and Advances earlier given returned as such on cancellation of allotment of apartments received in tranches during the year 2021-22 and 2022-23 for which payments were made earlier proposed to be received</p> <p>The investment already made is now received back and hence details of source of funds does not arise</p> <p>Not applicable as the funds were raised through internal accruals at the time of laying out funds.</p> <p>The amount already invested is received back which will be used for operational purposes</p>
<p>(k) Justification as to why the RPT is in the interest of the company</p>	<p>The transaction is entered with Associate of the subsidiary which is in Ordinary course of business and at arms length and in the best interests of the entities</p>
<p>(l) Details of the valuation report or external party report (if any)</p>	<p>Not applicable The transactions are at arms length and ordinary course of business</p>

Item No.7

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

India Radiators Limited(IRL) is a subsidiary of the company by virtue of being entitled to holding 92.21% of voting rights of the Company due to non- payment of dividend on Existing Redeemable Cumulative Preference shares for more than two years and hence has become a Holding Company under sec 2 (87) of the Companies Act 2013. The company is a related party as per sec 2(76) of the Companies Act 2013 and IND AS 24 and the transactions are entered at arms length and in the normal course of business.

As per Regulation 23 of SEBI LODR Regulations 2015, any material transaction with related party would require the approval of the shareholders. Material transaction as per Reg 23 of SEBI (LODR) is In excess of 10% of annual consolidated turnover as per the last audited financial statements. (The annual consolidated turnover of the company being Rs.3703.75 Lakhs) .

The company has material related party transactions transactions with IRL, in the nature of conversion of ICDs into preference shares /loans and advances and interest. ICDs given to IRL were converted into Preference shares during the year 2021-22 which is a material related party transaction requiring approval of the members and also prior approval for transactions -Loans and Advances and Interest-Rs. 300.00 Lakhs and Rs. 100 Lakhs towards unforeseen transactions to be entered in to after 1st April 2022 .

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

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

None of the Directors/Key Managerial Personnel of the Company is concerned or interested in this resolution other than Mr. E N Rangaswami being the whole time director and Mr B Narendran, Independent Director and Ms Padmapriya V, Company secretary of the company is also the company secretary of the subsidiary company.

The Audit Committee and the Board of Directors have recommended the Material Related Party Transactions for approval by the Members.

The particulars of the transaction(s) as required under Regulation 23 of the SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 on Disclosure Obligations in relation to Related Party Transactions is provided below:

(a) The name of the related party and nature of relationship;	India Radiators Limited – Subsidiary	
(b) The nature, duration of the contract and particulars of the contract or arrangement:	Nature of Contract – Transactions in the nature of Loans and advances/ conversion of ICDs /Interest requiring approval under Reg 23 of SEBI(LODR) regulations 2015. Validity of the approval: For one year	
(c) The material terms of the contract or arrangement including the value, if any:	The proposed transactions are with its subsidiary, the material terms of the contract shall be based on the business requirements which cannot be decided upfront. It is decided to follow arms length pricing for all transaction with related parties.	
(d) Any advance paid or received for the contract or arrangement, if any; - as at 31 st March, 2022	Particulars	Rs in Lakhs
	Conversion of ICDs into pref shares	883.67
	Total	883.67
(e) Transactions to be entered after 01 April 2022	Rs. 300 Lakhs – Loans and Advances, Interest and Rs. 100 Lakhs towards unforeseen transactions.	
(f) The percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis	In excess of 10% of annual consolidated turnover as per the last audited financial statements. (The annual consolidated turnover of the company being Rs. 3703.75 Lakhs)	

(g) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The transactions are in Ordinary course of business and at arms length
(h) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; a	Yes.
(i) Any other information relevant or important for the Board to take a decision on the proposed transaction.	Nil
(j) If the transaction relates to any loans, inter- corporate deposits, advances or investments made or given by the listed entity or its subsidiary. Details of the source of funds in connection with the proposed transaction. where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness, cost of funds and tenure And applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security The purpose for which will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The approval is for conversion of ICDs made already during the year 2021-22 and Loans and Advances/Interest to be made during the year 2022-23 Through Internally generated funds Not applicable as the funds were raised through internal accruals at the time of laying out funds. The transactions are in Ordinary course of business and at arms length For operational purposes
(k) Justification as to why the RPT is in the interest of the company	The transactions are with one of the subsidiary company and in Ordinary course of business and at arms length and in the best interests of the company
(l) Details of the valuation report or external party report (if any)	Not applicable as the funds were raised through internal accruals at the time of laying out funds.

Item No.8

(1) Related Party Transactions of Chitaranjan Developers LLP with Mercantile Ventures Limited.

Chitaranjan Developers LLP (CDL) is a subsidiary of the company and is a related party as per sec 2(76) of the Companies Act 2013 and IND AS 24. Receipts by way of share of profits expected to be received by the Company from CDL shall be deemed material related party transaction if the quantum to be received is in excess of 10% of consolidated turnover of MVL based on the audited financials as at 31st March 2022 which requires the approval of members through ordinary resolution. The approval is being sought for receipts by way of share of profits from CDL for value not exceeding Rs.1000.00 Lakhs and Rs. 100 Lakhs towards unforeseen transactions to be entered in to after 1st April 2022 and the transactions are entered at arms length and normal course of business.

The Audit committee and the Board of Directors at their respective meetings have recommended the transaction for the approval of the shareholders.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

None of the Directors/Key Managerial Personnel of the Company is concerned or interested in this resolution other than Mr. E N Rangaswami being the whole time director of the company is also the authorized representative of the company in CDL.

The particulars of the transaction(s) as required under Regulation 23 of the SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 on Disclosure Obligations in relation to Related Party Transactions is provided as given below:

(a) The name of the related party and nature of relationship; -	Chitaranjan Developers LLP – Subsidiary
(b) The nature, duration of the contract and particulars of the contract or arrangement:-	Transactions in the nature of share of profits requiring approval under Reg 23 of SEBI(LODR) regulations 2015. Validity of the approval: For One year (from ensuing AGM till next AGM)
(c) The material terms of the contract or arrangement including the value, if any; -	The proposed transactions are with its subsidiary, the material terms of the contract shall be based on the business requirements which cannot be decided upfront. It is decided to follow arms length pricing for all transaction with related parties.
(d) Any advance paid or received for the contract or arrangement, if any; - as at 31 st March , 2022	Omni bus approval taken not exceeding Rs 1 Crore
(e) Transactions to be entered after 01 April 2022	Rs.1000 Lakhs – Receipts by way of share of profits and Rs. 100 Lakhs towards unforeseen transactions
(f) The percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis	In excess of 10% of annual consolidated turnover as per the last audited financial statements. (The annual consolidated turnover of the company being Rs. 3,703.75 Lakhs)
(g) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract; -	The transactions are in Ordinary course of business and at arms length
(h) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and -	Yes.
(i) Any other information relevant or important for the Board to take a decision on the proposed transaction.	Nil
(j) If the transaction relates to any loans, inter- corporate deposits, advances or investments made or given by the listed entity or its subsidiary. Details of the source of funds in connection with the proposed transaction where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness, cost of funds and tenure And applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security The purpose for which will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The approval is share of profits to be made during the year 2022-23 which are material in nature. Through Internally generated funds Not applicable as the funds are raised through internal accruals Same as above For operational purposes
(k) Justification as to why the RPT is in the interest of the company	The transactions are with subsidiary(ies) and in Ordinary course of business and at arms length and in the best interests of the company
(l) Details of the valuation report or external party report (if any)	Not applicable The transactions are at arms length and in the ordinary course of business

(2) Related Party Transactions of Chitaranjan Developers LLP with Cenotaph Developers LLP.

Chitaranjan Developers LLP (CDL) is Subsidiary of the company and Cenotaph Developers LLP is an Associate of CDL. As per amended Reg 23 of SEBI(LODR) Regulations 2015 effective 1st April 2022, any transaction between a listed entity with the related parties of subsidiaries will be a Related Party Transaction to the listed entity. Hence share of profits for value of Rs.1000.00 Lakhs in Cenotaph developers LLP to be received by CDL shall be construed material related party transactions of MVL . Cenotaph Developers LLP is a related party as per IND AS 24 and the transactions are entered at arms length and normal course of business.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

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

None of the Directors/Key Managerial Personnel of the Company is concerned or interested in this resolution other than Mr. E N Rangaswami being the whole time director of the company is also the authorized representative of MVL .

The Audit Committee and the Board of Directors have recommended the Material Related Party Transactions for approval by the Members.

The approval of the members is being sought for the transaction (a) receipts by way of share in profits for value of Rs.1,000.00 Lakhs from Cenotaph Developers LLP to be received by CDL (as subsidiary of MVL and (b) Receipts by way of share of profits to be received by MVL from CDL, subsidiary .

The particulars of the transaction(s) as required under Regulation 23 of the SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 on Disclosure Obligations in relation to Related Party Transactions is provided as Annexure to this Notice.

(a) The name of the related party and nature of relationship; -	transactions entered by CDL – Subsidiary with Cenotaph Developers LLP
(b) The nature, duration of the contract and particulars of the contract or arrangement; -	Transactions in the nature of share of profits for Rs.1000 lakhs requiring approval under Reg 23 of SEBI(LODR) regulations 2015. Validity of the approval: For One year (from ensuing AGM till next AGM)
(c) The material terms of the contract or arrangement including the value, if any; -	As per mutual agreement It is decided to follow arms length pricing for all transaction with related parties.
(d) Any advance paid or received for the contract or arrangement, if any; - as at 31 st March , 2022	Not Material transactions in nature
(e) Transactions to be entered after 01 April 2022	Rs. 1000 Lakhs– Receipts by way of share of profits
(f) The percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis	In excess of 10% of annual consolidated turnover as per the last audited financial statements.
(g) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract; -	The transactions are in Ordinary course of business and at arms length
(h) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and -	Yes.
(i) Any other information relevant or important for the Board to take a decision on the proposed transaction.	Nil

<p>(j) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.</p> <p>Details of the source of funds in connection with the proposed transaction</p> <p>where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness, cost of funds and tenure</p> <p>And applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</p> <p>The purpose for which will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.</p>	<p>The approval is for share of profits to be made during the year 2022-23 which are material in nature.</p> <p>Through Internally generated funds</p> <p>Not applicable as the funds are raised through internal accruals</p> <p>For operational purposes</p>
<p>(k) Justification as to why the RPT is in the interest of the company</p>	<p>The transactions are with Associate of subsidiary which in Ordinary course of business and at arms length and in the best interests of the company</p>
<p>(l) Details of the valuation report or external party report (if any)</p>	<p>Not applicable</p> <p>The transactions are at arms length and in the ordinary course of business</p>

By order of the Board
For Mercantile Ventures Limited

Place: Chennai
Date: 12 August, 2022

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

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 19 September, 2022 at 9.00 a.m. and ends on 21 September, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15 September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/ EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3) 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID

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

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@mercantileventures.co.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM / EGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM / EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

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

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

BOARD'S REPORT

Your Directors are pleased to present the Annual Report and the Audited Financial Statements of the Company for the year ended 31 March 2022.

1. REVIEW OF OPERATIONS

The financial results for the year ended 31 March 2022 have been prepared in accordance with Indian Accounting Standard. During the year the company has reported a profit before tax and other comprehensive income of Rs. 882.12 lakhs (previous year Rs. 944.80 lakhs) and total comprehensive income of Rs. 2397.68 lakhs (previous year Rs. 2765.56 lakhs).

2. FINANCIAL RESULTS

(Rs. in Lakhs)

Description	2021-22	2020-21
Profit/(Loss) Before Interest & Depreciation	998.63	1061.38
Interest	21.28	19.17
Depreciation	95.23	97.41
Profit/(Loss) Before Tax	882.12	944.80
Provision for taxation Current tax	259.21	272.72
Deferred tax	(24.81)	(27.76)
Share of profit from LLP/Partnership Firms	279.26	28.35
Profit/(Loss) After Tax	926.98	728.19
Other Comprehensive Income	1470.70	2037.37
Total Comprehensive Income for the year	2397.68	2765.56
Amount transferred to reserves, if any	Nil	Nil

3. DIVIDEND

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

4. SHARES

The Company has not bought back any of its shares during the year under review. The Company also has not issued any sweat equity shares, bonus shares or stock option scheme during the year under review.

5. FIXED DEPOSIT

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

6. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

7. SCHEME OF AMALGAMATION

The Board of Directors on 12th November, 2021 approved the Scheme of Amalgamation of its three wholly owned subsidiaries M/s. Cuningham Ventures Private Limited, M/s. Sahoj Ventures Private Limited, M/s. Willingdon Ventures Private Limited with the Company and their respective members and creditors. The application was filed with Hon'ble National Company Law Tribunal (NCLT), Chennai bench. NCLT vide order dated April 13, 2022 read along with a supplementary order dated May 13, 2022 in Company Scheme Application CA(CAA) NO. CA (CAA)/4(CHE) 2022 ("NCLT Order"). As directed by NCLT,

a meeting of Equity shareholders of Mercantile Ventures Limited was held on Sunday, July 3rd 2022 at 11.00 AM IST by remote e- voting and e-voting by way of Video Conferencing/ Other Audio Visual means to approve the Scheme. The resolution was approved with requisite majority and the further order of NCLT are awaited.

8. CHANGE IN NATURE OF BUSINESS, IF ANY;

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

9. SUBSIDIARIES & ASSOCIATES

Material unlisted subsidiary:

The Company has one material unlisted subsidiary. As per SEBI(LODR) Regulations, 2015, the company has formulated a policy for material unlisted subsidiary which has been uploaded in the website of the company www.mercantileventures.co.in. The financial statements and investments of the material unlisted subsidiary is being reviewed by the Audit Committee.

During the year under review Cuningham Ventures Private Limited, Sahoj Ventures Private Limited and Willingdon Ventures Private Limited were converted from partnership firms to Private Limited companies pursuant to Part I Chapter XXI of the Companies Act, 2013 and have become the wholly owned subsidiaries of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were prepared in accordance with section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies [Accounts] Rules, 2014. Also a separate statement containing the salient feature of the financial statements of the subsidiaries and associate in Form AOC-1 and additional information on subsidiaries and associate are attached to the consolidated financial statements.

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES AND ASSOCIATES

As at the year end, the Company has four Wholly Owned Subsidiaries, two Subsidiaries and one Associate Company. The detailed financials of all these Subsidiaries / Associates have been consolidated and the financial and other information have been furnished in the Consolidated Financial Statement (CFS) attached to this Report. The performance summary of the subsidiaries and associate company are given below:

(Rs in Lakhs)							
Particulars	i3 Security Services Pvt Ltd	India Radiators Limited	Chitaranjan Developers LLP	Cuningham Ventures Private Limited	Sahoj Ventures Private Limited	Willingdon Ventures Private Limited	National Trust Housing Finance Ltd
	Subsidiaries						Associate
% of shareholding held by MVL	Wholly owned subsidiary	92.21 % (voting right)	98.00% (Share of profits)	Wholly owned subsidiary	Wholly owned subsidiary	Wholly owned subsidiary	49.00%
Total Income	2307.02	931.71	337.82	-	-	-	5083.73
Profit before tax	113.02	711.83	327.37	(18.47)	(17.74)	(25.69)	511.28
Current Tax	28.60	-	-	-	-	-	179.15
Deferred tax liability	11.48	222.19	-	-	-	-	(100.12)
Profit / (Loss) after tax	72.94	489.64	327.37	(18.47)	(17.74)	(25.69)	432.25
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income	72.94	489.64	327.37	(18.47)	(17.74)	(25.69)	432.25

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year ended 31 March 2022;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively. Internal financial control means the policies and procedures adopted by the company 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 and
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

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

12. DIRECTORS & KEY MANAGERIAL PERSONNEL:

The Company's Board comprises of the following directors: Mr. AL Chandramouli, Mr. B Narendran, Ms. Sashikala Srikanth, Mr. G D Sharma, Mr. K Gopalakrishnan and Mr. E N Rangaswami.

