



**MERCANTILE VENTURES LIMITED**

**CIN L65191TN1985PLC037309**

**Registered Office: No. 88, Mount Road Guindy**

**Chennai Tamilnadu 600032**

**Email: [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) | Tel. +91 44- 4043 2205**

**Website: <https://www.mercantileventures.co.in/>**

**NOTICE OF MEETING OF THE UNSECURED CREDITORS MEETING OF MERCANTILE VENTURES LIMITED CONVENED PURSUANT TO THE ORDER DATED 02<sup>ND</sup> FEBRUARY 2026 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH (COURT – I), CHENNAI.**

Day	Friday
Date	March 13, 2026
Time	01.00 P.M. (IST)
Mode of Meeting	Video-conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)
Deemed Venue	No.88, Mount Road, Guindy, Chennai - 600032

**REMOTE E-VOTING**

Commencing on	Tuesday, March 10, 2026 at 09:00 a.m. IST
Ending on	Thursday, March 12, 2026 at 05:00 p.m. IST

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**FORM CAA 2  
BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
CHENNAI BENCH  
NO. CA (CAA)/103(CHE) 2025**

**SCHEME OF AMALGAMATION  
OF  
INDIA RADIATORS LIMITED  
WITH  
MERCANTILE VENTURES LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
(Under Sections 230 to 232 of the Companies Act, 2013)**

**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF  
MERCANTILE VENTURES LIMITED, THE TRANSFEREE COMPANY**

To  
The Unsecured Creditors of  
**Mercantile Ventures Limited (“Applicant”/ “Transferee Company”).**

Notice is hereby given that by an order dated February 02, 2026 in Company Scheme Application NO. CA (CAA)/103(CHE) 2025 (“NCLT Order”), the Division Bench (Court – I) of the Hon’ble National Company Law Tribunal, Chennai (“NCLT”) has directed that a meeting of Unsecured Creditors of the Transferee Company, be convened and held for the purpose of considering and if thought fit, approving with or without modification **Scheme of Amalgamation of India Radiators Limited (Transferor Company) with Mercantile Ventures Limited (Transferee Company) and their respective Shareholders and Creditors (“Scheme of Amalgamation/ Scheme”)** under the provisions of section 230 to 232 and any other applicable provisions of the Companies Act, 2013.

In pursuance of the said NCLT Order and as directed therein, further notice is hereby given that a meeting of Unsecured Creditors of the Transferee Company will be held on March 13, 2026 at 01:00 P.M. (IST) by way of Video Conferencing / Other Audio Visual Means (“VC”/ “OAVM”) (“Meeting”) following the operating procedures (with requisite modifications as may be required) referred to in MCA General Circular Nos. 20/2020 dated 5th May, 2020, 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 39/2020 dated December 31, 2020 and any further circulars issued in this behalf issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as “MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and any further circulars issued in this behalf by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”). All the Unsecured Creditors are requested to attend. At the Meeting, the following resolution will be considered and if thought fit, be passed under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 by requisite majority:



**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 read with Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, (including any statutory modification or re-enactment or amendment thereof), Section 2(1B) read with any other applicable provisions of the Income Tax Act, 1961 (as amended) ("IT Act"), the Foreign Exchange Management Act, 1999 ("FEMA") and other applicable laws, including regulations issued by Securities and Exchange Board of India ("SEBI"), inter-alia including applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), directions, guidelines or regulations, if any, read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and in accordance with the enabling provisions of the Memorandum of Association and Article of Association of the Transferee Company and other applicable laws, rules, regulations, bye-laws, as the case may be and subject to the necessary approvals, consents, observations, no objections and permissions from BSE Limited ("BSE"), SEBI, and the statutory or regulatory or governmental authorities and subject to the approvals/sanctions/modifications as may be imposed by the jurisdictional bench of Hon'ble NCLT or by any regulatory authority, the approval of the Unsecured Creditors of the Company be and is hereby accorded to the Scheme of Amalgamation between India Radiators Limited ("the Transferor Company") with and into the Mercantile Ventures Limited ("the Transferee Company") and their respective shareholders and creditors ("Scheme")."

**"RESOLVED FURTHER THAT** any one of the Director or Company Secretary or Chief Financial Officer of the Transferee Company, be and are hereby severally authorized to do all such acts, deeds, matters and things, as it may, in their absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme of Amalgamation and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT and/or any other authority(ies) while sanctioning the Scheme of Amalgamation or by any authority(ies) under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme of Amalgamation, as the Board or KMPs may deem fit and proper without being required to seek any further approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**TAKE FURTHER NOTICE** that in compliance with the NCLT Order and the provisions of (a) Section 230(4) read with Section 108 of the Companies Act, 2013 and the rules made thereunder; (b) Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (c) Secretarial Standards – 2 issued by the Institute of Company Secretaries of India, the Transferee Company has provided the facility of voting by remote e-voting ("Remote e-voting") as well as electronic voting system ("e-voting") during the Meeting, so as to enable the Unsecured Creditors to consider and approve the Scheme of Amalgamation by way of the aforesaid resolution. Accordingly, voting by Unsecured Creditors of the Transferee Company to the Scheme of Amalgamation shall be carried out through (i) remote e-voting and (ii) e-voting during the Meeting to be held on Friday, March 13, 2026.

**TAKE FURTHER NOTICE** that Central Depository Services (India) Limited ("CDSL") shall be providing the facility of remote e-voting and e-voting during the Meeting, and participation in the Meeting through VC/ OAVM.



**TAKE FURTHER NOTICE** that in terms of the said NCLT Order, in addition to e-voting during the Meeting through VC/ OAVM, the persons entitled to attend and vote at the Meeting shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through Remote e-voting during the period commencing on Tuesday, March 10, 2026 at 09:00 a.m. (IST) on and ending on Thursday, March 12, 2026 at 05.00 p.m. (IST) (both days inclusive), arranged by CDSL. The Unsecured Creditors opting to cast their votes by Remote e-voting or e-voting during the Meeting are requested to read the instructions in the Notes below carefully.

It is clarified that votes may be cast by the Unsecured Creditors by remote e-voting in terms of this Notice and casting of votes by remote e-voting does not disentitle them or their authorized representatives from attending the Meeting. However, the Unsecured Creditors or their authorized representatives who have cast their votes by remote e-voting will not be eligible to cast their votes by e-voting during the Meeting.

**TAKE FURTHER NOTICE** that since the physical attendance of Unsecured Creditors has been dispensed with in pursuance to NCLT Order, the Attendance Slip and Route map are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Companies Act, 2013 authorized representatives of the Unsecured Creditors may be appointed for the purpose of voting through remote e-voting, for participation in the meeting through VC/ OAVM facility and e-voting during the Meeting provided an authority letter/ power of attorney by the Board of Directors or a certified copy of the resolution passed by its Board of Directors or other governing body authorizing such representative to attend and vote at the Meeting through VC/ OAVM on its behalf along with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote is emailed to the Scrutinizer at [allenkimaithereyi@gmail.com](mailto:allenkimaithereyi@gmail.com) with a copy marked to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) on or before the commencement of the Meeting.

A copy of the Scheme, the Explanatory Statement under Sections 230, 232 and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, are enclosed herewith. A copy of this Notice and the accompanying documents will be placed on the website of the Company viz. <https://www.mercantileventures.co.in/> and will also be available on the website of BSE Limited (BSE) at [www.bseindia.com](http://www.bseindia.com) and also on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

Copies of this Notice which include Scheme of Amalgamation and Explanatory Statement under Section 230, 232 and 102 of the Companies Act, 2013 can be obtained free of charge from the Registered Office of the Transferee Company and/or from the office of the Company Secretary, Mercantile ventures limited, 88, Mount Road Guindy, Chennai Tamilnadu 600032 -Email [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in).

NCLT has appointed Mr. K Gaurav Kumar, to act as the Chairperson of the said Meeting including any adjournment(s) thereof.

The Scheme of Amalgamation, if approved at the Meeting, will be subject to the subsequent approval of the NCLT and any other approvals as may be required.



The voting results of the meeting shall be announced by the Chairperson within 3 days of the conclusion of the Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Company <https://www.mercantileventures.co.in/> and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com), being the agency appointed by the Company to provide the voting facility to the Unsecured Creditors, as aforesaid, as well as on the notice board of the Transferee Company at its Registered Office besides being notified to BSE, where shares of the Transferee Company are listed.

In accordance with the provisions of Sections 230-232 of the Act, the Scheme of Amalgamation shall be considered approved by the Unsecured Creditors only if the Scheme is approved by majority of persons/authorised persons representing three-fourth in value of the Unsecured Creditors of the Transferee Company by e-voting.

**Date: 10.02.2026**  
**Place: Chennai**

**Sd/-**  
**K Gaurav Kumar**  
**The Chairperson appointed for the Meeting**

Registered Office:  
88, Mount Road, Guindy, Chennai – 600032.



**Notes:**

1. An Explanatory Statement under sections 230, 232 and 102 of the Companies Act, 2013 read with the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out into the Notice, is annexed hereto.
2. In Compliance with NCLT Order, provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Ministry of Corporate Affairs MCA General Circular Nos. (i) 20/2020 dated 5th May, 2020, 14/2020, dated 08.04.2020 and (iii) 17/2020 dated 13.04.2020 (collectively, the “said Circulars”), this Meeting is being held through VC/ OAVM without physical presence of the unsecured creditors at a common venue, as per applicable procedures mentioned in the MCA Circulars, for the purpose of considering, and if thought fit, approving, the Scheme of Amalgamation under the provisions of sections 230 to 232 and of the Companies Act, 2013 and rules made thereunder.
3. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the meeting has been uploaded on the website of the Company at <https://www.mercantileventures.co.in/>. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). This meeting Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the meeting) i.e. [www.evotingindia.com](http://www.evotingindia.com).
4. The Notice of the meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to all Unsecured Creditors (as on 30<sup>th</sup> September 2025) to the e-mail addresses that are available with the Company, as permitted by the Orders of the NCLT. The Unsecured Creditors may note that the notice is also available on the website of the Company at <https://www.mercantileventures.co.in/>, and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
5. This Meeting is being held pursuant to the NCLT Order and MCA circulars through VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF UNSECURED CREDITORS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR **APPOINTMENT OF PROXIES BY UNSECURED CREDITORS WILL NOT BE AVAILABLE FOR THIS MEETING** AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE MEETING ARE NOT ANNEXED TO THIS NOTICE. However, representatives of Unsecured Creditors under section 112 and 113 can be appointed to participate and vote at this Meeting.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Unsecured Creditors in respect of the business to be transacted at the meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a Unsecured Creditors using remote e-voting as well as the e-voting system on the date of the meeting will be provided by CDSL.



8. The quorum of meeting shall be 5 (five) members. Unsecured Creditors attending the meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case the quorum as noted above is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present shall be deemed to constitute the quorum for the meeting. The attendance of the Members attending this meeting through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
9. The Unsecured Creditors can join the meeting in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
10. Unsecured Creditors are required to send a scanned copy (pdf/jpg format) of its board or governing's body resolution/authorization etc., authorizing their representative to attend the meeting through VC /OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Scrutinizer by email through their registered email address to [allenkimaithereyi@gmail.com](mailto:allenkimaithereyi@gmail.com) and also upload the same at [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
11. Ms. A U Maithereyi, has been appointed by the NCLT, as the Scrutinizer to scrutinize the votes cast through voting by remote e-voting and e-voting during the Meeting.
12. The facility for remote e-voting **begins on and from Tuesday, March 10, 2026 at 09:00 a.m. (IST) and ending on Thursday, March 12, 2026 at 05.00 p.m. (IST) (Inclusive of both the days)**. The e-voting module shall be disabled by CDSL for voting thereafter and remote e-voting shall not be allowed beyond the said date and time.
13. Unsecured Creditors participating at the meeting, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the meeting. Members who have already cast their vote by remote e-Voting prior to the meeting, will also be eligible to participate at the meeting but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
14. The Scrutinizer shall, after the conclusion of the Meeting, submit a consolidated Scrutinizer's report of the total votes cast in favor and against the resolution and invalid votes, if any, within the prescribed time in NCLT Order and submit the same to the Chairperson of the Meeting in writing who shall countersign the same.
15. Results of voting shall be submitted by the Chairperson on receipt of consolidated report from the Scrutinizer. The Scrutinizer's Report shall be placed on the Transferee Company's website i.e. <https://www.mercantileventures.co.in/> and on the website of CDSL and shall also be communicated to the Stock Exchanges where the shares of the Transferee Company are listed.
16. The Voting Results shall be declared within 3 days of conclusion of the Meeting and the same shall be communicated to BSE Limited (Stock Exchange) and also shall be placed on the website of the Company <https://www.mercantileventures.co.in/>.
17. Unsecured Creditors are requested to address all the correspondences, to the Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai 600002.



18. 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 (11.00 AM to 1.00 PM) on all working days except on Saturdays and Sundays, up to the date of the meeting. Those Unsecured Creditors who wish to inspect such documents electronically may write an e-mail to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) mentioning their name, mobile number, PAN, folio number/ DP ID.
19. Unsecured Creditors who would like to express their views at the Meeting may register themselves as a speaker by sending their request, mentioning their name, demat account number/folio number, email id, mobile number, at [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) at least 3 days before the meeting date. i.e. on or before Tuesday March 10, 2026. The Unsecured Creditors who do not wish to speak during the Meeting but have queries may send their queries, mentioning their name, PAN, e-mail ID, mobile number to [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in). These queries will be replied to by the Company suitably by email.
20. Those Unsecured Creditors who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting for a maximum time of 3 (three) minutes each, once the floor is open for Unsecured Creditors queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the Meeting.
21. Any queries/ grievances pertaining to voting by remote e-voting process can be addressed to the Company Secretary, of the Transferee Company, at the Registered office of the Company or by sending an e-mail at [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) or to CDSL at helpdesk . [evoting@cdslindia.com](mailto:evoting@cdslindia.com) and address to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



### **Instructions to Unsecured Creditors for E-Voting:**

The Company has extended the 'e-voting' facility through the Ministry of Corporate Affairs approved entity "Central Depository Services (India) Limited" (CDSL). Kindly follow the instructions for voting electronically provided as under:

- a) The remote e-voting period **begins on and from Tuesday, March 10, 2026 at 09:00 a.m. (IST) and ending on Thursday, March 12, 2026 at 05.00 p.m. (IST) (Inclusive of both the days)**. The remote E-voting module shall be disabled and thereafter, remote E-voting facility shall be automatically stalled.
- b) The Creditors should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- c) Click on Shareholders / Members.
- d) "Folio. No:" on the address label on the envelope, shall be entered as **User ID#**.
- e) Next enter the Image Verification as displayed and Click on Login.
- f) Enter your PAN number as password. "....." **Password#**.
- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Select the EVSN of Mercantile Ventures Limited on which you choose to vote.
- i) 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.
- j) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- k) 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.
- l) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- m) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

Note: Please take note of the Sl. No. and Folio. No. printed on the address label stuck on the envelope / email for your e-voting and attending the virtual meeting purposes.

# for those unsecured creditors who have not registered their e-mail addresses with the Company.



In case you could not retrieve your User ID / password, kindly contact our Registrar & Transfer Agent, M/s. Cameo Corporate Services Limited, “Subramanian Building”, No.1, Club House Road, Chennai – 600 002, e-mail ID: [investor@cameoindia.com](mailto:investor@cameoindia.com) / Phone: 044-28460395 or the Company at [cs@mercantileventures.co.in](mailto:cs@mercantileventures.co.in) / Telephone: +91 – 44- 4043 2209.

If you have any queries or issues regarding attending Meeting and e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at Toll Free No. 1800 21 09911.

#### **Procedure for joining the meeting through VC / OAVM**

- a) Unsecured Creditors will be provided with a facility to attend the meeting through VC / OAVM through the CDSL e-Voting system. Unsecured Creditors may access the same at <https://www.evotingindia.com> under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in login page where the EVSN of the company will be displayed.
- b) Facility of joining the meeting through VC/OAVM shall open 30 minutes before the meeting time.
- c) The procedures for e-voting during the meeting is the same as remote e-voting.
- d) Only those Unsecured Creditors, who are present in the Meeting through VC facility and have not cast 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 Meeting.

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 Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call Toll Free No. 1800 21 09911.



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
CHENNAI BENCH**

**NO. CA (CAA)/103(CHE) 2025**

**SCHEME OF AMALGAMATION  
OF  
INDIA RADIATORS LIMITED  
WITH  
MERCANTILE VENTURES LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
(Under Sections 230 to 232 of the Companies Act, 2013)**

**Mercantile Ventures Limited  
(CIN: L65191TN1985PLC037309), a Company  
Incorporated under the provisions of the  
Companies Act, 1956 and having its registered  
office at No. 88 Mount Road Guindy, Chennai  
600032 in the State of Tamil Nadu, India.**

**EXPLANATORY STATEMENT UNDER SECTION 230(3) AND SECTION 102 OF THE  
COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES,  
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE  
NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE UNSECURED  
CREDITORS OF MERCANTILE VENTURES LIMITED, TRANSFEREE COMPANY.**

In Company Scheme Application NO. CA (CAA)/103(CHE) 2025 (“NCLT Order”), the Chennai Bench of the Hon’ble National Company Law Tribunal (“NCLT”) has directed that a meeting of Unsecured Creditors of the Transferee Company, be convened and held on Friday, March 13, 2026 at 01:00 P.M. (IST) through VC/OAVM for the purpose of considering and if thought fit, approving with or without modification Scheme of Amalgamation of India Radiators Limited (Transferor Company with Mercantile Ventures Limited (Transferee Company) and their respective Shareholders and Creditors (“Scheme of Amalgamation”) under the provisions of section 230 to 232 and any other applicable provisions of the Companies Act, 2013.