The Key Managerial personnel of the Company are: Mr. E N Rangaswami - Whole-time Director, Mr. V Padmanabha Sarma - Chief Financial Officer and Ms. V Padmapriya – Company Secretary.(appointed on 1st April 2022). Ms Anusha S – Company secretary resigned w.e.f. 31st March 2022.

13. BOARD AND COMMITTEE MEETINGS

The Company had six board meetings during the financial year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. Details of the Board and Committee meetings are given in the Corporate Governance Report.

14. CORPORATE GOVERNANCE

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

15. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

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

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

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

The Remuneration policy also forms part of the Corporate Governance Report

16. FAMILIARIZATION PROGRAM

The details are provided in the Corporate Governance report and in the website of the Company.

17. BOARD EVALUATION

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

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

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

18. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

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

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

19. FRAUDS REPORTED BY AUDITORS AS PER SEC 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

There were no frauds reported by auditors in their report.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.

All transactions entered by the Company with related parties were in the ordinary course of business and at arm's length pricing basis. There were no materially significant transactions with related parties during the financial year 2021-22 which were in conflict with the interests of the Company.

The Board has approved the policy on related party transactions.

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

There were no transactions with entity belonging to promoter/promoter group which hold(s) 10% or more shareholding in the Company.

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

21. AUDITORS

STATUTORY AUDITORS

M/s. DPV & Associates, the statutory auditors will be completing their second term of 5 years at the conclusion of the 21st AGM to be held on 22nd September, 2022. M/s Venkatesh and Co., Chartered Accountants (Firm Registration No.

004636S) who have expressed their willingness to be appointed be and is hereby proposed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Twenty Sixth AGM to be held in the year 2027, at a remuneration of Rs. 4,50,000/- (Rupees Four Lakhs and Fifty Thousand only) (Fees paid to statutory auditors during Previous year Rs. 3,50,000/-) subject to the approval of the shareholders. They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment

SECRETARIAL AUDITOR

The Company has appointed M/s KRA & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditors is annexed to this report.

COST AUDITOR

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

22. RISK MANAGEMENT

The Risk Management Committee has been formed comprising Ms. Sashikala Srikanth, Director as Chairperson of the committee and the other members are Mr. E N Rangaswami, Whole-time Director and Mr. V. Padmanabha Sarma, Chief Financial officer. Risk Management Committee ensures that the Company has an appropriate and effective risk management system which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals. The Committee reviews the risks, threats & concerns and submits report to the Board of Directors periodically.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

24. SEXUAL HARASSMENT

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

25. AUDIT COMMITTEE AND WHISTLE BLOWER POLICY

The Audit Committee consists of three independent directors: Mr. AL Chandramouli, Mr. B Narendran and Ms. Sashikala Srikanth.

As required under Section 177 of the Companies Act 2013, the Company has established Whistle Blower policy and the same has been uploaded in the following web link. <https://www.mercantileventures.co.in/wp-content/uploads/2019/07/Whistle-blower-policy.pdf>

26. CORPORATE SOCIAL RESPONSIBILITY

The company has complied with the provisions of Corporate Social Responsibility. The CSR Policy related disclosures are annexed to this report.

27. ANNUAL RETURN

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

28. PARTICULARS OF EMPLOYEES

The Company has no employee whose salary exceeds the limits as prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Key Managerial personnel) Rules, 2014

29. TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy and Technical Absorption:

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

Foreign Exchange Earnings and Outgo:

(a) Foreign Exchange Inflow: Nil

(b) Foreign Exchange Outflow: Nil

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

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

31. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There is no application/proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

32. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS REASONS

Not applicable as the company has no borrowings.

33. QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks in the reports of M/s DPV & Associates, Statutory Auditors and KRA & Associates, Secretarial Auditors.

34. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves for the continuance / appointment as independent directors under the provisions of the Companies Act, 2013 and the relevant rules.

35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Covid-19 Scenario

The epidemiologists and public health specialist are of the view that the covid 19 pandemic is over with little possibility of a surge in cases given that a large population of adults have received both doses of covid vaccine. Hence the susceptible pool has come down drastically.

a) Industry Scenario

The real estate industry has rebounded strongly in 2021-22, despite the covid pandemics challenges, with the residential sector surpassing others. The real estate market is expected to resume its normal rhythm in the following quarters.

b) Opportunities and Threats

The residential category is anticipated to grow at 5% during the year with home sales already picking up steam. The office sector is showing signs of recovery and the rents are likely to increase.

The series of hikes in interest rates announced by the RBI to tame the climbing inflation rate could dampen the demand for residential and commercial real estate space. The buyer sentiment could get affected if the tight money policies are continued by RBI.

c) Segment-wise or produce-wise performance

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

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

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

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

e) Risk and concerns

As per the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Risk Management Committee has to be set up by top 500 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year. As per this regulation the Company is not required to constitute a Risk Management Committee. The Company however has constituted a Risk Management Committee to constantly review the technical and commercial risks the company has to face so that the interests of the shareholders are protected.

f) Internal control systems and adequacy.

The company has an adequate internal control system.

g) Discussion on financial performance with respect to operational performance

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

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

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

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

Financial ratio	Standalone		Change %	Reason for change
	FY 2021-22	FY 2020-21		
Current ratio	10.67	8.52	25.32	Due to transfer of Rs.4,401.62 lakhs from Capital WIP to Current assets on cancellation of contract during the year.
Net capital turnover ratio	0.12	0.20	(42.44)	
Net profit ratio	63.43	47.05	34.81	Due to higher share of profit from LLP.

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

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

Return on networth – FY 2021-22	4.66%
Changes – FY 2021-22	11.97%

INFORMATION PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year – 2021-22	Mr. E N Rangaswami, Whole-time Director	8.83
The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year – 2021-22.	Mr. E N Rangaswami, Whole-time Director	-
	Mr. V Padmanabha Sarma, Chief Financial Officer	-
	Ms. S Anusha, Company Secretary, (Company Secretary till 31st March 2022)	3.14
The percentage increase in the median remuneration of employees in the financial Year – 2021-22.	16.05	
The number of permanent employees on the rolls of Company as on 31.03.2022	2	
Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof	Average percentage increase already made in the salaries of employees other than the key managerial personnel in the FY 2021-22.	13.14
	Average percentage increase already made in the salaries of the key managerial personnel in the FY 2021-22	-

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

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

Name	Designation	Remuneration (Rs. in Lakhs)	Qualification	Experience	Date of Joining	Age	Last Employment
E N . Rangaswami	Whole-Time Director	53.00	B.Sc, ACA	42 Years	05/12/2012	65	Manali Petrochemicals Ltd, General Manager (Finance)
V Padmanabha Sarma	Chief Financial Officer	19.55	B.Com., ACA	46 Years	01/12/2012	72	MCC Finance Ltd, Senior Vice President
S. Anusha	Company Secretary W.e.f 10/02/2021	7.23	B.com, ACS	9 Years	10/02/2021	31	Lotus Fertilizers Private Limited Company Secretary
V M. Arunachalam	Assistant Manager (Accounts)	8.85	B.Com.,	34 Years	12/06/2013	55	SPIC SMO, Accounts Manager
L S Venkataraman	Executive (Co-ordination)	6.00	B.A.	45 Years	09/11/2012	69	Manali Petrochemicals Ltd, Executive
Gopichand Koduri	Asst. Manager	5.39	B.Com, CA(Inter)	2 Years	09/12/2019	26	IBM India Private Ltd.

Note –

1. As per the disclosure available with the Company, none of the above employees is related to any Director and none of the employees hold any shares in the Company except Mr. V. Padmanabha Sarma.
2. The remuneration shown above includes contributions to provident and other funds.

AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY

Company is adopting remuneration guidelines for fixing the remuneration as per the Remuneration policy.

ACKNOWLEDGEMENT

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

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

**Place: Chennai
Date: 12 August, 2022**

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

**B. Narendran
DIN: 01159394
Director**

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

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

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

SL. No.	Particulars	Details			
a)	Name (s) of the related party & nature of relationship	India Radiators Limited (Subsidiary)	i3 Security Private Limited (Wholly owned Subsidiary)	Chitaranjan Developers LLP (Subsidiary)	Cenotaph developers LLP Associate of subsidiary (Chitaranjan Developers LLP) and Chitaranjan Developers LLP with Cenotaph Developers LLP
b)	Nature of contracts/ arrangements/ transaction	ICDs /Advances/ Preference shares	Availing / Rendering of services	Loans and Advances earlier given returned as such on cancellation of allotment of apartments	Share of profits (to be received in future)
c)	Duration of the contracts/ arrangements/ transaction	As agreed mutually	No material contract	As agreed mutually	On completion of the arrangement/contract
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per terms of the contract/arrangement	Not Applicable	As per terms of the contract/ arrangement	As per terms of the contract/ arrangement
e)	Date of approval by the Board	Approvals have been taken from time to time	Appropriate approvals have been taken for related party transactions	Approvals have been taken from time to time	Approvals have been taken from time to time
f)	Amount paid as advances, if any	As disclosed in the financial statements	NA	As disclosed in the financial statements	As disclosed in the financial statements

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

**Place: Chennai
Date: 12 August, 2022**

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

**B. Narendran
DIN: 01159394
Director**

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

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

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

The Company has adopted CSR policy as specified in Schedule VII of Companies Act, 2013.

2. Composition of the CSR Committee

In accordance with Section 135 of the Companies Act, 2013 and the Rules pertaining thereto, a Committee of the Board known as 'Corporate Social Responsibility Committee (CSR Committee)' has been constituted comprising Sashikala Srikanth-Independent Director, K. Gopalakrishnan-Non-Independent Director and EN Rangaswami – Whole Time Director

3. Average net profit of the Company for last three financial years, as per Section 198 of Companies Act, 2013.

The net profits of the Company during the last three financial year

		(Rs. in Lakhs)
Sl. No	Financial Year	Net profit
1.	2020-21	688.00
2.	2019-20	601.96
3.	2018-19	354.03
	Total net profit	1643.99
	Average net profit	548.00

4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above) is Rs. 10.96 Lakhs
5. Details of CSR spent during the financial year
 - a. Total amount to be spent for the financial year: Rs. 10.96 Lakhs
 - b. Amount unspent, if any: Rs. 10.96 Lakhs
 - c. Manner in which the amount spent during the financial year: Not spent. Work orders released for CSR activities towards providing computer and Computer accessories to a Government School in Chennai.
6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report: Work order released for CSR activity. Unspent amount transferred to CSR unspent account with a scheduled bank.
7. It is confirmed by the CSR Committee that the implementation and monitoring of the CSR Policy is in compliance with the CSR activities and Policy of the Company.

By order of the Board
For MERCANTILE VENTURES LIMITED

Place: Chennai
Date: 12 August, 2022

E N Rangaswami
DIN: 06463753
Whole Time Director

Sashikala Srikanth
DIN: 01678374
Director and Chairperson,
CSR Committee

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022
[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MERCANTILE VENTURES LIMITED** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed thereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31/03/2022 according to the provisions of:

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

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

- (a) Transfer of Property Act, 1882

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

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

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

Under The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**FOR KRA & ASSOCATES
PRACTICING COMPANY SECRETARIES**

**Place: Chennai
Date: 15/07/2022**

**R. KANNAN
FCS NO 6718 C.P. No. :3363
UDIN: F0067180000626801
Peer Review Certificate no. 1847/2022**

Annexure A

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR KRA & ASSOCATES
PRACTICING COMPANY SECRETARIES**

**Place: Chennai
Date: 15/07/2022**

**R. KANNAN
FCS NO 6718 C.P. No. :3363
UDIN: F0067180000626801
Peer Review Certificate no. 1847/2022**

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **i3 SECURITY PRIVATE LIMITED (U74120TN2011PTC082965)** (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed thereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31/03/2022 according to the provisions of:

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

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

We have also examined, on test-check basis, the relevant documents and records maintained by the Company accordingly the following laws are applicable specifically to the Company:

1. The Private Securities Agencies (Regulation) Act, 2005

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

FOR KRA & ASSOCATES
PRACTICING COMPANY SECRETARIES

R. KANNAN

FCS NO 6718 C.P. No. :3363

UDIN: F0067180000626801

Peer Review Certificate no. 1847/2022

Place: Chennai
Date: 15/07/2022

Annexure-A

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR KRA & ASSOCATES
PRACTICING COMPANY SECRETARIES

R. KANNAN

FCS NO 6718 C.P. No. :3363

UDIN: F0067180000626801

Peer Review Certificate no. 1847/2022

Place: Chennai
Date: 15/07/2022

CORPORATE GOVERNANCE REPORT

1. Philosophy on Code of Governance:

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

2. BOARD OF DIRECTORS

a) Composition and membership in other Boards

Board of Directors of the Company consist of six directors. The Board comprises of one executive director, one non-executive & non-independent and four non-executive independent directors. The non-executive directors bring independent judgment in the Board deliberations and decisions. The Board of Directors is responsible for the management of the business of the Company and meets regularly for discharging its role and functions. All information as required under LODR are being made available to the Board. During the year 2021-22, 6 (Six) Board meetings were held as given hereunder:

Date of the Board meeting	Strength of the Board	No. of Directors present
24-05-2021	6	6
25-06-2021	6	6
13-08-2021	6	6
12-11-2021	6	6
11-02-2022	6	6
29-03-2022	6	6

No director of the Company is a Chairman of more than five board-committees or a member of more than ten board-committees as stipulated under the corporate governance code.

Particulars of the Board's composition, attendance at board meetings and the previous annual general meeting, number of other directorships held and board-committee memberships of the Company's Directors, as at 31st March, 2022 are given below:

Sl. No.	Director	Attendance particulars		No. of Directorship held in other listed entities including this listed Entity	No. of other Board – Committee positions held including this listed entity (Only Membership in Audit Committees and Stakeholders' Relationship Committee)	
		Board Meeting	Last AGM		As Member	As Chairman
1.	Mr. AL Chandramouli, (DIN: 02299091), Non-Executive Independent	6	Yes	1	2	2
2.	Mr. B Narendran, (DIN: 01159394), Non-Executive Independent	6	Yes	5	10	5
3.	Ms. Sashikala Srikanth, (DIN: 01678374), Non- Executive Independent	6	Yes	5	8	4
4.	Mr G D Sharma, (DIN: 08060285), Non-Executive Independent	6	Yes	3	4	-
5.	Mr K Gopalakrishnan, (DIN: 00621061), Non-Executive Non-Independent	6	Yes	1	1	-
6.	Mr. E N Rangaswami, (DIN: 06463753), Whole-time Director, Executive Non-Independent	6	Yes	2	1	-

Name of the other listed entity where Directors of the Company are Directors and the Category of Directorship.