The salient features of the Scheme are given in paragraph IV of this statement and A copy of the aforesaid Scheme of Amalgamation is enclosed as **Annexure 1**.

**I. Details of the companies/parties to the Scheme of Amalgamation:**

**1. Details of the Transferee Company**

1.1. Mercantile Ventures Limited (hereinafter referred to as "the Transferee Company"), is a public limited company having CIN: L65191TN1985PLC037309 and PAN: AAICM6095N, was incorporated on 23<sup>rd</sup> day of December 1985 under the name and style of “Excel Finance Limited” with Registration No. 4375 of 1985, in the State of Kerala under the Companies Act, 1956. The Registered office of the Company was shifted to the State of



Tamil Nadu by following due process of law. The Company later changed its name to MCC Finance Limited by May 1997 and later to its present name in 2013.

- 1.2. The Registered Office of the Transferee Company is situated at 88 Mount Road Guindy, Chennai 600032.
- 1.3. The email address of the Transferee Company is [admin@mercantileventures.co.in](mailto:admin@mercantileventures.co.in).
- 1.4. The main objects of the Transferee Company are set out in the Memorandum of Association and the Transferee Company inter-alia is engaged in the business of dealing in immovable property, rendering of business consultancy as well as to render custodial and allied services.
- 1.5. During the last five years, there has been no change in the name, registered office and objects clause of the Company.
- 1.6. The Company is listed on BSE Limited.
- 1.7. The Authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31-12-2024 & 30-09-2025 are as under:

Particulars	Amount Rs in Lakhs
Authorised Capital	
11,50,90,000 Equity Shares of Rs.10/- each	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each	1500.00
Total	13009.00
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82
Total	11,191.82

There is no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company subsequent to the above date.

- 1.8. The details of the present promoter(s) and directors of the Transferee Company along with their addresses are as follows:

1.8.1. Promoter(s) and Promoter Group

S. No.	Name	Category	Address
1	Muthiah A C HUF	Promoter Group	1, Adyar Villa 28, Gandhi Mandapam Road Kotturpuram, Chennai 600085.
2	Vadivelu A L	Promoter	Flat No 10, MAC Sunny Side, No 5, Dr Alagappa road, Chennai 600084.
3	Trinity Auto Points Ltd	Promoter Group	NO 88, Mount Road Guindy Chennai 600032
4	South India Travels Pvt Ltd	Promoter	88, Mount Road Guindy Chennai 600032
5	Sicagen India Limited	Promoter	4 <sup>th</sup> Floor, Spic House No.88, Mount Road, Guindy Chennai 600032



6	First Leasing Co of India Ltd	Promoter	749, Anna Salai, Chennai 600002
7	Navia Markets Limited	Promoter	Ganga Griha 4 & 5 Floor 9 Nungambakkam, Chennai 600034
8	Ashwin C Muthiah	Promoter Group	18, Mount Echo park, Singapore 24878
9	Ranford Investments Ltd	Promoter	8 Temasek Boulevard, 22-03, Suntec tower, 3, Singapore 038988
10	Darnolly Investments Ltd	Promoter	8 Temasek Boulevard, 22-03, Suntec tower, 3, Singapore 038988
11	Twinshield Consultants Private Limited	Promoter Group	No 88, Mount Road Guindy Chennai - 600032

### 1.8.2.Directors

DIN	Name	Category	Address
00621061	Kuppuswamy Gopalakrishnan	Non Independent Director	Jade Apartment, 3rd Floor 5/7, 15th Cross Street, New Colony, Chrompet, Chennai - 600 044
01159394	Bhimsingh Narendran	Independent Director	No 2/4, 1st Floor, Venus Colony 1st Street, Teynampet, Chennai - 600 018
03013549	Rita Chandrasekar	Independent Director	No. 486, 3rd South Main Road, Kapaleeswarar Nagar, Neelankarai, Injambakkam, Sholinganallur, Kancheepuram 600115.
07975664	N Umasankar	Wholetime Director (Finance)	No.5, Ganapathi Street, Puzhuthivakkam, Chennai – 600091.
06463753	Rangaswami Natarajan Edayathumangalam	Wholetime Director	No. 184/12, V M Street, Royapettah, Chennai-600014
08060285	Govindarajan Dattatreyan Sharma	Independent Director	1A, Arihant Vedant 42, Malony Road, T Nagar, Chennai – 600 017

## 2. Details of the Transferor Company

2.1. India Radiators Limited (hereinafter referred to as ("the Transferor Company")), is a public limited Company having CIN L27209TN1949PLC000963 and PAN: AAACI1448M was incorporated as Rayala Corporation (Mysore) Limited on 05-01-1949 under the Indian Companies Act, 1913, and later changed its name to its present name vide Certificate of incorporation on change of name issued by the jurisdictional Registrar of Joint stock Companies date 31-05-1955. The Registered office of the Company is situated at No. 88 Mount Road Guindy Chennai Tamilnadu 600032. The main object of the Company at the



time of incorporation was to carry on the business of manufacture of Automobile components. At present the Company is engaged in the business of Renting of Properties. The Company is listed in BSE. The authorized Share Capital and the Capital Structure of the Company as on 31-12-2024 & 30-09-2025 is as below;

Particulars	Amount Rs in Lakhs
Share Capital as on 30 <sup>th</sup> September, 2025	
Authorised:	
10,00,000 Equity Shares of Rs.10/- each	100.00
2,00,00,000 Preference Shares of Rs.10/- each	2000.00
Total	2100.00
Issued, Subscribed and Paid - up:	
9,00,000 Equity Shares of Rs.10/- each fully paid up	90.00
1,94,82,700, 7% Redeemable Preference Shares of Rs.10/- each fully paid up	1948.27
Total	2038.27

2.2. As on 30-09-2025, 38.74 % of the Equity share capital of the Transferor Company is held by the Transferee Company as a promoter and rest by public shareholders. The entire preference share capital of the Transferor Company is held by the Transferee Company, which have voting rights and by virtue of holding more than 50% of the voting rights, the Transferor Company is a subsidiary of the Transferee Company.

2.3. During the last five years, there has been no change in the name, registered office and objects clause of the Company.

2.4. The email address of the Transferor Company is [cs@indiaradiators.com](mailto:cs@indiaradiators.com).

2.5. The details of the present promoter(s) and directors of Transferor Company along with their addresses are as follows:

2.5.1.Promoter(s) of the Transferor Company

As on the appointed date, Transferee Company (having its registered office at No.88, Mount Road, Guindy, Chennai – 600032) is the only Promoter of the Company, holding 38.74% of the Equity Share capital of the Company and 100% of the Preference share capital of the Company.

2.5.2.Directors of the Transferor Company

DIN	Name	Category	Address
01678374	Sashikala Shrikanth	Independent Director	19/165/B2, Sai Saranagathi Enclave, Hubbathalai, Kethorai Road, Coonoor, Nilgiris – 643 102.
06463753	Rangaswami Natarajan Edayathumangalam	Whole Time Director	No. 184/12, V M Street, Royapettah, Chennai-600014
08060285	Govindarajan Dattatreyan Sharma	Independent Director	1A, Arihant Vedant 42, Malony Road, T Nagar, Chennai – 600 017



02299091	Alagappan Chandramouli	Independent Director	Flat No. 7, No.1, Temple Street, Kilpauk, Chennai - 600010
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## II. Details of Relationship subsisting between the companies who are parties to the Scheme of Amalgamation.

The Transferor Company is a subsidiary of the Transferee Company pursuant to Section 47 (2) of the Companies Act, 2013. Mr. E N Rangaswami & Mr. G D Sharma are the common Directors in the Transferor Company and the Transferee Company.

## III. Board Approvals

The Board of Directors of the Transferee Company at its Board Meeting held on 08<sup>th</sup> April, 2025 based on the recommendations of the Audit Committee and the Committee of Independent Directors, unanimously approved the Scheme, as detailed below:

Name of the Director	Voted in favour / against / did not participate or vote
Mr. B Narendran	In favour
Mr. E N Rangaswami	In favour
Mr. G D Sharma	In favour
Ms. Rita Chandrasekar	In favour
Mr. M S Niranjhan*	In favour
Mr. K Gopalakrishnan	In favour

\* Resigned w.e.f. 31<sup>st</sup> July 2025.

The Board of Directors of the Transferor Company at its Board Meeting held on 08<sup>th</sup> April, 2025 based on the recommendations of the Audit Committee and the Committee of Independent Directors, unanimously approved the Scheme, as detailed below:

Name of the Director	Voted in favour / against / did not participate or vote
Mr. B Narendran*	In favour
Mr. E N Rangaswami	In favour
Ms. Rita Chandrasekar*	In favour
Mr. T. Govindarajan*	Leave of absence

\* Mr. B Narendran, Ms. Rita Chandrasekar and Mr. T. Govindarajan ceased to be Independent Directors on the Board of the transferor company w.e.f. close of business hours on 28<sup>th</sup> May 2025 due to completion of tenure of second term as an Independent Director.

## IV. Salient features / details / extract of the Scheme of Amalgamation & Consideration for the amalgamation

The salient features / details / extract of the Scheme of Amalgamation are as under:

1. This Scheme is for the Amalgamation of India Radiators Limited (Transferor Company) with Mercantile Ventures Limited (Transferee Company) and their respective Shareholders and Creditors ("Scheme of Amalgamation") under the provisions of section 230 to 232 and any other applicable provisions of the Companies Act, 2013.



2. The Appointed Date for the proposed Scheme of Amalgamation shall be January 01, 2025 or such date as may be approved by the National Company Law Tribunal Chennai Bench or such other appropriate date as the Appropriate Authority may decide, and is the date with effect from which this Scheme of Amalgamation shall upon receipt of requisite approvals, be deemed to be operative.
3. With effect from the Appointed Date, whole of the undertaking of the Transferor Company, as a going concern, including all its assets, all liabilities, employees, all statutory licences, permissions, approvals or consents to carry on the operations of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of whole of the undertaking of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.
4. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act or deed on the part of the Transferor Company.
5. Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot Equity Shares to shareholders, administrators, legal representatives, determined as on Record Date, whose name is recorded in the register of members of Transferor Company in the following proportion: 10 (Ten) equity shares of the transferee Company with the face value of INR 10/- each fully paid up for every 36 (Thirty-Six) equity shares of the transferor Company with a face value of INR 10/- each fully paid up.
6. Such Equity shares will be listed on the BSE Limited and shall rank pari passu with the existing listed equity shares of the Transferee Company.
7. The equity shares/ Preference Shares of the Transferor Company held by the Transferee Company, if any, on the Effective Date, such equity/ preference shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed and consequentially there shall be no allotment of New Equity/ Preference Shares for such shareholding and to that extent the Transferee Company is required to issue less number of shares. As regards the preference shares of the Transferor Company held by the Transferee Company or vice versa on the Effective Date such shares shall stand cancelled and the Transferee Company shall have no claims in respect of arrears of dividend.
8. Subject to the Applicable Law, the New Equity Shares issued by the Transferee Company in terms of this Scheme shall be issued in dematerialised form.
9. The shareholders of the Transferor Company who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to enable the Transferee Company to issue the New Equity Shares. If no such details have been provided by the equity shareholders holding equity shares in physical share certificates on or before the Record Date the relevant New Equity Shares of the Transferee Company shall be dealt with in such manner as may be permissible under the Applicable Law, including issue of a letter confirming allotment of shares to the shareholder directing them to share the details of the demat account of the holder / legal heirs with necessary proof and in case of failure to receive such details to hold the shares in Suspense Escrow Demat Account of the Transferee Company.



10. The details relating to effective date, share exchange ratio, capital/debt restructuring, benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others, amount due to unsecured creditors are available in the Scheme and in this statement.

#### **V. Accounting Treatment in the Books of the Transferee Company**

1. Upon the Scheme becoming effective, the Transferor Company and the Transferee Company being under common control, the Amalgamation of the Transferor Company with the Transferee Company shall be accounted by the Transferee Company as per the “Pooling of interest Method” provided under Appendix C of Ind AS 103, ‘Business Combinations’ notified under Section 133 of the Act.
2. Upon the scheme coming into effect, all the assets and liabilities of the Transferor Company shall be transferred to and vested in the Transferee Company and shall be recorded at their respective book values. No adjustment shall be made to the carrying amounts of assets and liabilities as reflected in the books of Transferor Company on the Appointed Date, to reflect fair values or recognise any new assets or liabilities including any new deferred tax assets or liabilities. All reserves of the Transferor Company are deemed to be carried forward and shall be recorded in the books of Transferee Company in the same form in which they appeared in the books of the Transferor Company as on the Appointed Date. The difference between the carrying amount in the books of the Transferee Company of its investment in the shares of the Transferor Company, which shall stand cancelled in terms of this scheme, and the aggregate face value of such shares shall, subject to the other provisions contained herein, be adjusted against and reflected in the capital reserves of the Transferee Company.
3. Upon the scheme coming into effect, the difference between the amount recorded as share capital issued by Transferee Company (Securities issued will be recorded at their nominal value) and the amount of share capital of the Transferor Company shall be transferred to capital reserve of the Transferee Company.
4. To the extent of and with respect to inter-corporate loans or balances or securities held inter- se between the Transferor Company and the Transferee Company, the rights and obligations shall come to an end.
5. In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies, as may be directed by the Board of Directors of the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
6. Upon the scheme coming into effect, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed with the terms of this Scheme.

#### **VI. Rationale and Benefits of the Scheme of Amalgamation**

1. With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company and the Transferee Company have decided to amalgamate the Transferor Company with the Transferee Company in order to ensure better management of the Company as a single entity. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the proposed amalgamation of the



Transferor Company with the Transferee Company will be for the benefit of both the Transferor Company and the Transferee Company in the following manner:

2. By this amalgamation, it is expected that the administrative and operational costs will be considerably reduced and the Transferee Company will be able to operate and run the business/operations more effectively and economically resulting in better turnover and profits.
3. It is expected that the proposed Scheme of Amalgamation will benefit the Transferee Company in the usual economies of a centralized and a large company including elimination of duplication of work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency and will bring in synergies for the Transferee Company post amalgamation. It will help the Transferee Company to use the combined managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of the business, thereby it will make available to the Transferee Company, the benefit of technical and marketing expertise of both the companies.
4. The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
5. The Transferee Company will have the benefit of the combined assets, cash flows and manpower of both the companies. These combined resources will enhance its capability to expand and improve its efficiency of operations.

## **VII. Valuation Report**

The Company has engaged Mr. Kalyanam Bhaskar as valuation experts for providing share exchange ratio report (“Valuation Report”), and Saffron Capital Advisors Private Limited, as Category I Merchant Banker for providing a Fairness Opinion.

The Board of Directors have taken note of Joint share exchange ratio report (“Valuation Report”) dated March 31, 2025 issued by Mr. Kalyanam Bhaskar, (Registration No. IBBI/RV/06/2020/12959) and Mr. V.G.Hareesh, (Registration No. IBBI/RV/03/2021/14465), both registered valuers. The Board also noted the Fairness opinion dated March 31, 2025, issued by Saffron Capital Advisors Private Limited, and Khandwala Securities Limited, Independent SEBI registered Merchant Banker ("Fairness Opinion"), providing the fairness opinion on the share exchange ratio recommended in the Valuation Report, as noted and taken on record by the Board are attached as **Annexure 2**.

## **VIII. Amount due to Unsecured Creditors**

The amount due to unsecured creditors by the Transferee Company as on 30th September 2025 is Rs. 276.05 Lakhs.

The amount due to unsecured creditors by the Transferor Company as on 30th September 2025 is Rs. 189.68 Lakhs.



## **IX. Effect of the Scheme of Amalgamation**

### **1. Directors, Key Managerial Personnel and their Relatives**

The Board of Directors (or any committee/ sub-committee thereof) of the Transferor company, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Transferor company shall cease to be Directors of the Transferor company on coming into effect of this Scheme. However, if any such Director is a Director of the Transferee Company he would continue to hold his office in the Transferee Company. It is clarified that there shall be no change in the management of the Transferee Company by virtue of the Scheme coming into effect.

### **2. Promoter and Non-Promoter Members**

The Scheme of Amalgamation will not have any effect on the promoter and non-promoter members of the Transferee Company as there will be no change in their shareholding in the Transferee Company pursuant to the terms of the Scheme of Amalgamation.

### **3. Creditors**

There are no secured creditors. The rights and interests of the unsecured creditors of the Transferee Company are not likely to be prejudicially affected. Further no compromise is offered to any of the creditors of the Transferee Company nor their rights are modified in any manner and the Transferee Company undertakes to meet with all such liabilities in the regular course of business.