Sl. No.	Director	Name of listed entity/s in which concerned Director is a Director	Category of Directorship
1.	Mr. AL Chandramouli, Non-Executive Independent	Nil	Nil
2.	Mr. B Narendran, Non-Executive Independent	Sicagen India Limited Southern Petrochemical Industries Corporation Limited Tuticorin Alkali Chemicals & Fertilisers Limited India Radiators Limited	Non-Executive independent Director in all companies.
3.	Ms. Sashikala Srikanth, Non-Executive Independent	Sicagen India Limited Tamilnadu Petroproducts Ltd. Manali Petrochemicals Limited Southern Petrochemical Industries Corporation Limited	Non-Executive Independent Director in all companies.
4.	Mr. G D Sharma, Non-Executive Independent	Tamilnadu Petroproducts Ltd. Manali Petrochemicals Limited	Non-Executive Independent Director in all companies.
5.	Mr. K Gopalakrishnan , Non-Executive Non- Independent	Nil	Nil
6.	Mr. E N Rangaswami, Whole-time Director, Executive Non-Independent	India Radiators Limited	Non-Executive Non- Independent Director

Notes:

- Other directorships exclude foreign companies, private limited companies, Section 8 companies and alternate directorships.
- Only membership in Audit Committees and Stakeholder's Relationship Committee (including Mercantile Ventures Limited) are reckoned for other board committee memberships.
- None of the Directors hold any shares in the Company nor have any inter se relationship.
- The details of familiarization programmes conducted for the Independent Directors are disclosed in the website of the Company at <http://mercantileventures.co.in>.

e) Skills / Expertise / Competencies of the Board of Directors

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

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

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

Confirmation of Independent Director

The Independent Directors have been appointed in terms of requirement of Companies Act, SEBI (LODR) Regulations, 2015 and in the opinion of the Board, they fulfil the conditions specified therein and are independent of the Management

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

COMMITTEES OF THE BOARD

3. Audit Committee

The terms of reference of the Audit Committee cover the matters specified for Audit committees under Section 148 of the Companies Act, 2013, the rules made thereon and SEBI (LODR) Regulations, 2015.

The role of the Audit Committee shall include the following:

1. Oversee the company's financial reporting process and review its financial statements.
2. In addition to the normal overall review of the financial performance, Audit Committee will also recommend the quarterly results, appointment of auditors, recommendation of dividend, application of accounting standards, discussion on financial audit reports, etc.
3. Recommend the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of their fees.
4. Review of internal control and internal audit system.
5. Review of risk management policies and practices and also include the following:
 - a) To investigate any activity within its terms of reference.
 - b) To seek information from any employee, if needed.
 - c) To obtain outside legal or other professional advice.
 - d) To secure attendance of outsiders with relevant expertise.

The Audit Committee comprise of three non-executive independent directors.

During the year under review the Committee met Six times on 24-05-2021, 25-06-2021, 13-08-2021, 12-11-2021, 11-02-2022 and 29-03-2022. The composition and attendance of the committee meetings are as follows:

Names of directors	No. of meetings attended
Mr. AL Chandramouli, Chairperson	6
Mr. B Narendran	6
Ms. Sashikala Srikanth	6

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

4. Nomination and Remuneration Committee

(i) Composition, terms of reference and meeting

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

The terms of reference include the following, viz., to identify persons who are qualified to become directors and who may be appointed in senior management, recommend to the Board appointment and removal of the directors, evaluate the performance of the directors, formulate criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy relating to the remuneration to the directors, key managerial personnel and other employees, devise policy on Board diversity and such other matter as may be prescribed under the Act, the Rules made thereunder and the Listing Regulations.

The Committee met three times on 25-06-2021, 13-08-2021, and 29-03-2022. The composition and attendance of the committee meetings are as follows:

Names of directors	No. of meetings attended
Mr. B Narendran, Chairperson	3
Mr. G D Sharma	3
Ms. Sashikala Srikanth	3

(ii) Criteria for evaluation of the performance of the Independent Directors.

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

(iii) Remuneration to Directors

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

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

a. For Executive Directors

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

b. For Non-Executive Directors

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

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

(iv) Disclosure with respect to payment of remuneration to Whole Time Director

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

During the financial year 2020-21 Rs. 53 Lakhs was paid as remuneration (inclusive of all allowances) to Mr. E N Rangaswami, Whole Time Director of the company. He is to be paid a remuneration of Rs 60 lakhs (inclusive of all allowances) wef 1st April 2022, subject to the approval of the Shareholders.

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

(v) Non-executive Directors

The non-executive directors are being remunerated by way of sitting fees. The sitting fees paid to non-executive directors for the year ended 31st March, 2022 are as follows:

Sl.No.	Name of the Director	Sitting fees (in Rs)
1.	Mr. AL Chandramouli	1,50,000
2.	Mr. B Narendran	1,50,000
3.	Ms. Sashikala Srikanth	1,50,000
4.	Mr. G D Sharma	1,50,000
5.	Mr K Gopalakrishnan	1,50,000
	Total	7,50,000

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

5. Stakeholders Relationship Committee:

The chairperson of the committee is Mr. AL Chandramouli , Non executive and Independent Director. The terms of reference to the stakeholders' relationship committee are related to transfer, transmission, demat, remat, split/consolidation of shares and issue of duplicate share certificates, etc and also to oversee the redressal of investors' complaints. The committee met 4 times on 25-06-2021, 13-08-2021, 11-02-2022 and 29-03-2022 during the year ended 31.03.2022. The composition and attendance of the committee meetings are as follows:

Names of directors	No. of meetings attended
Mr. AL Chandramouli, Chairperson	4
Mr.E N Rangaswami	4
Ms. Sashikala Srikanth	4
Mr K Gopalakrishnan	4

Details of the Compliance Officer:

S Anusha - Company Secretary & Compliance Officer (resigned w.e.f. 31st March 2022)

V Padmapriya - Company Secretary & Compliance Officer (appointed w.e.f 1st April, 2022).

Details of Shareholders Complaints:

Number of complaints received during the year: 5

Number of complaints solved during the year : 5

Number of complaints not solved to the satisfaction of the shareholders - Nil

Number of complaints pending at the end of the year – Nil

6. General Meetings

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

Year	Location	Date and Time
18 th AGM – 2018-2019	Rajah Annamalai Mandram, 5, Esplanade Road (Near High Court), Chennai-600 108.	02 August, 2019, 02.00 PM
19 th AGM-2019-2020	through VC/OAVM	23 September 2020, 02.00 PM
20 th AGM 2020-21	through VC/OAVM	23 September 2021, 03.00 PM

b) Special resolutions

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

Date of AGM	Subject
02 August, 2019	<ul style="list-style-type: none"> a. Continuation of directorship of Mr. B. Narendran as an Independent Director on his attaining the age of 75. b. Re-appointment of Mr. AL Chandramouli as an Independent Director for a second term of 5 years including continuation of directorship beyond 75 years. c. Re-appointment of Ms. Sashikala Srikanth as an Independent Director for a second term of 5 years. d. Re-appointment of Mr. E N Rangaswami as Whole Time Director for a further period of 3 years.
23 September, 2020	No Special Resolution was passed
23 September, 2021	<ul style="list-style-type: none"> a. To approve the increase in limits to give loans, provide guarantees, to make investment and to acquire securities under Section 186 of the Companies Act b. To consider the re-appointment of Mr B Narendran (DIN: 01159394) as Independent Director c. To consider the re-appointment of Mr. E N Rangaswami (DIN: 06463753) as Whole-time Director

c) Passing of resolution by Postal Ballot

During the year the Company has not circulated Postal Ballots.

At present there is no proposal to pass any special resolution through postal ballot. The procedure for postal ballot would be as prescribed under the Act.

7. Means of Communication:

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

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

Pursuant to the requirement of Regulation 46 of the SEBI (LODR) Regulations, 2015, the Company maintains a functional website and the website address is www.mercantileventures.co.in. Website of the company provides the basic information about the company viz. details of its business, financial information, various policies, shareholding pattern & other details relevant to the shareholders and the company is regularly updating the information provided on its website.

8. General Shareholder Information

1.	Annual General Meeting:	
	Date	22 September, 2022
	Time	03.00 PM
	Venue	The Company will be conducting meeting through VC / OAVM pursuant to the MCA Circular dated January 13, 2021 read with May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
2.	Financial calendar	The financial year of the company commences on 1st April and ends on 31st March.
3.	Dividend payment date	The Company has not recommended / declared any dividend during the year.
4.	Listing of equity shares on stock exchanges.	Bombay Stock Exchange Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Listing fees upto 2021-22 have been paid to the aforesaid exchange.
5.	Stock Code	538942 - Bombay Stock Exchange Limited.
	ISIN	INE689O01013
6 & 7	Market price date vis a vis indices	Annexed to this report
8	Registrar and Transfer Agents	Cameo Corporate Services Limited Subramanian Building, 1, Club House Road, Off. Anna Salai, Chennai – 600 002
9	Share transfer system	The authority to approve share transfers has been delegated by the Board of Directors to the Stakeholders Relationship Committee. The Shares sent for transfer in physical form are registered and returned by Registrar and Share Transfer Agent within fifteen days of receipt of documents, provided the documents are found to be in order.
10	Distribution of shareholding	Annexed to this report
11	Dematerialization of shares and liquidity	91.50 % equivalent to 10,24,03,921 equity shares of the total equity capital is held in dematerialized form. The company's equity shares are regularly traded in the Bombay Stock Exchange Limited in the compulsory demat form.
12.	Convertible instrument	Company has not issued any convertible instrument.
13.	Address for correspondence.	Investors may contact the Registrar and Transfer Agent for matters relating to shares, dividends, annual reports and related issues at the following address viz. Cameo Corporate Services Limited Subramanian Building, 1, Club House Road Off. Anna Salai, Chennai – 600 002 Telephone No.28460390 Fax No. 28460129, Email: cameo@cameoindia.com For other general matters or in case of any difficulties / grievance's investors may contact. V Padmapriya Company Secretary Mercantile Ventures Limited 88, Mount Road, Guindy, Chennai – 600 032. Telephone No. 044 – 40432209 Email: cs@mercantileventures.co.in .
14.	Credit ratings obtained, if any	Company has not obtained any credit ratings.

DISTRIBUTION OF HOLDINGS

Category		No of holders	% of total holders	Total No. of shares	% of Total Shares
1	500	49181	94.07	6866357	6.14
501	1000	2220	4.25	1700108	1.52
1001	2000	594	1.14	845328	0.76
2001	3000	122	0.23	308564	0.28
3001	4000	43	0.08	160846	0.14
4001	5000	45	0.09	215293	0.19
5001	10000	37	0.07	266373	0.23
>=	10001	36	0.07	101555326	90.74
Total		52278	100.00	111918195	100.00

Shareholding pattern as of 31 March, 2022

Particulars	Equity shares held	% to paid-up capital
Promoters and Promoter group	7,77,06,507	69.43
Public		
Bodies Corporate	2,34,92,124	20.99
Financial Institutions/ Banks	100	--
Others	1,07,19,464	9.58
Grand total	11,19,18,195	100.00

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

Month & Year	BSE			
	Share Price (Rs.)		Sensex	
	High Price	Low Price	High Price	Low Price
Apr-21	12.70	18.15	50375.77	47204.50
May-21	13.25	20.50	52013.22	48028.07
Jun-21	17.95	21.00	53126.73	51450.58
Jul-21	19.40	20.00	53290.81	51802.73
Aug-21	17.00	18.50	57625.26	52804.08
Sep-21	14.90	18.50	60412.32	57263.90
Oct-21	16.90	18.50	62245.43	58551.14
Nov-21	15.08	16.10	61036.56	56382.93
Dec-21	14.40	32.30	59203.37	55132.68
Jan-22	26.85	29.85	61475.15	56409.63
Feb-22	22.65	24.70	59618.51	54383.20
Mar-22	19.55	20.25	58890.92	52260.82
Apr-22	18.65	23.85	60845.10	56009.07

9. Other disclosure.

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

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

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

(Rs. in Lakhs)

Company	Financial Year 2021-22			
	Payment to Statutory Auditors	Audit Fees	Other Services	Total
Mercantile Ventures Ltd	DPV & Associates	3.50	1.45	4.95
i3 Security Pvt Ltd	Venkatesh & Co	2.50	2.00	4.50
Chitaranjan Developers LLP	Venkatesh & Co	0.25	-	0.25
India Radiators Ltd	Venkatesh & Co	0.50	-	0.50
Cunningham Ventures Pvt Ltd	Venkatesh & Co	0.10	-	0.10
Sahoj Ventures Pvt Ltd	Venkatesh & Co	0.10	-	0.10
Willingdon Ventures Pvt Ltd	Venkatesh & Co	0.10	-	0.10

- l) Disclosure in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Number of complaints filed during the financial year - Nil
 - Number of complaints disposed of during the financial year – Nil
 - Number of complaints pending as on end of the financial year – Nil
10. All the requirements of corporate governance report specified in Sub-paras (2) to (10) of Para C of Schedule V to the Regulations have been complied with.
11. The details of adoption of discretionary requirements as stipulated in Part E of Schedule II are as follows:
- The Financial Statements do not contain any modified audit opinion by the statutory Auditors.
 - The Company has appointed a practicing chartered accountant as internal Auditor who carries out the audit and the report is presented to the Audit Committee for review and further directions.
12. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of the Regulations.
13. A Management Discussion and Analysis Report has been presented as part of the Directors' Report.
14. There are no pending unclaimed shares which are required to be transferred to demat suspense account.
15. Code of Conduct
- The Board of directors has laid down a code of conduct for all Board members and senior management personnel of the Company who have affirmed compliance with the code of conduct. A declaration signed by the Whole-time Director and Chief Financial Officer to this effect is enclosed at the end of this Report. The code of conduct is also posted in the website of the Company viz., http://www.mercantileventures.co.in/files/CODE_OF_CONDUCT_DIRECTORS.pdf and http://www.mercantileventures.co.in/files/CODE_OF_CONDUCT_SENIORMANAGEMENT.pdf.
16. Insider Trading
- Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has prescribed a code of conduct for prevention of insider trading and code of corporate disclosure practices. The code of fair disclosure practice and procedures for unpublished price sensitive information is available at <http://www.mercantileventures.co.in/files/Code%20for%20Disclosures%20Reg%20208.pdf>

DECLARATION BY WHOLE TIME DIRECTOR

To the Members of Mercantile Ventures Limited

Pursuant to Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 this is to declare that the Members of the Board and Senior Management Personnel have affirmed compliance with the respective Codes of Conduct.