### **4. Employees**

The rights and interest of the Employees of the Transferor Company will not be prejudicially affected by the Scheme of Amalgamation. The employees of the Transferor Company shall become the employees of the Transferee Company upon the Scheme becoming effective.

### **5. Depositors, Debenture Holders, Deposit Trustee or Debenture Trustee**

Neither the Transferor Company nor the Transferee Company have any depositors, debenture holders, deposit trustee or debenture trustee. Hence, no rights and interests will be affected on effectiveness of Scheme of Amalgamation.

## **X. Report of the Independent Directors of the Transferee Company**

Further a report of the Independent Directors of the Transferee Company, explaining effect of the Scheme of Amalgamation on each class of shareholders, KMP, promoters and non-promoter shareholders, forms part of this Notice and is annexed herewith as **Annexure 3**.

## **XI. No investigation proceedings have been instituted or are pending in relation to the Transferee Company under the Companies Act, 2013 or erstwhile Companies Act, 1956.**

## **XII. Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending:**



Both the Transferor and the Transferee Companies are listed and hence made application under Regulation 37 of the SEBI ( Listing Obligations and Disclosure Requirements) Regulations read with the applicable master Circular issued by the SEBI through the Stock Exchanges and has received a letter communicating no adverse remarks from the exchange vide letter dated October 14, 2025, a copy of which is attached as **Annexure 4**.

On an application made to the Hon'ble National Company law Tribunal, the said Tribunal has ordered a meeting of the Equity shareholders of both the Transferor and the Transferee Companies and a meeting of Unsecured Creditors of the Transferee Company. The same has to be obtained.

Since both the Companies did not have any secured creditors, the question of ordering meetings/ obtaining consent did not arise.

A meeting of the Unsecured Creditors of the Transferee Company is ordered by the Tribunal, which would be obtained.

The Transferee Company and the Transferor Company may be required to seek approvals / sanctions / no-objections from certain regulatory and governmental authorities for the Scheme of Amalgamation such as the concerned Registrar of Companies, Regional Director and the Official Liquidator as may be required. The Companies will obtain the same at the relevant time.

The Transferor Company would seek approvals / sanctions / no-objections from certain regulatory and governmental authorities including for the Scheme of Amalgamation such as the concerned Registrar of Companies, Regional Director and will obtain the same at the relevant time.

**XIII. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023 , the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of Transferee Company and Transferor Company are given elsewhere in this notice.**

The Pre Scheme and post scheme Capital structure and Shareholding pattern is as per **Annexure 10**.

**XIV. The copy of Scheme of Amalgamation is being filed with the Registrar of Companies, Chennai, Tamilnadu.**

**XV. No winding up proceedings or proceedings under the Insolvency and Bankruptcy Code are pending against the Transferor Company and Transferee Company as on date.**

**XVI. The certificate issued by the Statutory Auditor of the Transferee Company to the effect that the accounting treatment, proposed in the Scheme of Amalgamation is in conformity with the applicable Accounting Standards/Indian Accounting Standards prescribed under the Companies Act, 2013 read with relevant rules thereto and is enclosed as Annexure 14. The auditor's certificate stated above is available for inspection.**

**XVII. The Audited financial statements of the Transferor and Transferee Companies for the year ended 31<sup>st</sup> March 2025 are enclosed as Annexure 6 and 7. The Provisional Financial Statements of both the Transferee and the Transferor Companies for the period ended September 30, 2025 are enclosed as Annexure 8 and Annexure 9 respectively.**



**XVIII. No – Objection of the BSE Limited**

BSE Limited by its Observation Letter dated October 14, 2025 have given its no-objection to the Scheme.

The further documents and information, as advised by the Stock Exchange, are also provided as under:

**1. Details of Ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken**

With respect to the Transferee Company, there are no ongoing adjudication and recovery proceedings, prosecution initiated and other enforcement action against the Transferor Company, the Transferee Company, their respective promoters, directors and KMPs other than the dues of Income tax as provided in **Annexure 11**.

The above-mentioned dues are in the usual course of business/operations of the Transferee Company and the same do not have any adverse impact on the Scheme, the Transferor Company, the Transferee Company or their respective shareholders.

There are no ongoing adjudication and recovery proceedings, prosecution initiated and other enforcement action against the Transferor Company, the Transferee Company, their respective promoters, directors and KMPs with respect to the Transferor Company.

The Transferee Company will also submit the aforesaid details of proceedings with the Tribunal at the time of filing the petition.

**2. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme.**

The Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme are provided in **Annexure 12**.

**3. Impact of scheme on revenue generating capacity of Transferee Company**

Pursuant to the Scheme becoming effective, the Transferee Company shall acquire the immovable property held by the Transferor Company in the form of vacant land. The said land provides the Transferee Company with an opportunity to optimally deploy the asset in line with its existing business of leasing and exploitation of immovable properties. Post-amalgamation, the Transferee Company proposes to commercially develop or lease the said land, thereby enabling the generation of stable and recurring rental income. Accordingly, the Scheme is expected to enhance the overall asset base of the Transferee Company and positively contribute to its revenue-generating capacity over the medium to long term, without any adverse impact on its existing operations.

**4. Need and Rationale of the scheme, Synergies of business of the companies involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.**

The Need and Rationale of the scheme, Synergies of business of the companies involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme are provided in the report of Independent Directors of the Transferee Company annexed in **Annexure 3**.



**5. Value of assets and liabilities of Transferor Companies that are being transferred to Transferee Company.**

The Value of assets and liabilities of Transferor Companies that are being transferred to Transferee Company are provided in **Annexure 13**.

**6. Additional information submitted to BSE along with draft scheme of arrangement as advised by email dated October 14, 2025 provided in Annexure No.15.**

**The Board of Directors recommend passing of the above resolutions pursuant to the applicable provisions of the Act.**

**XIX. The following documents will be open for inspection by the Unsecured Creditors electronically up to the date of the ensuing Meeting and during the Meeting hours and physically at the Registered Office of Applicant Company situated at the registered office of the Company on all working days except Saturdays and Sundays between 11:00 a.m. IST and 1:00 p.m. IST up to the date of the ensuing Meeting:**

**1. Annexures to this Notice:-**

- a. Scheme of Amalgamation (**Annexure 1**);
- b. Joint share exchange ratio report (“Valuation Report”) dated March 31, 2025 issued by Mr. Kalyanam Bhaskar, (Registration No. IBBI/RV/06/2020/12959) and Mr. V.G.Hareesh, (Registration No. IBBI/RV/03/2021/14465), both registered valuers along with the Fairness opinion dated March 31, 2025, issued by Saffron Capital Advisors Private Limited and Khandwala Securities Limited, Independent SEBI registered Merchant Bankers ("Fairness Opinion") (**Annexure 2**);
- c. Report adopted by the Independent Directors of Mercantile Ventures Limited (Transferee Company) pursuant to the provisions of Section 232(2)(c) read with 232(8)(ii) of the Companies Act, 2013 (**Annexure 3**);
- d. Copy of the No adverse Observation letter issued by the BSE limited dated 14-10-2025 (**Annexure 4**);
- e. Order dated February 02, 2026, passed by the Tribunal in Company Application No. CA(CAA)/103(CHE)/2025 in pursuance to which the meeting is to be convened. (**Annexure 5**);
- f. Audited financial statements of the Transferor Company for the year ended March 31, 2025 (**Annexure 6**);
- g. Audited financial statements of the Transferee Company for the year ended March 31, 2025 (**Annexure 7**);
- h. Provisional Financial Statements of Mercantile Ventures Limited for the period ended September 30, 2025 along with the Limited Review Report of the Statutory Auditors (**Annexure 8**);
- i. Provisional Financial Statements of India Radiators Limited for the period ended September 30, 2025 along with the Limited Review Report of the Statutory Auditors (**Annexure 9**);



- j. Pre Scheme and post Scheme Shareholding pattern and Capital Structure of the Transferee Company (**Annexure 10**);
- k. Details of the Ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken (**Annexure 11**);
- l. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme (**Annexure 12**);
- m. Value of assets and liabilities of Transferor Companies that are being transferred to Transferee Company (**Annexure 13**);
- n. Certificate from the Statutory Auditor of the Transferor Company and Transferee Company to the effect that accounting treatment, proposed in the scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act 2013. (**Annexure 14**);
- o. Additional documents submitted with BSE as per the BSE Checklist along with the application filed under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for obtaining Observation Letter. (**Annexure 15**).

## **2. Other Documents:-**

- a. Copy of the Statutory Auditors' certificate to the effect that the accounting treatment in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- b. Copy of the NCLT Order dated February 02, 2026 directing inter alia convening the meeting of equity shareholders.
- c. Copies of the Memorandum of Association, Articles of Association and Certificate of Incorporation of the Transferor Companies and Transferee Company.
- d. Copies of the resolutions passed by the respective Board of Directors of the Transferor Companies and Transferee Company approving the Scheme of Amalgamation.
- e. Copy of Annual Audited Accounts of the Transferee Company for the year ended March 31, 2025.

A copy of the Scheme of Amalgamation, Explanatory Statement, may also be obtained from the Registered Office of the Applicant Company from the office of the Company Secretary of the Company.

**Date: 10.02.2026**  
**Place: Chennai**

**Sd/-**  
**K Gaurav Kumar**  
**The Chairperson appointed for the Meeting**

**SCHEME OF AMALGAMATION  
OF  
INDIA RADIATORS LIMITED  
WITH  
MERCANTILE VENTURES LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (Under  
Sections 230 to 232 of the Companies Act, 2013)**

**I. PREAMBLE AND RATIONALE**

This Scheme (as defined herein below) is for the Amalgamation of India Radiators Limited (Transferor Company) with Mercantile Ventures Limited (Transferee Company) and their respective Shareholders and Creditors.

**II. Background of the Companies**

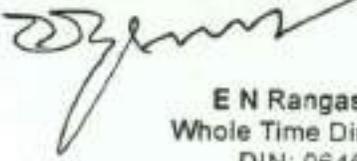
**India Radiators Limited (Transferor Company)**, having CIN L27209TN1949PLC000963 was incorporated as Rayala Corporation (Mysore) Limited on 05-01-1949 under the provisions of Mysore Companies Act, 1938, and later changed its name to its present name vide Certificate of incorporation on change of name issued by the jurisdictional Registrar of Joint stock Companies date 31-05-1955. The Registered office of the Company is situated at No. 88 Mount Road Guindy Chennai Tamilnadu 600032. The main object of the Company at the time of incorporation was to carry on the business of manufacturers, importers, exporters etc of automobiles, motor cars, buses, lorries etc. At present the Company is renting out properties, owned by the Company. The Company is listed in BSE.

**MERCANTILE VENTURES LIMITED** (hereinafter referred to as "**Transferee Company**"), having CIN: L65191TN1985PLC037309 was incorporated, as a Public Limited Company, on 23rd day of December, 1985 under the name and style of "Excel Finance Limited" with Registration No. 4375 of 1985, in the State of Kerala under the Companies Act, 1956. The Transferor Company obtained certificate of commencement of business on 27-12-1985. The Company passed a special resolution for shifting of its Registered Office from the State of Kerala to the State of Tamilnadu, which

For Mercantile Ventures Limited

  
B Narendran  
Director  
DIN: 01159394

For India Radiators Limited

  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

was confirmed by the order of the Hon 'Ble Company Law Board vide its order dated 20<sup>th</sup> Dec 1996 and was duly registered by the Registrar of Companies Tamilnadu Chennai vide certificate dated 10<sup>th</sup> January 1997. The Transferee Company later changed its name to MCC Finance Limited approved by the Registrar of Companies, Tamilnadu, Chennai vide Certificate dated 13-05-1997. The Transferee Company amended objects clause of the Memorandum of Association as well as changed the Name of the Company to Mercantile Ventures Limited vide Certificate dated 27<sup>th</sup> March 2013. The registered office of the Transferee Company is situated at 88, Mount Road Guindy Chennai 600032. The Transferee Company is engaged in the business of leasing of immovable properties and Manpower supply services. The Company is listed in BSE.

### III. RATIONALE OF THE SCHEME

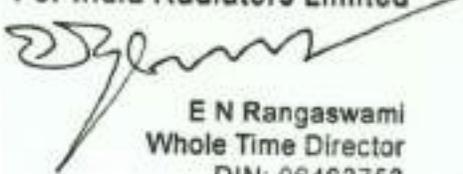
With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company and the Transferee Company have decided to amalgamate the Transferor Company with the Transferee Company in order to ensure better management of the Company as a single entity. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the proposed amalgamation of the Transferor Company with the Transferee Company will be for the benefit of both the Transferor Company and the Transferee Company in the following manner:

- a) By this amalgamation, it is expected that the administrative and operational costs will be considerably reduced and the Transferee Company will be able to operate and run the business/operations more effectively and economically resulting in better turnover and profits.
- b) It is expected that the proposed Scheme of Amalgamation will benefit the Transferee Company in the usual economies of a centralized and a large company including elimination of duplication of work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency and will bring in synergies for the Transferee Company post amalgamation. It will help the Transferee Company to use the combined managerial and operating strength, to build a wider capital and financial base and to promote and

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secure overall growth of the business, thereby it will make available to the Transferee Company, the benefit of technical and marketing expertise of both the companies.

- c) The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
- d) The Transferee Company will have the benefit of the combined assets, cash flows and man-power of both the companies. These combined resources will enhance its capability to expand and improve its efficiency of operations.

#### **IV. PARTS OF THE SCHEME**

This Scheme is divided into following parts:

- a) Part I - deals with definitions of the capitalised terms used in this Scheme, date of operation of this Scheme and details of share capital of Companies;
- b) Part II - Deals with the amalgamation of the Transferor Company with the Transferee Company
- c) Part III - deals with the dissolution of the Transferor Company, general terms and conditions that would be applicable to the Scheme and other matters consequential and integrally connected thereto.

#### **PART-I**

#### **DEFINITIONS, DATE OF OPERATION OF SCHEME AND CAPITAL STRUCTURE**

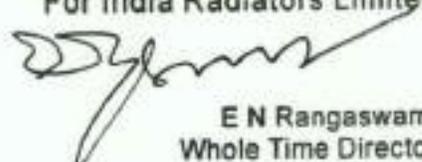
##### **1. DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following capitalized expressions / terms shall have the following meanings:

For Mercantile Ventures Limited

  
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For India Radiators Limited

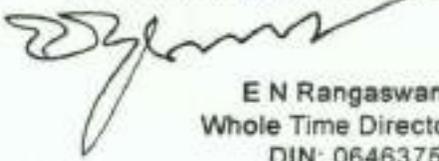
  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

- a. "Act" or "the Act" means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, and the rules and regulations made thereunder;
- b. "Applicable Law(s)" means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule or common laws, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any appropriate authority including any modification or re-enactment thereof for the time being in force;
- c. "Appointed Date" means 01<sup>st</sup> January, 2025, or such other date as may be fixed or approved by the National Company Law Tribunal at Chennai or such other competent authority;
- d. "Appropriate Authority" means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited to Regional Director, Registrar of Companies and National Company Law Tribunal;
- e. "Board of Directors" or "Board" in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such Company, and shall include a committee duly constituted and authorized or individuals authorized for the purposes of matters pertaining to this Scheme and/or any other matter relating thereto;
- f. "Companies" or "Parties" means both the companies. "Company" or "Party" shall mean each of them individually;
- g. "Effective Date" means the last of the dates on which the conditions as mentioned in Clause 16 & 17 of this Scheme are satisfied. Any references in this Scheme to "upon this Scheme being effective" or "upon the effectiveness of this Scheme" or "post effectiveness of

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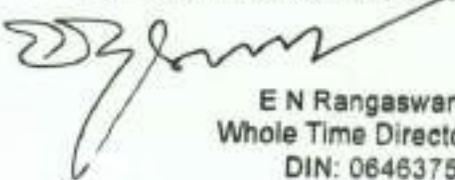
this Scheme" or "this Scheme becoming effective" means and refers to the Effective Date;

- h. "Employees" means all the staff, workmen, employees, contract labourers and interns / trainees of the Transferor Company who are on the pay-roll of the Transferor Company as on the Effective Date;
- i. "Encumbrance" means (i) any charge, lien (statutory or other, or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any person); (ii) pre-emption right to acquire, right to set off or other third party right claim of any kind, including any restriction to use, voting, transfer, receipt of income or exercise; or (iii) any hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term "Encumber" shall be construed accordingly;
- j. "IT Act" means the Income-tax Act, 1961, of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- k. "Governmental Authority", "Government Authority" or "Government Body" or "Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- l. "NCLT" or "National Company Law Tribunal" or "Tribunal" means National Company Law Tribunal, Division Bench at Chennai having jurisdiction in relation to the Transferor Company and the Transferee Company, or such other competent authority to whom this Scheme in its present form is submitted for sanctioning under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the relevant Act;