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

**Place: Chennai
Date: 12 August, 2022**

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

CORPORATE GOVERNANCE CERTIFICATE

To:
**The Members of
Mercantile Ventures Limited**

We have examined the compliance of conditions of Corporate Governance by **MERCANTILE VENTURES LIMITED (CIN: L65191TN1985PLC037309)**, for the year ended 31st March 2022, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

FOR KRA & ASSOCIATES

**R.Kannan
Sr. Partner**

**FCS 6718 / CP No. 3363
UDIN: F0067180000626801**

**Place: Chennai
Date: 15.07.2022**

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

To:
 The Members of
MERCANTILE VENTURES LIMITED

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

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

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

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

FOR KRA & ASSOCIATES

R.Kannan
Sr. Partner

FCS 6718 / CP No. 3363
UDIN: F0067180000626801

Place: Chennai
Date: 15.07.2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MERCANTILE VENTURES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Mercantile Ventures Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements vide Note 29.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

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

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DPV & Associates
Chartered Accountants
F.R.No.011688S

CA Vaira Mutthu K
Partner
(M.No.218791)
UDIN: 22218791ALTFFY1811

Date: 26/05/2022
Place: Chennai

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

We have audited the internal financial controls over financial reporting of MERCANTILE VENTURES LIMITED (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DPV & Associates
Chartered Accountants
F.R.No.011688S

CA Vaira Mutthu K
Partner
(M.No.218791)

Date: 26/05/2022
Place: Chennai

UDIN: 22218791ALTFFY1811

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- B) In respect of Intangible Assets, there were no intangible Assets hence reporting under this clause is not applicable.
- (b) The Company has physically verified the Plant & Equipment by the management once in the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as Property Plant Equipment in the financial statements, the lease agreements are in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii. (a) The Company is in the business of providing services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- iii. During the year Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year:
- (a) The Company has provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year,

Particulars	Gurantees ((Amount in Lakhs)	Loans (Amount in Lakhs)
Aggregate amount granted during the year		
→ Subsidiaries	-	6.60
→ Others	15,000.00	1,750.00
Balance outstanding as on 31/03/2022		
→ Subsidiaries	-	26.60
→ Others	38,500.00	4,859.12

- (b) The company has not made investments (or) granted loan during the year, where the terms and conditions are prejudicial to the company's interest.

- (c) in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the company and the repayments are regular except for Rs 6.60 Lakhs where the repayment for interest and principal is not stipulated by the company.
- (d) No Amount is overdue more than 90 days, hence the provisions of the clause 3 (iii)(d) of the Order are not applicable to the Company
- (e) The company has renewed the Inter Corporate Deposit which has fallen due during the year. The renewed amount during the reporting period is Rs. 2820 Lakhs which amounts to 44.84% of the total loans or advances given by the company.
- (f) The Company has granted loans or advances in the nature of loans repayable on demand or without specifying any terms or period of repayment during the year for Rs 6.60 Lakhs to its subsidiaries which amounts to 0.1% of the total loans or advances given by the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except **a sum of Rs 63,900/- appearing as TDS default in the Traces Portal relating to the period when the company was under the control of the Official Liquidator, Madras High Court**".
- (b) According to the records of the Company and according to the information and explanations given to us , there are no dues of Income tax and Goods and service Tax except as mentioned below.

Name of the statute	Nature of dues	Amount (in Lakhs)	Period	Forum where dispute is pending	Remarks
Income Tax Act 1961	Income Tax	35.39	AY 2015-16	CIT (A)	20% of the disputed demand amounting to Rs.8.86 lakhs has been paid under protest. Rectification Order u/s 154 requested for earlier assessment years.
Income Tax Act 1961	Income Tax	28.58	AY 2016-17	CIT (A)	Appeal filed is Pending before CIT Appeals

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

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

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

For DPV & Associates
Chartered Accountants
F.R.No.011688S

CA Vaira Mutthu K
Partner
(M.No.218791)
UDIN: 22218791ALTFFY1811

Date: 26/05/2022
Place: Chennai

Standalone Balance Sheet as at 31 March 2022

(Rs. in Lakhs)

	Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment and Intangible Assets			
	(i) Property, plant and Equipment	2(a)	6,173.97	6,252.38
	(ii) Capital work-in progress	2(b)	-	4,401.62
	(ii) Intangible Assets	2(c)	-	-
	(b) Financial assets- Investments	3	11,236.26	9,250.60
	(c) Deferred tax assets (Net)	4	1,396.72	1,371.91
			18,806.95	21,276.51
(2)	Current assets			
	(a) Financial Assets			
	(i) Investments	5	3,688.54	-
	(ii) Trade receivables	6	369.99	357.10
	(iii) Cash and cash equivalents	7	227.96	1,946.74
	(iv) Loans and Advances	8	6,288.37	3,744.11
	(v) Other current financial assets	9	1,702.36	1,404.79
	(b) Current Tax Assets	10	1,130.85	889.22
	(c) Other Current Assets	11	485.73	354.03
			13,893.80	8,695.99
	Total Assets		32,700.75	29,972.50
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	12	11,191.82	11,191.82
	(b) Other Equity	13	19,910.12	17,512.44
			31,101.94	28,704.26
	LIABILITIES			
(1)	Non-current Liabilities			
	Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Other financial liabilities	14	296.91	247.11
			296.91	247.11
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	15	28.22	19.20
	(ii) Other financial liabilities	16	20.86	18.18
	(ii) Other Current liabilities	17	87.88	78.02
	(b) Provisions	18	1,164.94	905.73
			1,301.90	1,021.13
	Total Equity and Liabilities		32,700.75	29,972.50

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

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

For and on behalf of the Board

CA K.Vairamuthu
Membership No: 218791
Partner

E N Rangaswami
Whole-time Director
DIN: 06463753

B Narendran
Director
DIN:01159394

Place : Chennai
Date: 26 May 2022

V.Padmanabha Sarma
Chief Financial Officer

V Padmapriya
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 March 2022

(Rs. in Lakhs)

S. No.	Particulars	Note No.	Year Ended 31 March 2022	Year Ended 31 March 2021
I	Revenue from operations	19	1,461.36	1,547.56
II	Other income	20	748.31	746.81
	Total Income		2,209.67	2,294.37
III	Expenses			
	a). Cost of Services	21	880.71	908.15
	b). Employee benefits expense	22	109.98	105.18
	c). Finance costs	23	21.28	19.17
	d). Depreciation and amortisation expense	2 (a)	95.23	97.41
	e). Other expenses	24	220.35	219.66
	Total expenses		1,327.55	1,349.57
IV	Profit/(loss) before exceptional items and tax		882.12	944.80
V	Exceptional Items		-	-
VI	Profit/(loss) before tax		882.12	944.80
VII	Tax expense			
	1) Current tax		259.21	272.72
	2) Deferred tax (net)		(24.81)	(27.76)
VIII	Profit/(loss) for the period		647.72	699.84
IX	Share of Profit/(loss) from LLP/Partnership Firms		279.26	28.35
X	Profit/(loss) for the period		926.98	728.19
XI	Other Comprehensive Income		1,470.70	2,037.37
	Total Comprehensive Income for the period (VIII+IX)(Comprising Profit/(loss) and other comprehensive income)		2,397.68	2,765.56
XII	Earnings per equity share			
	(1) Basic		0.58	0.63
	(2) Diluted		0.58	0.63

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

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

For and on behalf of the Board

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Membership No: 218791
Partner

E N Rangaswami
Whole-time Director
DIN: 06463753

B Narendran
Director
DIN:01159394

Place : Chennai
Date: 26 May 2022

V. Padmanabha Sarma
Chief Financial Officer

V Padmapriya
Company Secretary

Standalone Statement of changes in equity for the year ended 31 March 2022

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

(Rs. in Lakhs)

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

(Rs. in Lakhs)

Particulars	Reserves and surplus										Total	
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve	Retained earnings	Revaluation surplus*	Equity Instruments through other comprehensive income	Other items of other comprehensive income**				
(2) Previous reporting period												
Balance as at 1 April 2020	-	361.27	12,250.20	375.60	1,767.28	(2,068.52)	619.49	1,441.56			14,746.88	
Profit for the year	-	-	-	-	699.84	-	-	-	-	-	699.84	
Share of profit from LLP	-	-	-	-	28.35	-	-	-	-	-	28.35	
Other comprehensive income	-	-	-	-	-	-	1,708.47	328.90	328.90		2,037.37	
Total comprehensive Income for the year	-	-	-	-	728.19	-	1,708.47	328.90	328.90		2,765.56	
Any other change	-	-	-	-	-	-	-	-	-	-	-	
Balance as at 31 March 2021	-	361.27	12,250.20	375.60	2,495.47	(2,068.52)	2,327.96	1,770.46			17,512.44	

* Fair valuation of fixed assets as per IND AS by a registered valuer

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

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

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

CA K. Vairamuthu
Membership No: 218791
Partner

Place : Chennai
Date: 26 May 2022

For and on behalf of the Board

E N Rangaswami
Whole-time Director
DIN: 06463753

V. Padmanabha Sarma
Chief Financial Officer

B Narendran
Director
DIN: 01159394

V Padmapriya
Company Secretary

Standalone Cash Flow Statement for the Year ended 31 March 2022

(Rs. in Lakhs)

	Particulars	Year Ended 31 March 2022		Year ended 31 March 2021	
A	Cash Flow from Operating Activities				
	Profit for the year before tax and after Exceptional items OCI, share of profit from LLP/Firms		2,632.08		3,010.52
	Adjustments for:				
	Depreciation	95.23		97.41	
	Dividend Income	(83.66)		(258.52)	
	Interest Income	(539.45)		(424.26)	
	Profit on sale of investments	(6.65)		(4.01)	
			(534.53)		(589.38)
	Operating Profit before Working Capital changes		2,097.55		2,421.14
	Adjustments for:				
	Other Financial Liabilities	49.80		(34.33)	
	Current liabilities & Provisions	21.56		(6.32)	
	Trade Receivables	(12.89)		(27.69)	
	Current tax assets	(4.36)		(13.49)	
	Other current assets	(131.70)	(77.59)	377.68	295.85
	Tax paid		2,019.96		2,716.99
			(237.28)		(262.58)
	Net Cash from Operating activities (A)		1,782.68		2,454.41
B	Cash Flow from Investing activities				
	Proceeds from sale of shares/investments	805.32		33.65	
	Addition to Fixed assets	(16.82)		(8.68)	
	Transfer of capital work-in-progress	4,401.62		-	
	Non Current Investments	(2,784.30)		(1,965.27)	
	Current Investments	(3,688.54)		-	
	Income from Investments	623.11		682.78	
	Other current financial assets	(297.57)		-	
	Loans and Advances	(2,544.28)	(3,501.46)	(178.40)	(1,435.92)
	Cash Flow from investing activities (B)		(3,501.46)		(1,435.92)
C	Cash Flow from Financing activities				
	Long term Borrowings		-		
	Net Cash used in Financing Activities (C)		-		-
	Net Cash Flows during the year (A) + (B) + (C)		(1,718.78)		1,018.49
	Cash & Cash Equivalents at the beginning of the period		1,946.74		928.25
	Cash & Cash Equivalents at the end of the period		227.96		1,946.74

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

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

For and on behalf of the Board

CA K.Vairamuthu
Membership No: 218791
Partner

E N Rangaswami
Whole-time Director
DIN: 06463753

B Narendran
Director
DIN:01159394

Place : Chennai
Date: 26 May 2022

V.Padmanabha Sarma
Chief Financial Officer

V Padmapriya
Company Secretary

SIGNIFICANT ACCOUNTING POLICES AND NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Overview

1.1. Company Overview

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

1.2. Basis of Preparation of Financial Statements:-

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

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

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

1.3. Use of estimates

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

1.4. Cash Flow Statement

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

1.5. Critical accounting estimates

A) Revenue recognition

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

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

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

B) Expenditure

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

C) Income taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Also refer to note no.29.

1.6. Property, Plant and Equipment

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

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

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

1.7. Impairment

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

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

1.8. Financial Instruments

1. Initial recognition

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

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

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

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

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

5. Financial liabilities:

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

1.9. Employee benefit

Gratuity: In accordance with the Payment of Gratuity Act, 1972, the company provides for payment to eligible employees who have completed five years of continuous service in the company through a Group Gratuity Policy taken with M/s. Life

insurance corporation of India. Gratuity payable is computed based on the last drawn salary and years of employment with the company.

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

1.10. Foreign Currency Transactions

There are no such transactions in the current financial year.

1.11. Segment Reporting

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

1.12. Income tax

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

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

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

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

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

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

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

1.13. Rounding of amounts

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

2 Property Plant and Equipment and Intangible Assets

(Rs. in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01-04-2021	Additions	Deletions	Total 31-03-2022	As at 01-04-2021	Deletions	For the year	Total 31-03-2022	As at 31-03-2022	As at 31-03-2021
a) Property, Plant and Equipment										
Freehold Land	4601.17	16.82	-	4617.99	-	-	-	-	4617.99	4601.17
Buildings *	1954.40	-	-	1954.40	422.08	-	74.28	496.36	1458.04	1532.32
Computers	4.55	-	-	4.55	4.411	-	-	4.41	0.14	0.14
Airconditioners, etc	124.63	-	-	124.63	46.28	-	7.89	54.17	70.46	78.35
Furniture and Fixtures	137.49	-	-	137.49	97.17	-	13.06	110.23	27.26	40.32
Office Equipments	4.09	-	-	4.09	4.01	-	-	4.01	0.08	0.08
Total	6826.33	16.82	-	6843.15	573.95	-	95.23	669.18	6173.97	6252.38
b) Capital work-in Progress **	4401.62	-	4401.62	-	-	-	-	-	-	4401.62
c) Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total	11227.95	16.82	4401.62	6843.15	573.95	-	95.23	669.18	6173.97	10654.00
Previous year	11219.27	8.68	-	11227.95	476.54	-	97.41	573.95	10654.00	10742.73

Note:

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

** This relates to payments made towards allotment of residential apartments in Chennai, which was cancelled during the year.

CWIP Ageing Schedule

Current Reporting Period

Capital Work in Progress(CWIP)	Amount in CWIP outstanding for a Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

Previous Reporting Period

Capital Work in Progress(CWIP)	Amount in CWIP outstanding for a Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress **	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	4,401.62	4,401.62

3 Non Current Investments

(Rs. in Lakhs)

S. No.	Particulars	Subsidiary/ Associates/ Joint Venture/ Others	Face Value (Rs.)	No. of Shares	As at 31 March 2022	No. of Shares	As at 31 March 2021
	Investments in Equity instruments - fully paid up at fair value through Other Comprehensive Income						
	Quoted						
1	Chitra Durga Spintex Ltd	Others	10	-	-	3,650	0.06
2	Sical Logistics Ltd	Others	10	12,600	1.62	12,600	1.25
3	Sicagen India Ltd	Others	10	7,29,510	169.25	7,29,510	106.14
4	Southern Petrochemical Industries Corporation Ltd	Others	10	8,53,810	622.43	8,53,810	247.61
5	Tamil Nadu Petroproducts Ltd	Others	10	2,01,000	233.56	2,01,000	97.18
6	Manali Petrochemicals	Others	5	24,97,810	2,953.64	24,97,810	1,493.69
7	Sterlite Technologies Ltd	Others	2	-	-	225	0.45
8	Integrated Digital Info Services Ltd	Others	10	200	-	200	-
9	Kumbhat Financial Services Ltd	Others	10	10,100	-	10,100	-
10	Rainbow Foundations Ltd	Others	p	-	-	20,000	-
11	Ritesh International Ltd	Others	10	-	-	12,900	-
12	S&S Power Switchgear Ltd Industries Ltd	Others	10	-	-	77	-
13	SIV Industries Ltd	Others	10	850	-	850	-
14	Crescent Finstock Ltd	Others			-		-
14	Sharp Industries Ltd	Others	10	40	-	40	-
15	Temba Shipyards Ltd	Others	10	2,050	-	2,050	-
16	TN Jayabharat Mills Ltd	Others	10	2,000	-	2,000	-
17	Tribology India Ltd	Others	10	2,150	-	2,150	-
	Sub Total (A)				3,980.50		1,946.38
	Unquoted						
1	National Trust Housing Finance Ltd	Associates	10	73,49,890	3,623.50	73,49,890	3,454.45
2	AM Foundation	Others	10	1,200	-	1,200	-
3	i3 Security Private Ltd	Subsidiary	10	39,07,800	773.95	39,07,800	701.06
4	Cunningham Ventures Private Limited	Subsidiary	10	30,000	3.00	-	-

S. No.	Particulars	Subsidiary/ Associates/ Joint Venture/ Others	Face Value (Rs.)	No. of Shares	As at 31 March 2022	No. of Shares	As at 31 March 2021
5	Sahoj Ventures Private Limited	Subsidiary	10	30,000	3.00	-	-
6	Willingdon Ventures Private Limited	Subsidiary	10	30,000	3.00	-	-
	Sub Total (B)				4,406.45		4,155.51
	Total (C)=(A)+(B)				8,386.95		6,101.89
	Investments in Redeemable Preference Shares						
1	EDAC Engineering Ltd	Others	10	2,00,00,000	1,571.54	2,00,00,000	1,907.11
2	India Radiators Ltd *	Subsidiary	10	1,94,82,700	980.77	1,06,46,000	938.60
	Sub Total (D)				2,552.31		2,845.71
	Investment in capital of Partnership firms/LLP- at cost						
1	Chitaranjan Developers LLP	Subsidiary			297.00		294.00
2	Cunningham Ventures	Subsidiary			-		3.00
3	Willingdon Ventures	Subsidiary			-		3.00
4	Sahoj Ventures	Subsidiary			-		3.00
	Sub Total (E)				297.00		303.00
	Net Value of Investments (C)+(D)+(E)				11,236.26		9,250.60

Details of Investment in LLP:

Names of partners	31.03.2022		31.03.2021	
	Capital	Share of Profit	Capital	Share of Profit
Mercantile Ventures Limited	297.00	98%	294.00	98%
R Narayanasamy	-	1%	3.00	1%
V. Rajagopal	3.00	1%	3.00	1%
Total	300.00	100%	300.00	100%

* 88,36,700 7% Redeemable Preference shares of Rs 10 each were allotted during the year by conversion of Loans and Advances.