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- m. "Record Date" means the date as may be decided by the Board of Directors of the Transferee Company to determine the members/shareholders of the Transferor Company to whom new equity shares of the Transferee Company will be allotted by the Transferee Company according to the relevant Share Exchange Ratio determined by the independent valuers pursuant to this Scheme;
- n. "Registrar of Companies" means the Registrar of Companies, Chennai, Tamil Nadu;
- o. "Scheme" or "this Scheme" or "the Scheme of Amalgamation" means this Scheme of Amalgamation in its present form as submitted to the NCLT with any modification(s) made and as approved or directed by the NCLT;
- p. "Transferor Company" or "IRL" means India Radiators Limited having CIN L27209TN1949PLC000963;
- q. "Transferee Company" or "MVL" means Mercantile Ventures Limited having CIN L65191TN1985PLC037309.
- r. "Tax Laws" means the IT Act, Customs Act, 1962, Central Excise Act, 1944, Value Added Tax Act applicable to any state in which the Transferor Company operates, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, or Service Tax, Central Goods and Service Tax Act, 2017 (CGST Act), State Goods and Services Tax Act, 2017 (SGST Act) or Union Goods and Services Tax Act, 2017 (UTGST Act) applicable to any state/ union territory in which the Transferor Company operates, Integrated Goods and Services Tax Act, 2017 (IGST Act) or other applicable laws/ regulations dealing with taxes/ duties/ levies/cess.
- s. "Undertaking" means and includes all the assets, properties, liabilities and the undertaking(s) and entire business(s) of the Transferor Company, of whatsoever nature and kind and wherever

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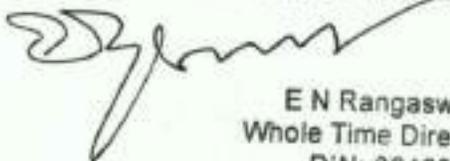
situated, on a going concern basis, which shall include, without limitation the following:

- i. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not appearing in the books of accounts) of the Transferor Company, including, without limitation, sheds, godowns, warehouses, offices, plant and machineries, equipment, interests, capital work-in progress, rolling stocks, installations, appliances, tools, accessories, freeholds, leasehold or any other title, interests or right in such immovable assets, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipment, computers and all stocks;
- ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes of the Transferor Company;
- iii. all investments (including shares, scrips, stocks, bonds, debentures, debenture stock, units of mutual funds, overseas investments and other securities), including dividends declared or interest accrued thereon of the Transferor Company;
- iv. all rights or benefits, benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and / or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities;

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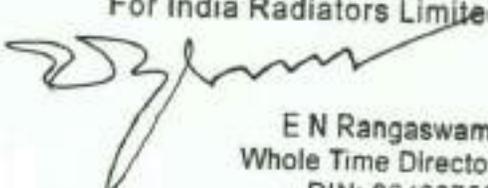
  
E N Rangaswami  
Whole Time Director  
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- v. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company or in connection with or relating to the said Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Transferor Company;
- vi. all permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description, whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- vii. all licenses, approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description, whatsoever, of the Transferor Company;
- viii. all agreements, contracts, arrangements, understandings, engagements, deeds and instruments including lease / license agreements, tenancy rights, equipment purchase agreements,

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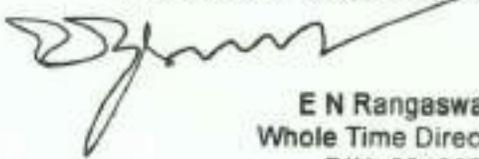
master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements / contracts with the supplier / manufacturer of goods / service providers and all rights, title, interests, claims and benefits there under of the Transferor Company;

- ix. all application monies, advance monies, earnest monies and / or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company;
- x. all debts, borrowings, obligations, duties and liabilities, both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or un-asserted, matured or un-matured, liquidated or un-liquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Transferor Company;
- xi. all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature, whatsoever (including applications for registrations of the same and the right to use such intellectual property rights), books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and

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- documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it; and
- xii. any and all permanent employees, who are on the payroll of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.

## 2. Interpretation

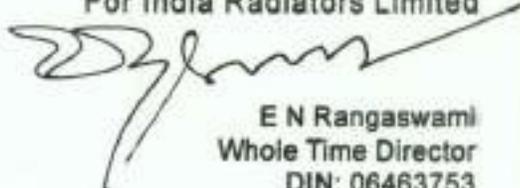
In this Scheme, unless the context otherwise requires:

- a. Words denoting the singular shall include the plural and vice versa;
- b. Headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c. Reference to the word "include" or "including" shall be construed without limitation;
- d. References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality);
- e. A reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- f. Unless otherwise defined, the reference to the word "days" shall mean calendar days;
- g. Reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- h. Word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- i. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws.

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### 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the NCLT, or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

### 4. CAPITAL STRUCTURE

#### i) Transferor Company

The share capital of the Transferor Company as on March 31, 2024 and as on 31-12-2024 is as set out below:

Particulars	Amount Rs in Lakhs
<b>Authorised Capital</b>	
10,00,000 Equity Shares of Rs.10/- each	100.00
2,00,00,000 Preference Shares of Rs.10/- each	2000.00
<b>Total</b>	<b>2100.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>	
9,00,000 Equity Shares of Rs.10/- each fully paid up	90.00
1,94,82,700 Redeemable Preference Shares of Rs.10/- each fully paid up	1948.27
<b>Total</b>	<b>2038.27</b>

There are no changes in the share capital of the Transferor Company till the date of making this application. The Equity Shares of the Company are listed in BSE Limited.

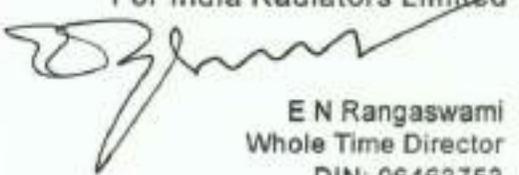
#### ii) Transferee Company

The share capital of the Transferee Company as on March 31, 2024 and as on 31-12-2024 is as set out below:

For Mercantile Ventures Limited

  
B Narendran  
Director  
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E N Rangaswami  
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Particulars	Amount Rs in Lakhs
<b>Authorised Capital</b>	
11,50,90,000 Equity Shares of Rs.10/- each	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each	1500.00
<b>Total</b>	<b>13009.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>	
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82
<b>Total</b>	<b>11,191.82</b>

There are no changes in the share capital of the Transferee Company till the date of making this application. The Equity Shares of the Company are listed in BSE Limited.

## PART II – TRANSFER AND VESTING

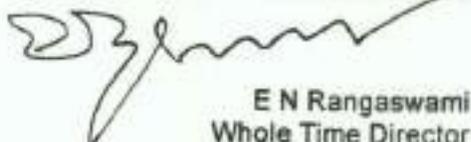
### 1. TRANSFER OF UNDERTAKING

- i. Upon the coming into effect of the Scheme and with effect from the Appointed Date and pursuant to the provisions of Section 232 and other applicable provisions of the Act, if any, the Undertaking of the Transferor Company shall, without any further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme, together with all estate, rights, titles and interests and authorities including accretions and appurtenances therein including dividends, or other benefits receivable. Without prejudice to the generality of the above, the Undertaking shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

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- a) With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company comprising their entire business, all assets and liabilities of whatsoever nature and wheresoever situated, including the immovable properties, as listed in Schedule 1 to this Scheme, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub-clauses (b), (c) and (d) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in and be deemed to have been transferred and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

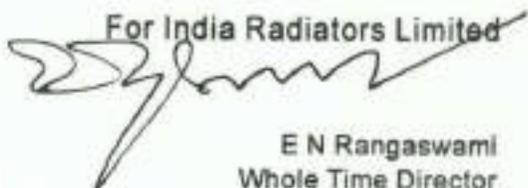
Provided that for the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recordal of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- b) All movable assets including cash in hand, if any, of the Transferor Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Company and the Transferee Company.
- c) In respect of movables other than those specified in sub-clause (b) above, including sundry debtors, receivable, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits, if any, with Government, quasi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi for intimating third parties shall, to the extent possible, be followed:

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E N Rangaswami  
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- i. The Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor, loanee or depositor as the case may be, that pursuant to the Court having sanctioned the Scheme, the said debts, loans, advances, bank balances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realise the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
  - ii. The Transferor Company shall also give notice in such form as it may deem fit and proper to each person, debtor, loanee or depositor that pursuant to the Court having sanctioned the Scheme the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Company to recover or realise the same stands extinguished.
  - iii. In relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, the Transferor Company and the Transferee Company will execute necessary documents, as and when required.
- d) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Company shall also, under the provisions of Section 230 to 232 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. However, the Transferee Company may, at any time, after the coming into effect of this Scheme in

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accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to the contract or arrangement to which the Transferor Company are a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

- e) The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Company.