The Preference shares have a tenor of 10 years.

4 Deferred Tax Asset (Net)

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	1,371.91	1,344.15
Deferred tax asset	24.81	27.76
Total	1,396.72	1,371.91

5 Current investments:

Investments in Mutual Funds at Fair Value		
UTI Money Market Fund _Regular Plan_Growth(121363 units)	2994.48	-
SBI Liquid fund_Regular Plan(20994 units)	695.06	-
Total	3,689.54	-

6 Trade Receivables:

Undisputed Trade Receivables considered good	369.99	357.10
Total	369.99	357.10
Trade Receivables ageing		
Undisputed Trade receivables-considered good		
Outstanding for less than six months	317.15	330.01
Outstanding for period 6months -1year	19.77	22.59
Outstanding for period 1 -2 years *	33.07	4.50
Outstanding for period 2- 3years	-	-
Outstanding for more than 3 years	-	-
Disputed Trade receivables-considered good	-	-
Total	369.99	357.10

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

7 Cash & Cash Equivalents

Cash on Hand	0.52	0.07
Balance with Banks in Current Accounts	227.44	96.67
Fixed deposits with banks with less than 12 months maturity	-	1,850.00
Total	227.96	1,946.74

8 Loans & Advances :

Loan and advances- considered good - unsecured		
Loans and Advances-Related parties	1,429.26	783.46
Loans and Advances-Others	4,859.11	2,960.65
Total	6,288.37	3,744.11

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	1,429.26	783.46
Total	1,429.26	783.46
Percentage to the total Loans and Advances in the nature of loans.	22.73 %	20.93 %

Details of inter corporate deposits/loans disclosed pursuant to section 186(4) of the companies Act 2013		
Edac Engineering Limited	3,062.52	2,960.65
India Radiators Limited	46.04	737.44
Greenstar Fertilizers Limited	1,796.60	-
The above inter corporate deposits/loans are given for the business purposes of the recipient entities		

9 Other current financial assets:

Particulars	As at 31.03.2022	As at 31.03.2021
Other Advances	1,696.50	1,393.46
Security Deposit	5.86	5.86
Interest accrued on Fixed deposits	-	5.47
Total	1,702.36	1,404.79

10 Current Tax assets

Advance income tax	1,130.85	889.22
Total	1,130.85	889.22

11 Other Current assets

Share of Profit from LLP/Partnership Firms	485.73	354.03
Total	485.73	354.03

12 Share Capital

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

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

(Rs. in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Shares issued during the year	-	-	-	-
Shares outstanding at the close of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82

Shares held by promoters at the end of the year

Promoter name	No: of shares	% of total shares	% change during the year	Remarks
1. Mr Jawahar Vadivelu	27,100	0.02	-	Promoter Group
2. Mr AC Muthiah	13,068	0.01	-	Promoter Group
3. Mr AL Vadivelu	8,144	0.01	-	Promoter
4. Mr Ashwin C Muthiah	230	-	-	Promoter Group
5. Trinity Auto Points Private Ltd	2,09,56,000	18.72	-	Promoter Group
6. South India Travels Private Ltd	1,85,82,056	16.60	-	Promoter
7. Golden Star Assets Consultants Private Ltd	1,43,96,000	12.86	-	Promoter Group
8. Ranford Investments Ltd	78,07,955	6.98	-	Promoter
9. Dornolly Investments Ltd	64,37,000	5.75	-	Promoter
10. Twinshield Consultants Private Ltd	52,81,899	4.72	-	Promoter Group
11. Sicagen India Ltd	40,08,205	3.59	-	Promoter
12. First Leasing Company of India Ltd	1,77,250	0.16	-	Promoter
13. Navia Markets Ltd	11,600	0.01	-	Promoter
Total	7,77,06,507	69.43	-	

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

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Trinity Auto Points Limited	2,09,56,000	18.72%	2,09,56,000	18.72%
South India Travels Private Limited	1,85,82,056	16.60%	1,85,82,056	16.60%
Golden Star Assets Consultants Private Limited	1,43,96,000	12.86%	1,43,96,000	12.86%
Southern Petrochemical Industries Corporation Limited	1,50,28,000	13.43%	1,50,28,000	13.43%
Ranford Investments Limited	78,07,955	6.98%	78,07,955	6.98%
Dornolly Investments Limited	64,37,000	5.75%	64,37,000	5.75%

13 Other Equity

(Rs. in Lakhs)

Particulars	Reserves and surplus			General Reserve	Retained earnings	Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account			
Balance as at 1 April 2021	-	361.27	12250.20	375.60	4525.37	17512.44
Profit for the year	-	-	-	-	647.72	647.72
Share of profit from LLP	-	-	-	-	279.26	279.26
Other comprehensive income	-	-	-	-	1470.70	1470.70
Total comprehensive Income for the year	-	-	-	-	2397.68	2397.68
Any other change	-	-	-	-	-	-
Balance as at 31 March 2022	-	361.27	12,250.20	375.60	6,923.05	19,910.12
Balance as at 1 April 2020	-	361.27	12,250.20	375.60	1,759.81	14,746.88
Profit for the year	-	-	-	-	699.84	699.84
Share of profit from LLP	-	-	-	-	28.35	28.35
Other comprehensive income	-	-	-	-	2,037.37	2,037.37
Total comprehensive Income for the year	-	-	-	-	2,765.56	2,765.56
Any other change	-	-	-	-	-	-
Balance as at 31 March 2021	-	722.54	12,250.20	375.60	4,525.37	17,512.44

14 Other Financial Liabilities (Non Current)

Particulars	As at 31 March 2022	As at 31 March 2021
Rent Deposit	296.91	247.11
Total	296.91	247.11

15 Trade Payables

Due to Micro, Small and Medium Enterprises	-	-
Undisputed dues to others:	28.22	19.20
Total	28.22	19.20
Less than 1 year	28.22	19.20
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	28.22	19.20

16 Other Current Financial Liabilities

Other Payables	20.86	18.18
Total	20.86	18.18

17 Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory Dues	87.88	78.02
Total	87.88	78.02

18 Current Provisions

Provision for Taxation	1,164.94	905.73
Total	1,164.94	905.73

19 Income from Operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a. Rent of immovable properties	515.84	561.92
b. Maintenance Charges	85.41	103.62
c. Manpower Supply services	860.11	882.02
Total	1,461.36	1,547.56

20 Other Income

Dividend received	83.66	258.52
Guarantee commission	60.00	60.00
Interest Received	539.45	424.26
Profit on sale of investments	6.65	4.01
Reimbursement expenses	39.00	-
Miscellaneous income	19.55	0.02
Total	748.31	746.81

21 Cost of Services

Cost of manpower supply services	803.17	833.80
Cost of maintenance services	77.54	74.35
Total	880.71	908.15

22 Employment Benefit Expenses

Salaries	104.91	100.42
Contribution to Provident Fund	1.80	1.65
Staff Welfare	3.27	3.11
Total	109.98	105.18

23 Finance Cost

Notional interest on Rent Deposit	21.28	19.17
Total	21.28	19.17

24 Other Expenses

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rates & Taxes	40.80	37.27
Repairs & Maintenance	64.13	122.45
Postage, Telephone & Courier charges	6.70	1.31
Travelling Expenses	0.52	0.50
Professional & Consultancy charges	10.50	6.18
Auditors Remuneration	4.50	4.50
Advertisement Charges	1.74	1.80
Director Sitting Fees	7.50	8.25
Electricity and Fuel charges	38.95	20.69
Filing Fees	0.14	0.15
Printing & Stationery	1.67	1.35
Insurance Expenses	2.52	2.85
Legal Expenses	0.25	-
Donation	25.00	-
Contribution to CSR activities	10.95	9.73
Miscellaneous Expenses	4.48	2.63
Total	220.35	219.66

- 25 **Exceptional Items** NIL NIL
- 26 **Expenditure in foreign currency during the current period** NIL NIL
- 27 **Earnings in Foreign Exchange received during the current period** NIL NIL
- 28 **As per IND AS 24- "Related party disclosures", the disclosures of transactions with the related parties are given below:**

Related Parties:

Subsidiary:

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

Associates:

National Trust Housing Finance Limited
 Genetoph Developers LLP (Associate of subsidiary)

Key Managerial Personnel:

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

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

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

(Rs. in Lakhs)

Particulars of transaction	Year ended 31 March 2022	Year ended 31 March 2021
Transaction with related parties :		
i3 Security Private Limited		
Security charges	35.56	32.11
Inter corporate deposit & advances given	85.50	45.89
Interest Accrued/received on Inter corporate deposit	67.49	62.43
Conversion Loans/advances into preference shares	883.67	-
Chitaranjan Developers LLP:		
Loans & Advances	6.60	5.39
Recovery from loans & advances	-	40.39
Interest Accrued/received on loan	-	2.40
Cunningham Ventures Private Limited- Conversion of capital into equity shares		
Capital Contribution	3.00	3.00
Willingdon Ventures Private Limited - Conversion of capital into equity shares		
Capital Contribution	3.00	3.00
Sahoj Ventures Private Ltd - Conversion of capital into equity shares		
Capital Contribution	3.00	3.00
National Trust Housing Finance Limited:		
Dividend Received	36.75	33.07
Mr. E. N. Rangaswami		
Remuneration	53.00	53.00
Cenetoph Developers Ltd		
Cancellation of allotment of apartments	4,401.62	-
Payments received	3,025.00	-
Closing Balances:		
i3 Security Private Limited		
Investments in Equity shares	773.95	701.06
India Radiators Limited		
Investment in preference shares	980.77	938.60
Inter Corporate Deposit & Advances	46.04	721.02
Interest accrued on Inter corporate deposit	-	62.43
Cenetoph Developers LLP		
Loans and advances	1,376.62	-
Chitaranjan Developers LLP:		
Investment in capital	297.00	294.00
Loans and advances	6.60	-
Cunningham Ventures Private Limited - Equity Shares	3.00	3.00
Willingdon Ventures Private Limited - Equity Shares	3.00	3.00
Sahoj Ventures Private Limited - Equity Shares	3.00	3.00
National Trust Housing Finance Limited - Equity Shares	3,623.50	3,454.45

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

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
i) Contingent liabilities :		
a) Claims against the company not acknowledged as debt;	Nil	Nil
b) Guarantees-charge created on company's asset for third party loan	38,500.00	23,500.00
c) Other money for which the company is contingently liable.	Nil	Nil
Disputed tax demand in respect of Assessment Year 2015-16	35.39	35.39
Disputed tax demand in respect of Assessment Year 2016-17. Appeal filed by the company is pending before CIT(A)	28.58	28.58
ii) Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	406.92
b) Uncalled liability on shares and other investments partly paid;	Nil	Nil
c) Other commitments (specify nature)	Nil	Nil

30 Corporate Social Responsibility

i) Amount required to be spent by the company during the year	10.96	9.05
ii) Amount of expenditure incurred	-	9.73
iii) Shortfall at the end of the year	10.96	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	Work Order released for renovation work in February 2022 which is under progress. The entire amount of 10.96 lakhs transferred to CSR unspent account with a scheduled bank.	-
vi) Nature of CSR activities	Renovation of sanitary blocks in a Government School in Chennai	Provision of computers and peripherals to a Government School in Chennai
vii) Details of related party transactions	Nil	Nil
viii) Where a provision is made with respect to liability incurred by entering into a contractual obligation, movement in the provision during the year	NA	NA

31 Analytical Ratios:

Particulars	As at 31 March 2022	As at 31 March 2021	Remarks	Variance
(a) Current Ratio *	10.67	8.52	Current assets / current liabilities	25.32%
(b) Debt Equity Ratio	NA	NA	company has no debts	
(c) Debt Service Coverage Ratio	NA	NA		
(d) Return on Equity	2.98%	2.54%	Net profit after tax / shareholder funds x 100	17.49%
(e) Inventory Turnover Ratio	NA	NA		
(f) Trade Receivables Turnover Ratio	4.02	4.51	Revenue from operation / average receivables	(10.84%)
(g) Trade Payables Turnover Ratio	NA	NA		
(h) Net Capital Turnover Ratio *	0.12	0.20	Revenue from operations / (Current assets - Current liabilities)	(42.44%)
(i) Net Profit Ratio **	63.43%	47.05%	Net Profit/Revenue from operations	34.81%
(j) Return on capital employed	2.95%	2.52%	Net Profit/Total assets-current liabilities)	17.38%
(k) Return on Investment	2.83%	2.43%	Net Profit/Total assets	16.68%

* Change is due to transfer of Rs. 4,401.62 lakhs from Capital WIP to Current assets on cancellation of contract during the year

** Due to higher share of profit from LLP in 2021-22.

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

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Change in projected benefit obligation:		
Obligations at the beginning of the year	33.07	16.75
- Service cost	2.23	17.07
- Interest cost	0.10	1.17
Actuarial (gains)/ losses arising from experience adjustments	15.44	(1.92)
Benefits settled	-	-
Acquisition	-	-
Obligations at year end	50.84	33.07

Particulars	As at 31 March 2022	As at 31 March 2021
Change in plan assets:		
Plans assets at the beginning of the year, at fair value	3.70	26.50
Expected return on plan assets	54.35	2.15
Contributions	12.22	22.61
Benefits settled	-	-
Plans assets at year end, at fair value	70.27	51.26
Amounts to be recognized in Balance Sheet		
Present value of obligations as at the end of the year	50.84	33.07
Fair value of plan assets as at the end of the year	70.27	51.26
Funded status	19.43	18.19
Net assets/liability recognized in balance sheet	19.43	18.19
Expense recognised in the statement of profit and loss and other comprehensive income:		
Gratuity cost for the year		
Included in profit and loss:		
- Service cost	12.22	17.07
- Interest cost	0.10	1.17
Net gratuity cost	12.32	18.24
Defined benefit obligation:		
Assumptions		
Discount rate	7.00%	7.00%
Salary escalation	5.00%	5.00%
Retirement age	58 years	58 years
Mortality table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate

33 Segment reporting

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

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

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

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Segment Revenue		
a) Rent and Maintenance of immovable properties	601.25	665.54
b) Manpower Services	860.11	882.02
c) Investment activity	709.31	746.81
d) Unallocated Income	39.00	-
Total	2,209.67	2,294.37
Segment Profit:		
a) Rent and Maintenance of immovable properties	308.79	326.29
b) Manpower Services	56.96	48.22
c) Investment activity	709.30	746.81
Total	1,075.05	1,121.32
Finance Cost	21.28	19.17
Other net unallocable(income)expenses	171.65	157.35
Tax expenses	234.40	244.96
Profit for the year	647.72	699.84
Segment Assets and Liabilities		
Segment Assets		
a) Rent and Maintenance of immovable properties	6,419.42	10,833.91
b) Manpower Services	124.54	177.19
c) Investment activity	22,915.53	14,399.50
d) Unallocated Income	3,241.26	4,561.90
Total	32,700.75	29,972.50
Segment Liabilities		
a) Rent and Maintenance of immovable properties	338.23	275.01
b) Manpower Services	95.19	87.50
c) Unallocated	1165.39	905.73
Total Liabilities	1,598.81	1,268.24

Note:

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

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

34 Relationship with struck off companies as at 31-03-2022:

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

Details of shares held by struck off Companies

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

Name of Holder	No of shares	% of Total Holding
Parshwanath Finance Ltd	300	-
Prakruthi Finnace Services Ltd	100	-
Profad Ltd	12,648	0.01
Pushkar Financial Services Ltd	8	-
Ranjani Investments P Ltd	100	-
Richfield Investments & Fin P Ltd	325	-
Sagothram Housing Investments Ltd	100	-
Sanmar Properties & Investments Ltd	50	-
South India Invsts & Fin Cons Ltd	50	-
Sri Siddhi Vinayak Shares Ltd	100	-
ST Christophers Trang College	4	-
Startegy Investments & Consults P Ltd	500	-
Sundharama Private Ltd	50	-
Totarams Investment & Fin P Ltd	500	-
Transcorp Financial Services Ltd	500	-
Unique Business P Ltd	100	-
Vitaldev Investments P Ltd	1,350	-
Nagarathar Finance & Leasing P Ltd	800	-
Navratna Investments P Ltd	74	-
New Ambadi Investments P Ltd	25	-
Total	2,84,351	0.24

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

Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
Title deeds of Immovable Property not held in name of the Company	The Company don't have any immovable properties which are not held in its Own name. Hence disclosure under this clause is not applicable
Revaluation of Property , Plant & Equipment	The Company has not revalued Property, Plant & Equipment. Hence disclosure under this clause is not applicable
Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets. Hence disclosure under this clause is not applicable
Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	Refer Note No. 8
Capital-Work-in Progress (CWIP)	Refer Note No. 2

Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
Intangible assets under development	Nil
Details of Benami Property held	The Company has no Benami Property
Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions. Hence disclosure under this clause is not applicable
Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender. Hence disclosure under this clause is not applicable
Relationship with Struck off Companies	Refer Note No. 34
Registration of charges or satisfaction with Registrar of Companies (ROC)	Nil
Compliance with number of layers of companies	The Company is in compliance with number layers of the companies.
Anyaltical Ratios	Refer Note No. 31
Compliance with approved Scheme(s) of Arrangements	The Company has filed a Scheme of Amalgamation filed with Chennai NCLT which is pending for approval by competent authority in terms of Sections 230 to 237 of the Companies Act, 2013
Utilisation of Borrowed funds and share premium	The Company has no borrowed funds and has not utilized the share premium during the year.
Undisclosed income	Nil
Corporate Social Responsibility (CSR)	Refer Note No. 30
Details of Crypto Currency or Virtual Currency	The Company has not Traded or invested in crypto currency or virtual currency. Hence disclosure under this clause is not applicable

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

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

Opinion

We have audited the accompanying Consolidated financial statements of Mercantile Ventures Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries referred together as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2022, the Consolidated profit and Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

Management's Responsibility for the Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

Other matters

- a) We did not audit of the financial information of 5 subsidiaries whose financial statements reflect Total Assets of Rs.3282.70 Lakhs as at 31st March 2022, Total Revenue of Rs. 3238.73 lakhs, Net cash flows amounting to 102.34 lakhs for the year ended 31st March 2022 and one subsidiary whose groups share of profit of Rs.279.26 lakhs for the year ended on that date, as considered in the Consolidated financial Statements
- b) We did not the audit the financial information of Associate namely M/s. National Trust Housing Finance Limited and groups share of profit of Rs.211.80 lakhs for the year ended 31st March 2022, has been considered in the Consolidated financial Statements.
- c) These consolidated Financial statements have been audited by other auditors whose reports have been furnished to us by the management and in our opinion the consolidated financial statements, in so far as it amounts and disclosures included in respect of these subsidiaries and associate, and our report in the terms of the sub-section (3) and (11) of the section 143 of the act in so far as it relates to the aforesaid subsidiaries and associate, is based solely upon the report of the other auditors and management representations.
- d) Our Opinion on the consolidated financial statements and our report on Other legal and regulatory requirements below, is not modified in the respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the consolidated financial statements/information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of Parent as on March 31, 2022 taken on record by the Board of Directors, none of the directors are 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 Parent and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements vide Note 30.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest

in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that the observations in CARO reports as below.

S. No	Name	CIN	Holding /Subsidiary/ Associate/Joint venture	Clause Number of CARO report which adverse or Qualified
1	India Radiators Limited	L27209TN1949PLC000963	Subsidiary	Clause vii(a)
2	Mercantile Ventures Limited	L65191TN1985PLC037309	Holding Company	Clause vii(a), Clause vii(b)

For DPV & Associates
Chartered Accountants
F.R.No.011688S

CA Vaira Mutthu K
Partner

(M.No.218791)

UDIN: 22218791ALTFY1811

Date: 26/05/2022

Place: Chennai

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

We have audited the internal financial controls over financial reporting of Mercantile Ventures Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DPV & Associates
Chartered Accountants
F.R.No.011688S**

**CA Vaira Mutthu K
Partner
(M.No.218791)**

Date: 26/05/2022

Place: Chennai

UDIN: 22218791ALTFFY1811

Consolidated Balance Sheet as at 31 March 2022

(Rs. in Lakhs)

	Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	2(a)	7,386.69	7,467.79
	(b) Capital work-in progress	2(b)	-	4,401.62
	(c) Intangible assets	2(c)	-	-
	(d) Goodwill on consolidation		294.04	221.15
	(e) Minority Interest		423.91	913.53
	Financial assets			
	(a) Investments	3	11,066.27	8,992.89
	(b) Deferred tax assets (Net)	4	947.45	1,156.31
	Total		20,118.36	23,153.29
(2)	Current assets			
	Inventories	5	1.35	0.25
	(a) Financial Assets			
	(i) Investments	6	3,688.54	-
	(ii) Trade receivables	7	817.13	759.77
	(iii) Cash and cash equivalents	8	675.07	2,291.51
	(iv) Loans and Advances	9	7,225.32	3,070.86
	(v) Other current financial assets	10	1,717.90	1,460.73
	(b) Current Tax Assets	11	1,303.79	1,037.25
	(c) Other Current Assets	12	485.73	354.03
			15,914.83	8,974.40
	Total Assets		36,033.19	32,127.69
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	13	11,191.82	11,191.82
	(b) Other Equity	14	22,627.88	19,114.51
	Total		33,819.70	30,306.33
	LIABILITIES			
(1)	Non-current Liabilities			
	Financial Liabilities			
	i) Other financial liabilities	15	296.91	247.11
	Total		296.91	247.11
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	16	47.56	21.14
	(ii) Other financial liabilities	17	73.84	168.49
	(b) Other Current liabilities	18	243.19	173.05
	(c) Provisions	19	1,551.99	1,211.57
	Total		1,916.58	1,574.25
	Total Equity and Liabilities		36,033.19	32,127.69

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

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

CA K.Vairamuthu
Membership No: 218791
Partner

Place : Chennai
Date: 26 May 2022

For and on behalf of the Board

E N Rangaswami
Whole-time Director
DIN: 06463753

V.Padmanabha Sarma
Chief Financial Officer

B Narendran
Director
DIN:01159394

V Padmapriya
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(Rs. in Lakhs)

S. No.	Particulars	Note No.	Year Ended 31 March 2022	Year Ended 31 March 2021
I	Revenue from operations	20	3,703.75	3,729.99
II	Other income	21	1,631.55	694.55
	Total Income		5,335.30	4,424.54
III	Expenses			
	Cost of Services/materials consumed	22	875.63	899.10
	Employee benefits expense	23	2,156.34	2,009.43
	Finance costs	24	108.01	99.30
	Depreciation and amortisation expense	2	99.01	101.39
	Other expenses	25	451.24	379.77
	Total expenses		3,690.23	3,488.99
IV	Profit/(loss) before exceptional items and tax		1,645.07	935.55
V	Exceptional Items		-	-
VI	Profit/(loss) before tax		1,645.07	935.55
VII	Tax expense			
	Current tax		287.81	317.90
	Deferred tax		208.87	(20.77)
VIII	Profit/(loss) for the period		1,148.39	638.42
IX	Share of Profit from LLP/Partnership Firms		279.26	28.35
X	Share of Profit/(loss) from Associate		211.80	271.93
XI	Profit/(loss) for the period		1,639.45	938.70
XII	Minority interest		(489.64)	194.51
XIII	Profit/(loss) for the period		1,149.81	1,133.21
XIV	Other Comprehensive Income		1,470.70	2,037.37
	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit/(loss) and other comprehensive income		2,620.51	3,170.58
XV	Earnings per equity share			
	(1) Basic		0.59	0.74
	(2) Diluted		0.59	0.74

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

As per our Report of even date.

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

CA K.Vairamuthu
Membership No: 218791
Partner

Place : Chennai
Date: 26 May 2022

For and on behalf of the Board

E N Rangaswami
Whole-time Director
DIN: 06463753

V.Padmanabha Sarma
Chief Financial Officer

B Narendran
Director
DIN:01159394

V Padmapriya
Company Secretary

Consolidated Statement of changes in equity for the year ended 31 March 2022

(A) Equity share capital		(Rs. in Lakhs)		
(1) Current reporting period				
Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
11,19,18,195	-	11,191.82	-	11,191.82
(2) Previous reporting period				
Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
11,19,18,195	-	11,191.82	-	11,191.82

(B) Other equity

(1) Current reporting period (Rs. in Lakhs)

Particulars	Reserves and surplus							Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account"	General Reserve	Retained earnings	Revaluation Surplus	Equity instruments through Other comprehensive income	
Balance as at 1 April 2021	-	295.28	12,252.47	375.60	5,045.95	(954.96)	2,327.96	19,114.51
Changes in accounting Policy/ prior period errors	-	295.28	12,252.47	375.60	5,045.95	(954.96)	2,327.96	19,114.51
Restated balance at beginning of current reporting period	-	295.28	12,252.47	375.60	5,045.95	(954.96)	2,327.96	19,114.51
Profit for the year	-	-	-	-	1,148.39	-	-	1,148.39
Share of profit/(loss) from LLP/ partnership firms	-	-	-	-	279.26	-	-	279.26
Profit of associate	-	-	-	-	211.80	-	-	211.80
Minority Interest	-	-	-	-	(489.64)	-	-	(489.64)
Profit for the year	-	-	-	-	1,149.81	-	-	1,149.81
Other comprehensive income	-	-	-	-	-	-	2,276.71	1,470.70
Total comprehensive income for the year	-	-	-	-	1,149.81	-	2,276.71	2,620.51
Any other changes-Capital Reserve on consolidation	-	892.86	-	-	-	-	-	892.86
Balance as at 31 March 2022	-	1,188.14	12,252.47	375.60	6,195.76	(954.96)	4,604.67	22,627.88

(Rs. in Lakhs)

Particulars	Reserves and surplus							Total	
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account	General Reserve	Retained earnings	Revaluation Surplus	Equity instruments through Other comprehensive income		Other items of other comprehensive income
(2) Previous reporting period									
Balance as at 1 April 2020	-	295.28	12,252.47	375.60	3,912.74	(954.96)	619.49	(556.69)	15,943.93
Changes in accounting Policy/ prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at beginning of current reporting period	-	295.28	12,252.47	375.60	3,912.74	(954.96)	619.49	(556.69)	15,943.93
Profit for the year	-	-	-	-	638.42	-	-	-	638.42
Share of profit/(loss) from LLP/ partnership firms	-	-	-	-	28.35	-	-	-	28.35
Profit of associate	-	-	-	-	271.93	-	-	-	271.93
Minority Interest	-	-	-	-	194.51	-	-	-	194.51
Profit for the year	-	-	-	-	1,133.21	-	-	-	1,133.21
Other Comprehensive Income	-	-	-	-	-	-	1,708.47	328.90	2,037.37
Total comprehensive Income for the year	-	-	-	-	1,133.21	-	1,708.47	328.90	3,170.58
Any other changes	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	295.28	12,252.47	375.60	5,045.95	(954.96)	2,327.96	(227.79)	19,114.51

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

As per our Report of even date.

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

For and on behalf of the Board

CA K. Vairamuthu
Membership No: 218791
Partner

E N Rangaswami
Whole-time Director
DIN: 06463753

B Narendran
Director
DIN: 01159394

Place : Chennai
Date: 26 May 2022

V.Padmanabha Sarma
Chief Financial Officer

V Padmapriya
Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March 2022

(Rs. in Lakhs)

	Particulars	Year Ended 31 March 2022		Year ended 31 March 2021	
A	Cash Flow from Operating Activities				
	Profit for the year before tax and after Exceptional items OCI and share of profit from LLP, excluding associate		2,905.39		3,195.78
	Adjustments for:				
	Depreciation	99.01		101.39	
	Dividend Income	(83.66)		(258.52)	
	Interest Income	(483.72)		(370.12)	
	Minority Interest	489.64		(194.51)	
	Other Equity adjustments	892.86		-	
	Profit on sale of investments	(6.65)		(4.01)	
	Guarantee Commission	(60.00)		(60.00)	
	Share of profit of associate	211.80	1,059.28	-	(785.77)
	Operating Profit before Working Capital changes		3,964.67		2,410.01
	Adjustments for:				
	Other Current liabilities	70.14		1.69	
	Current provisions	52.62		(109.82)	
Long Term Liabilities	49.80		(34.33)		
Trade payables	26.42		(40.71)		
Other current financial liabilities	(94.65)		-		
Loans and Advances	(4,154.47)		-		
Other current assets	(131.70)		377.68		
Goodwill	(72.89)		(133.26)		
Trade Receivables	(57.36)		106.58		
Other Current tax Assets	(0.66)	(4,312.75)	1.58	169.41	
Tax paid		(348.08)		2,579.42	
		(265.88)		(307.76)	
B	Net Cash from Operating activities (A)		(613.96)		2,271.66
	Cash Flow from Investing activities				
	Proceeds from sale of shares	805.32		33.66	
	Adjustment of capital work-in-progress	4401.62		-	
	Addition to Fixed Assets	(17.91)		(13.18)	
	Non Current Investments	(2,872.07)		(1,754.45)	
	Current Investments	(3,688.54)		-	
	Income from Investments	627.38		688.64	
	Loans and Advances - Other financial assets	(258.28)	(1,002.48)	(216.84)	(1,262.17)
C	Cash Flow from investing activities (B)		(1,002.48)		(1,262.17)
	Cash Flow from Financing activities		-		-
	Net Cash used in Financing Activities (C)		-		-
	Net Cash Flows during the year (A) + (B) + (C)	-	(1,616.44)		1,009.49
	Cash & Cash Equivalents at the beginning of the period		2,291.51		1,282.02
	Cash & Cash Equivalents at the end of the period		675.07		2,291.51

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

For DPV & Associates
Chartered Accountants
F.R.No: 011688S

For and on behalf of the Board

CA K.Vairamuthu
Membership No: 218791
Partner

E N Rangaswami
Whole-time Director
DIN: 06463753

B Narendran
Director
DIN:01159394

Place : Chennai
Date: 26 May 2022

V.Padmanabha Sarma
Chief Financial Officer

V Padmapriya
Company Secretary

CONSOLIDATED NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Group Overview and Significant Accounting Policies

1.1. Group Overview

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

List of Subsidiaries with percentage Holding:

Name of the entity	Country of incorporation and other particulars	Holding (%)
i3 Security Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100.00
India Radiators Ltd	a subsidiary of the company incorporated under the laws of India.	92.21*
Sahoj Ventures Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100.00
Cunningham Ventures Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100.00
Willingdon Ventures Pvt Ltd	a subsidiary of the company incorporated under the laws of India.	100.00
Chitaranjan Developers LLP	a subsidiary (LLP) of the company incorporated under the laws of India.	99.00

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

1.2. Basis of preparation of consolidated financial statements

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

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

1.3. Basis of Consolidation

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

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

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

1.4. Use of estimates

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

1.5. Cash Flow Statement

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

1.6. Critical accounting estimates

A) Revenue recognition

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

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

B) Expenditure

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

1.7. Property, Plant and Equipment

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

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

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

1.8. Impairment

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

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

1.9. Financial Instruments

1. Initial recognition

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

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

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

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

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

5. Financial liabilities:

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

1.10. Employee benefit

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

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

1.11. Foreign Currency Transactions

There are no such transactions in the current financial year.

1.12. Segment Reporting

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

1.13. Income tax

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

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

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

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

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

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

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

1.14. Rounding of amounts

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

2 Fixed Assets
Property Plant and Equipment and Intangible Assets (Rs. in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01-04-2021	Additions	Deletions	As at 31-03-2022	As at 01-04-2021	Deletions	For the Year	Total	As at 31-03-2022	As at 31-03-2021
a) Property, Plant and Equipment										
Freehold Land	5,789.17	16.82	-	5,805.99	-	-	-	-	5,805.99	5,789.17
Leasehold Land	0.90	-	-	0.90	-	-	-	-	0.90	0.90
Buildings	2,050.98	-	-	2,050.98	513.82	-	74.28	588.10	1,462.88	1,537.16
Computers	33.79	1.09	-	34.88	29.43	-	3.03	32.46	2.42	4.36
Airconditioners,etc	124.63	-	-	124.63	46.28	-	7.89	54.17	70.46	78.35
Furniture and Fixtures	151.88	-	-	151.88	110.81	-	13.26	124.07	27.81	41.07
Office Equipments	19.90	-	-	19.90	18.60	-	0.55	19.15	0.75	1.30
Plant & Machinery	284.66	-	-	284.66	270.43	-	-	270.43	14.23	14.23
Electrical Installation	25.15	-	-	25.15	23.90	-	-	23.90	1.25	1.25
Total	8,481.06	17.91	-	8,498.97	1,013.27	-	99.01	1,112.28	7,386.69	7,467.79
b) Capital work-in Progress - MVL	4,401.62	-	4,401.62	-	-	-	-	-	-	4,401.62
c) Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total	12,882.68	17.91	4,401.62	8,498.97	1,013.27	-	99.01	1,112.28	7,386.69	11,869.41
Previous Year	12,874.94	13.18	5.44	12,882.68	917.33	5.45	101.39	1,013.27	11,869.41	11,957.61

3 Financial Assets-Investments:

(Rs. in Lakhs)

Investments:

Particulars	Subsidiary/ Associates/ Joint Venture/ Others	Face Value (Rs.)	No. of Shares	As at 31 March 2022	No. of Shares	As at 31 March 2021
Investments in Equity instruments - fully paid up at fair value through Other Comprehensive Income						
Quoted						
Chitra Durga Spintex Ltd	Others	10	-	-	3650	0.06
Sical Logistics Ltd	Others	10	12600	1.62	12600	1.25
Sicagen India Ltd	Others	10	729510	169.25	729510	106.14
Southern Petrochemical Industries Corporation Ltd	Others	10	853810	622.43	853810	247.61
Tamil Nadu Petroproducts Ltd	Others	10	201000	233.56	201000	97.18
Manali Petrochemicals Ltd	Others	5	2497810	2953.64	2497810	1493.69
Sterlite Technologies Ltd	Others	2	-	-	225	0.45
Integrated Digital Info Services Ltd	Others	10	200	-	200	-
Kumbhat Financial Services Ltd	Others	10	10100	-	10100	-
Rainbow Foundations Ltd	Others	10	20000	-	20000	-
Ritesh International Ltd	Others	10	12900	-	12900	-
SIV Industries Ltd	Others	10	850	-	850	-
Crescent Finstock Ltd	Others	10	14	-	14	-
Sharp Industries Ltd	Others	10	40	-	40	-
Temba Shipyards Ltd	Others	10	2050	-	2050	-
TN Jayabharat Mills Ltd	Others	10	2150	-	2000	-
Tribology India Ltd	Others	10	2150	-	2150	-
Sub Total - (A)				3980.50		1946.38
Unquoted						
National Trust Housing Finance Ltd	Associate	10	7349890	5216.23	7349890	4835.40
Express Carriers Limited	Others	10	100000	1.00	100000	1.00
AM Foundation	Others	10	1200	-	1200	-
Sub Total - (B)				5217.23		4836.40
Total (C) : (A) + (B)				9197.73		6782.78

Particulars	Subsidiary/ Associates/ Joint Venture/ Others	Face Value (Rs.)	No. of Shares	As at 31 March 2022	No. of Shares	As at 31 March 2021
Investments in Preference Shares						
EDAC Engineering Ltd	Others	10	20000000	1571.54	20000000	1907.11
Sub Total - (D)				1571.54		1907.11
Investment in capital of LLP & Partnership Firms- at cost						
Chitaranjan Developers LLP *	Subsidiary	-	-	297.00	-	294.00
Cunningham Ventures	Subsidiary	-	-	-	-	3.00
Willingdon Ventures	Subsidiary	-	-	-	-	3.00
Sahoj Ventures	Subsidiary	-	-	-	-	3.00
Sub Total - (E)				297.00		303.00
Net Value of Investments (C)+(D)+(E)				11066.27		8992.89

* Details of Investment in LLP:

Names of partners	31.03.2022		31.03.2021	
	Capital	Share of Profit	Capital	Share of Profit
Mercantile Ventures Limited	297.00	98%	294.00	98%
R.Narayanasamy	-	1%	3.00	1%
V.Rajagopal	3.00	1%	3.00	1%
Total	300.00	100%	300.00	100%

4 Deferred Tax Asset (Net)

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	1,156.31	1,358.47
Additions/(reversal)	(208.86)	(202.16)
Total	947.45	1,156.31

5 Inventories

Stock in trade	1.35	0.25
Total	1.35	0.25

6 Current investments:

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Investments in Mutual Funds at Fairvalue:		
UTI Money Market Fund - Regular Plan - Growth (121363 units)	2,993.48	-
SBI Liquid fund - Regular Plan (20994 units)	695.06	-
Total	3,688.54	-

7 Trade Receivables:

Undisputed Trade Receivables considered good:	817.13	759.77
Disputed Trade Receivables considered good:	-	-
Total	817.13	759.77
Trade Receivables ageing		
Undisputed Trade receivables-considered good		
Outstanding for less than six months	755.14	727.57
Outstanding for period 6months -1year	28.86	22.59
Outstanding for period 1 -2 years	33.13	7.68
Outstanding for period 2- 3years	-	1.93
Outstanding for more than 3 years	-	-
Disputed Trade receivables-considered good	-	-
Total	817.13	759.77

8 Cash & Cash Equivalents

Cash on Hand	1.07	0.49
Balance with Banks in Current Accounts	674.00	441.02
Fixed deposits with banks with less than 12 months maturity	-	1,850.00
Total	675.07	2,291.51

9 Loans & Advances :

Loans and Advances - Others	12,469.81	3,070.86
Loans and Advances - Related parties	1,383.22	-
Provision for doubtful advances	(6,627.71)	-
Total	7,225.32	3,070.86

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

(Rs. in Lakhs)

	As at 31.03.2022	As at 31.03.2021
Details of inter corporate deposits/loans disclosed pursuant to section 186(4) of the companies Act 2013		
Edac Engineering Limited	3,213.32	2,960.65
Greenstar Fertilizers Limited	1,796.60	-
Total	5,009.92	2,960.65
The above inter corporate deposits/loans are given for the business purposes of the recipient companies.		

10 Other current financial assets:

Particulars	As at 31.03.2022	As at 31.03.2021
Other Advances	1,697.30	1,440.78
GST input credit	0.60	0.45
Interest accrued but not due	0.84	5.47
Security Deposit	19.16	14.03
Total	1,717.90	1,460.73

11 Current Tax assets

Advance income tax	1303.79	1037.25
Total	1303.79	1037.25

12 Other Current assets

Share of profit from LLP/firms	485.73	354.03
Total	485.73	354.03

13 Share Capital

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

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

(Rs. in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Shares issued during the year	-	-	-	-
Shares outstanding at the close of the year	11,19,18,195	11,191.82	11,19,18,195	11,191.82

Shares held by promoters at the end of the year

Promoter name	No: of shares	% of total shares	% change during the year	Remarks
1. Mr Jawahar Vadivelu	27,100	0.02	-	Promoter Group
2. Mr AC Muthiah	13,068	0.01	-	Promoter Group
3. Mr AL Vadivelu	8,144	0.01	-	Promoter
4. Mr Ashwin C Muthiah	230	-	-	Promoter Group
5. Trinity Auto Points Private Ltd	2,09,56,000	18.72	-	Promoter Group
6. South India Travels Private Ltd	1,85,82,056	16.60	-	Promoter
7. Golden Star Assets Consultants Private Ltd	1,43,96,000	12.86	-	Promoter Group
8. Ranford Investments Ltd	78,07,955	6.98	-	Promoter
9. Dornolly Investments Ltd	64,37,000	5.75	-	Promoter
10. Twinshield Consultants Private Ltd	52,81,899	4.72	-	Promoter Group
11. Sicagen India Ltd	40,08,205	3.58	-	Promoter
12. First Leasing Company of India Ltd	1,77,250	0.16	-	Promoter
13. Navia Markets Ltd	11,600	0.01	-	Promoter
Total	7,77,06,507	69.43		

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

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Trinity Auto Points Limited	2,09,56,000	18.72%	2,09,56,000	18.72%
South India Travels Private Limited	1,85,82,056	16.60%	1,85,82,056	16.60%
Golden Star Assets Consultants Private Limited	1,43,96,000	12.86%	1,43,96,000	12.86%
Southern Petrochemical Industries Corporation Limited	1,50,28,000	13.43%	1,50,28,000	13.43%
Ranford Investments Limited	78,07,955	6.98%	78,07,955	6.98%
Dornolly Investments Limited	64,37,000	5.75%	64,37,000	5.75%

14 Other Equity
(Rs. in Lakhs)

Particulars	Reserves and surplus			General Reserve	Retained earnings	Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium Account			
Balance as at 01-04-2021	-	295.28	12,252.47	375.60	6,191.16	19,114.51
Profit for the year	-	-	-	-	1,148.39	1,148.39
Other comprehensive income for the year	-	-	-	-	1,470.70	1,470.70
Share of profit from LLP	-	-	-	-	279.26	279.26
Minority Interest	-	-	-	-	(489.64)	(489.64)
Total comprehensive income for the year	-	-	-	-	2,408.71	2,408.71
Profit of associate	-	-	-	-	211.80	211.80
Capital Reserve on Consolidation	-	892.86	-	-	-	892.86
Any other change	-	-	-	375.60	-	-
Balance as at 31-03-2022	-	1,188.14	12,252.47	375.60	8,811.67	22,627.88
Balance as at 01-04-2020	-	295.28	12,252.47	-	3,020.58	15,943.93
Profit for the year	-	-	-	-	638.42	638.42
Other comprehensive income for the year	-	-	-	-	2,037.37	2,037.37
Share of profit from LLP	-	-	-	-	28.35	28.35
Minority Interest	-	-	-	-	194.51	194.51
Total comprehensive income for the year	-	-	-	-	2,898.65	2,898.65
Profit of associate	-	-	-	-	271.93	271.93
Any other change	-	-	-	-	-	-
Balance as at 31-03-2021	-	295.28	12,252.47	375.60	6,191.16	19,114.51

15 Other Financial Liabilities (Non Current)

Particulars	As at 31 March 2022	As at 31 March 2021
Rent Deposit	296.91	247.11
Total	296.91	247.11

16 Trade Payables

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables:		
Undisputed Dues to Micro, Small and Medium Enterprises	-	-
Undisputed Dues to others	47.56	21.14
Total	47.56	21.14
Less than 1 year	39.50	21.14
1-2 years	8.06	-
2-3 years	-	-
More than 3 years	-	-
Total	47.56	21.14

17 Other Current Financial Liabilities

Advance from customers	0.46	-
Inter corporate deposits	-	17.72
Other Payables	73.38	150.77
Total	73.84	168.49

18 Other Current Liabilities

Advance for sale of assets	99.50	99.50
Duties & Taxes	143.09	73.55
Other payables	0.60	-
Total	243.19	173.05

19 Current Provisions

Provision for employee benefits	266.08	213.50
Provision for Taxation	1,285.91	998.07
Total	1,551.99	1,211.57

20 Income from Operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rent of immovable properties	519.53	561.92
Maintenance Charges	85.41	103.62
Manpower Supply services	860.11	882.02
Sale of Services	2,195.23	2,159.63
Sale of products	42.65	22.02
Job Work Income	0.82	0.78
Total	3,703.75	3,729.99

21 Other Income

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend received	83.66	258.52
Guarantee commission	60.00	60.00
Interest received	483.72	370.12
Profit on sale of investments	6.65	-
Reimbursement of expenses	39.00	1.26
Interest on Fixed Deposits	9.67	4.01
Sale of Scrap	-	0.61
Notional Income on FV of preference shares(IND AS 109)	927.20	-
Interest on Refund of Income Tax	2.10	-
Miscellaneous income	19.55	0.03
Total	1,631.55	694.55

22 Cost of services/materials consumed

Cost of manpower supply services	803.17	833.80
Cost of maintenance services	41.98	42.24
Cost of materials consumed	30.48	23.06
Total	875.63	899.10

23 Employment Benefit Expenses

Salaries and allowances	1,940.01	1,801.53
Contribution to PF and other funds Gratuity	197.20	185.55
Staff Welfare	19.13	22.35
Total	2,156.34	2,009.43

24 Finance Cost

Interest on Secured loan	-	-
Notional interest on Rent Deposit	21.28	19.17
Notional interest on Financial liability	85.70	78.53
Interest on Inter Corporate Deposits	0.98	1.50
Bank charges	0.05	0.10
Total	108.01	99.30

25 Other Expenses

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rates & Taxes	72.82	47.39
Repairs & Maintenance	66.52	140.70
Postage, Telephone & Courier charges	8.71	2.87
Travelling Expenses	12.74	10.80
Director's Sitting Fees	7.50	8.25
Professional & Consultancy charges	22.10	32.37
Auditors Remuneration	9.10	7.50
Director's Remuneration	42.16	41.97
Miscellaneous Expenses	17.56	14.49
Advertisement Charges	3.48	3.31
Rent	12.07	4.05
Electricity and Fuel charges	50.57	31.32
Filing Fees	2.53	0.34
Printing & Stationery	4.01	3.05
Advances written off	0.35	-
Insurance Expenses	2.53	2.87
Donation	25.00	-
Security Charges	-	(0.03)
Bank Charges	0.03	-
Legal expenses	0.25	5.81
TDS written off	61.36	-
Contribution to CSR activities	10.95	9.73
Bad Debts written Off	18.90	12.98
Total	451.24	379.77

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

Related Parties:

Subsidiary:

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

Associates:

National Trust Housing Finance Limited
Cenotaph Developers LLP (Associate of subsidiary)

Key Managerial Personnel:

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

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

(Rs. in Lakhs)

Particulars of transaction	Year ended 31 March 2022	Year ended 31 March 2021
Transaction with related parties :		
Chitaranjan Developers LLP:		
Loans & Advances	6.60	5.39
Recovery from loans & advances	-	40.39
Interest Accrued/received on loan	-	2.40
National Trust Housing Finance Limited:		
Dividend Received	36.75	33.07
Mr. E. N. Rangaswami		
Remuneration	53.00	53.00
Cenotaph Developers Ltd		
Cancellation of allotment of apartments	4,401.62	-
Payments received	3,025.00	-
Closing Balances:		
Chitaranjan Developers LLP:		
Investments in capital	297.00	294.00
Loans and advances	6.60	-
Cenotaph Developers LLP		
Loans and advances	1,376.62	-
National Trust Housing Finance Limited - Equity Shares	5,216.23	4,835.40

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

Particulars	As at 31 March 2022	As at 31 March 2021
i) Contingent liabilities :		
a) Claims against the company not acknowledged as debt;	Nil	Nil
b) Guarantees-charge created on company's asset for third party loan	38,500.00	23,500.00
c) Other money for which the company is contingently liable.	Nil	Nil
Disputed tax demand in respect of Assessment Year 2015-16	35.39	35.39
Disputed tax demand in respect of Assessment Year 2016-17 .Appeal filed by the company is pending before CIT(A)	28.58	28.58
ii) Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	406.92
b) Uncalled liability on shares and other investments partly paid;	Nil	Nil
c) Other commitments (specify nature)	Nil	Nil

31 Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
i) Amount required to be spent by the company during the year	10.96	9.05
ii) Amount of expenditure incurred	-	9.73
iii) Shortfall at the end of the year	10.96	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	Work Order released for renovation work in February 2022 which is under progress. The entire amount of Rs. 10.96 lakhs transferred to CSR unspent account with a scheduled bank.	-
vi) Nature of CSR activities	Renovation of sanitary blocks in a Government School in Chennai	Provision of computers and peripherals to a Government School in Chennai
vii) Details of related party transactions	Nil	Nil
viii) where a provision is made with respect to liability incurred by entering into a contractual obligation ,movement in the provision during the year	NA	NA

32 Analytical Ratios:

Particulars	As at 31 March 2022	As at 31 March 2021	Remarks	Variance %
(a) Current Ratio *	8.30	5.70	Current assets / current liabilities	45.66%
(b) Debt Equity Ratio	NA	NA	Company has no debts	-
(c) Debt Service Coverage Ratio	NA	NA	Company has no debts	-
(d) Return on Equity	3.40	3.74	Net profit after tax / shareholder funds x 100	(9.08%)
(e) Inventory Turnover Ratio	NA	NA	-	-
(f) Trade Receivables Turnover Ratio	4.70	4.59	Revenue from operation / average receivables	2.40%
(g) Trade Payables Turnover Ratio	NA	NA	-	-

Particulars	As at 31 March 2022	As at 31 March 2021	Remarks	Variance %
(h) Net Capital Turnover Ratio *	0.26	0.50	Revenue from operations / (Current assets - Current liabilities)	(47.51%)
(i) Net Profit Ratio *	31.04%	30.38%	Net Profit/Revenue from operations	2.18%
(j) Return on capital employed	3.37%	3.71%	Net Profit/Total assets-current liabilities)	(9.13%)
(k) Return on Investment	3.19%	3.53%	Net Profit/Total assets	(9.53%)

* Change is due to transfer of Rs. 4,401.62 lakhs from Capital WIP to Current assets on cancellation of contract during the year.

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

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Change in projected benefit obligation:		
Obligations at the beginning of the year	33.07	16.75
- Service cost	2.23	17.07
- Interest cost	0.10	1.17
Actuarial (gains)/ losses on obligatons	15.44	(1.92)
Benefits settled	-	-
Past service cost	-	-
Acquisition	-	-
Obligations at year end	50.84	33.07
Change in plan assets:		
Plans assets at the beginning of the year, at fair value	3.70	26.50
Expected return on plan assets	54.35	2.15
Contributions	12.22	22.61
Benefits settled	-	-
Plans assets at year end, at fair value	70.27	51.26
Amounts to be recognized in Balance Sheet		
Present value of obligations as at the end of the year	50.84	33.07
Fair value of plan assets as at the end of the year	70.27	51.26
Funded status	19.43	18.19
Net assets/liability recognized in balance sheet	19.43	18.19

(Rs. in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Expense recognised in the statement of profit and loss and other comprehensive income:		
Gratuity cost for the year		
Included in profit and loss:		
- Service cost	12.22	17.07
- Interest cost	0.10	1.17
Net gratuity cost	12.32	18.24
Defined benefit obligation:		
Assumptions		
Discount rate	7.00%	7.00%
Salary escalation	5.00%	5.00%
Retirement age	58 years	58 years
Mortality table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate

34 Segment reporting

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

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

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

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Segment Revenue		
a) Rent and Maintenance of immovable properties	604.94	665.54
b) Manpower Services	860.11	882.02
c) Security Services	2,237.88	2,181.65
d) Investment activity	665.35	679.29
e) Unallocated Income	967.02	16.04
Total	5,335.30	4,424.54
Segment Profit:		
a) Rent and Maintenance of immovable properties	348.05	358.40
b) Manpower Services	56.94	48.22
c) Security Services	165.22	260.45
d) Investment activity	665.35	679.29
Total	1,235.56	1,346.36

(Rs. in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Finance Cost	108.01	99.30
Other net unallocable(income)expenses	(517.52)	311.51
Tax expenses	496.68	297.13
Profit for the year	1,148.39	638.42
Segment Assets and Liabilities		
Segment Assets		
a) Rent and Maintenance of immovable properties	6,423.77	10,833.91
b) Manpower Services	124.54	177.19
c) Security services	23,698.02	409.08
d) Investment activity	447.61	13,358.35
e) Unallocated Income	5,339.25	7,349.16
Total	36,033.19	32,127.69
Segment Liabilities		
a) Rent and Maintenance of immovable properties	338.23	266.31
b) Manpower Services	95.19	71.44
c) Security services	65.70	72.13
d) Unallocated	1,714.37	1,411.48
Total Liabilities	2,213.49	1,821.36

Note:

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

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

35 Relationship with struck off companies as at 31 March 2022

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

*** Details of shares held by struck off Companies as at 31.03.2022**

Name of Holder	No of shares	% of Total Holding
ACM Finance P Ltd	200	-
Aditya Financial Services P Ltd	8,400	-
Alagu Investments P Ltd	50	-
Alpha Investments P Ltd	200	-
Ambika Estate Private Ltd	124	-
Arvee Finance Private Ltd	450	-
Beneeficent Housing & Allied Industries	125	-
Bolshoi Investments P Ltd	400	-
CRF Odd Lot Shares P Ltd	6	-
Conjeevaram Credits P Ltd	3,400	-
Cowcoody Investments Ltd	1,600	-
Emmess Financing Agencies P Ltd	150	-
Everest Investments Ltd	55,000	0.05
Guru Trade Credits Private Ltd	700	-
Harrington Investments Ltd	1,55,000	0.14
Instar Inv & Financial Consultancy	200	-
Kandathil Investments Promotion Ltd	250	-
Kothari & Sons (Nominees) P Ltd	88	-
Mercard Ltd	39,700	0.04
Madan Stock & Share P Ltd	24	-
Mahodev Finance & Investments P Ltd	350	-
Mercury Software	250	-
Parshwanath Finance Ltd	300	-
Prakruthi Finnace Services Ltd	100	-
Profad Ltd	12,648	0.01
Pushkar Financial Services Ltd	8	-
Ranjani Investments P Ltd	100	-
Richfield Investments & Fin P Ltd	325	-
Sagothram Housing Investments Ltd	100	-
Sanmar Properties & Investments Ltd	50	-
South India Invsts & Fin Cons Ltd	50	-
Sri Siddhi Vinayak Shares Ltd	100	-
ST Christophers Trang College	4	-
Startegy Investments & Consults P Ltd	500	-
Sundharama Private Ltd	50	-
Totarams Investment & Fin P Ltd	500	-
Transcorp Financial Services Ltd	500	-
Unique Business P Ltd	100	-
Vitaldev Investments P Ltd	1,350	-
Nagarathar Finance & Leasing P Ltd	800	-
Navratna Investments P Ltd	74	-
New Ambadi Investments P Ltd	25	-
Total	2,84,351	0.24

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

Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
Title deeds of Immovable Property not held in name of the Company	The Company don't have any immovable properties which are not held in its Own name. Hence disclosure under this clause is not applicable
Revaluation of Property , Plant & Equipment	The Company has not revalued Property, Plant & Equipment. Hence disclosure under this clause is not applicable
Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets. Hence disclosure under this clause is not applicable
Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	Refer Note No.9
Capital-Work-in Progress (CWIP)	Refer Note No. 2
Intangible assets under development	Nil
Details of Benami Property held	The Company has no Benami Property
Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions. Hence disclosure under this clause is not applicable
Wilful Defaulter	The has not been declared as wilful defaulter by any bank or financial Institution or other lender. Hence disclosure under this clause is not applicable
Relationship with Struck off Companies	Refer Note No. 35
Registration of charges or satisfaction with Registrar of Companies (ROC)	Nil
Compliance with number of layers of companies	The Company is in Compliance with Number of layers of the Companies
Analytical Ratios	Refer Note No. 32
Compliance with approved Scheme(s) of Arrangements	The Company has filed a Scheme of Amalgamation filed with Chennai NCLT which is pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.
Utilisation of Borrowed funds and share premium	The company has no borrowed funds and has not utilised the share premium during the year.
Undisclosed income	Nil
Corporate Social Responsibility (CSR)	Refer Note No 31
Details of Crypto Currency or Virtual Currency	The Company has not traded or invested in cryto currency or virtual currency. Hence disclosure under this clause is not applicable

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

FORM AOC - 1

Statement containing salient features of the financial statement of subsidiaries / associate companies pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 as at 31 March 2022

Part "A:" Subsidiaries

(Rs. in Lakhs)

Particulars	i3 Security Private Ltd	India Radiators Ltd	Chitaranjan Developers LLP	Sahoj Ventures Private Ltd	Cunningham Ventures Private Ltd	Willingdon Ventures Private Ltd
Reporting period for the subsidiary concerned, (if different from the holding company's reporting period)	NA	NA	NA	NA	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA
Share capital	390.78	90.00	300.00	3.00	3.00	3.00
Other Equity	383.19	(513.88)	* 441.58	(2,928.79)	(1,709.93)	(2,050.90)
Total assets	1,226.72	1,215.43	748.72	173.98	407.55	259.02
Total Liabilities (Excluding Share Capital & Reserves)	452.75	1,639.31	7.14	3,099.77	2,114.49	2,306.91
Investments	1.00	-	205.00	-	-	-
Turnover	2,283.49	4.51	337.82	-	-	-
Profit before taxation	113.02	711.83	327.37	(17.74)	(18.47)	(25.69)
Provision for taxation	40.08	222.19	-	-	-	-
Profit after taxation	72.94	489.64	327.37	(17.74)	(18.47)	(25.69)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	72.94	489.64	327.37	(17.74)	(18.47)	(25.69)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100.00	** 92.21	99.00	100.00	100.00	100.00

* Partners' current account

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

Part “B”: Associate

Name of the Associate	National Trust Housing Finance Limited
Latest audited Balance Sheet Date	31-03-2022
No. of Shares of Associate held by the company on the year end	73,49,890
Amount of Investment in Associates	3623.50
Extent of Holding %	0.49
Description of how there is significant influence	by virtue of Shareholding
Reason why the associate is not consolidated	NA
Net worth attributable to Shareholding as per latest audited Balance Sheet	3961.70
Profit / Loss for the year - (Total Comprehensive Income)	432.25
i. Considered in Consolidation	211.80
ii. Not Considered in Consolidation	220.45

Note:

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

For and on behalf of the Board

E N Rangaswami
Whole-time Director
DIN: 06463753

B Narendran
Director
DIN:01159394

Place : Chennai
Date: 26 May 2022

V. Padmanabha Sarma
Chief Financial Officer

V Padmapriya
Company Secretary

Name of the entity in the Group	Net Assets, ie. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Mercantile Ventures Limited	117.47	39,726.35	98.32	647.72	100.00	1,470.70	99.48	2,118.42
Indian Subsidiaries:								
i3 Security Private Limited	2.29	773.97	11.07	72.94	-	-	3.43	72.94
Sahoj Ventures Private Ltd	(8.65)	(2,925.79)	(2.69)	(17.74)	-	-	(0.83)	(17.74)
Cuningham Ventures Private Ltd	(5.05)	(1,706.93)	(2.80)	(18.47)	-	-	(0.87)	(18.47)
Willingdon Ventures Private Ltd	(6.06)	(2,047.90)	(3.90)	(25.69)	-	-	(1.21)	(25.69)
Non-controlling interests in all subsidiaries	-	-	-	-	-	-	-	-
Total	100.00	33,819.70	100.00	658.76	100.00	1,470.70	100.00	2,129.46
Chitaranjan Developers LLP - Indian Subsidiary	-	741.58	-	279.26	-	-	-	279.26
National trust Housing Finance Limited - Indian Associate	-	8,085.11	-	432.24	-	-	-	432.24



MERCANTILE VENTURES LIMITED
Registered Office : 88, Mount Road, Guindy, Chennai - 600 032