Provided however that any reference in any security documents or arrangements (to which the Transferor Company is a party) pertaining to the assets of the Transferor Company offered, or agreed to be offered, as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that, such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferor Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

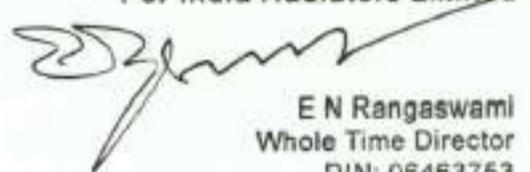
Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the Amalgamation of the Transferor Company with the Transferee Company

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For India Radiators Limited



E N Rangaswami  
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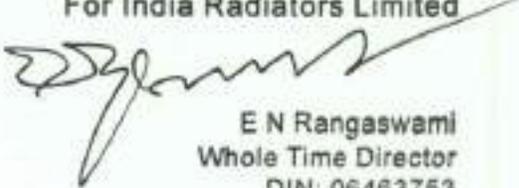
and the Transferee Company shall not be obliged to create any further or additional security therefore, after the Amalgamation has become operative.

- f) With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses (including software licenses), accreditations to trade and industrial bodies, privileges, powers, facilities, incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be, and remain in, full force and effect in favour of the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary thereto.
- g) Loans or other obligations, if any, due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by the Transferor Company and held by the Transferee Company and vice versa (as may be applicable), the same shall, unless sold or transferred by the said Transferor Company or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- h) The Transferor Company shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of immovable property, if any, is given to the Transferee Company.
- i) Where any of the liabilities and obligations/assets attributed to the Transferor Company on the Appointed Date has been discharged/sold by the Transferor Company after the Appointed Date and prior to the

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Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.

- j) From the Effective Date and till such time that the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company, in its name, in so far as may be necessary.

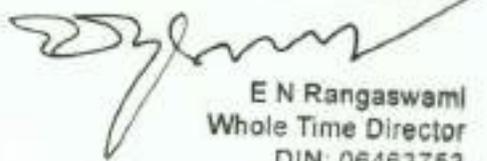
## 2. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 2.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances, insurance policies and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before this arrangement under this Scheme as on the Appointed Date and upto the Effective Date, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.
- 2.2 As a consequence of the Amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company to the Transferee Company, whether for the purposes of any license, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 2.3 The Transferee Company may, at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required,

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under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company are a party or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company, implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company, as the case may be, to be carried out or performed.

- 2.4 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company are a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to the Appointed Date and upto the Effective Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.
- 2.5 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.
- 2.6 Any inter-se contracts between Transferor Company on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

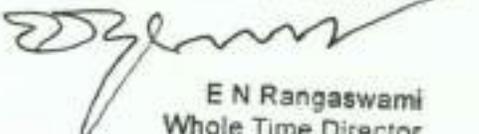
### 3. LEGAL PROCEEDINGS

- 3.1 Upon coming into effect of this Scheme, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company as on the Appointed Date and upto the Effective Date shall be transferred to the name of the Transferee Company and the same shall be continued and

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enforced by or against the Transferee Company, to the exclusion of the Transferor Company, as the case may be.

- 3.2 If proceedings are taken against the Transferor Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company, as the case may be, from the Appointed Date till the Effective Date, and the latter shall reimburse and indemnify the Transferor Company, against all liabilities and obligations incurred by the Transferor Company in respect thereof.

#### **4. OPERATIVE DATE OF THE SCHEME**

This Scheme shall be operative from the Effective Date with effect from the Appointed Date.

#### **5. TRANSFEROR COMPANY STAFF, WORKMEN AND EMPLOYEES**

- 5.1 Upon the Scheme coming into effect and with effect from the Appointed Date, all permanent employees (including deputed employees) of the Transferor Company, shall become employees of the Transferee Company on such date as if they were in continuous service without any break or interruption in service, and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company, so as to become as and from the Appointed Date, the employees of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company recognized by the Transferor Company.
- 5.2 It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to and existing for the employees of the Transferor Company shall be continued in the same manner and form upon the Scheme becoming effective. The Transferee Company shall ensure that the Employees as

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mentioned aforesaid are given the same benefits/other entitlements similar to the terms as on the Appointed Date.

## **6. SAVING OF CONCLUDED TRANSACTIONS**

- 6.1 The transfer of Undertaking as above, the continuance of the effectiveness of contracts, deeds, bonds and other instruments under clause 4 above and legal proceedings by or against the Transferor Company under clause 5 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

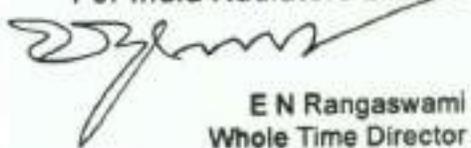
## **7. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL THE EFFECTIVE DATE**

- 7.1 With effect from the Appointed Date and upto and including the Effective Date:
- a) The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
  - b) All profits or income or taxes, including but not limited to income tax, advance taxes, minimum alternate taxes, tax deducted at source by or on behalf of the Transferor Company, wealth tax, sales tax, value added tax, excise duty, service tax, customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, on and from the Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the said taxes of the Transferee Company.

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- c) The Transferor Company shall carry on their business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof including plant and machinery and other fixed assets (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).
- d) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government(s), and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required /granted under any law for time being in force for carrying on business of the Transferor Company.
- e) The Transferor Company shall not make any modification to their capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, re-classification, sub-division or re-organisation or in any other manner, whatsoever, except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company.
- f) The Transferor Company shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company.

## 8. CONSIDERATION

- 8.1 Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot Equity Shares to shareholders, administrators, legal

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representatives, determined as on Record Date, whose name is recorded in the register of members of Transferor Company in the following proportion:

10 (Ten) equity shares of the transferee Company with the face value of INR 10/- each fully paid up for every 36 (Thirty-Six) equity shares of the transferor Company with a face value of INR 10/- each fully paid up.

Such Equity shares will be listed on the BSE Limited and shall rank pari passu with the existing listed equity shares of the Transferee Company.

- 8.2 The equity shares/ Preference Shares of the Transferor Company held by the Transferee Company, if any, on the Effective Date, such equity/ preference shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed and consequentially there shall be no allotment of New Equity/ Preference Shares for such shareholding and to that extent the Transferee Company is required to issue less number of shares. As regards the preference shares of the Transferor Company held by the Transferee Company or vice versa on the Effective Date such shares shall stand cancelled and the Transferee Company shall have no claims in respect of arrears of dividend. Subject to the Applicable Law, the New Equity Shares issued by the Transferee Company in terms of this Scheme shall be issued in dematerialised form. The shareholders of the Transferor Company who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to enable the Transferee Company to issue the New Equity Shares. If no such details have been provided by the equity shareholders holding equity shares in physical share certificates on or before the Record Date the relevant New Equity Shares of the Transferee Company shall be dealt with in such manner as may be permissible under the Applicable Law, including issue of a letter confirming allotment of shares to the share holder directing them to share the details of the demat account of the holder / legal heirs with necessary proof and in case of failure to receive such details to hold the shares in Suspense Escrow Demat Account of the Transferee Company.

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- 8.3 Where the New Equity Shares are to be allotted to legal heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders of the Transferor Company, the concerned legal heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Transferee Company.
- 8.4 No fractional credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the equity shareholders of the Transferor Company are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. If any equity shareholders of the Transferor Company have a shareholding such that such members become entitled to a fraction of a New Equity Share, the Board of Directors of the Transferee Company without any further application, act, instrument or deed, issue and allot such fractional entitlements directly to a trust, nominated by the Board in that behalf, who shall aggregate and sell such shares in the market at such price, within a period of 90 days from the date of allotment of shares and pay to the Transferee Company the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax and expenses, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.

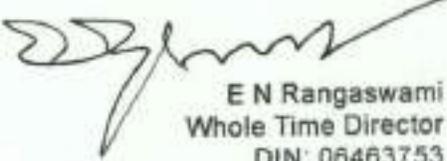
## 9. COMBINATION OF AUTHORISED CAPITAL

- 9.1 Upon this Scheme becoming effective, the Authorised Capital of the Transferee Company shall stand increased from Rs 13,009 Lakhs divided into 11,50,90,000 Equity Shares of Rs.10/- each and 1,50,00,000 Preference Shares of Rs.10/- each to Rs 15,109 Lakhs divided into 11,60,90,000 Equity shares of Rs 10/- each and 3,50,00,000 Preference Shares of Rs 10/- each. The fee if any paid on the authorized equity share capital of the Transferor Companies once dissolved, shall be set off against any fee payable by the transferee Company on its authorized capital subsequent to amalgamation, subject to payment of such fee as

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may be payable by the transferee Company pursuant to Section 232 of the Companies Act.

- 9.2 Subject to the above Clause, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 61 and Section 232 of Companies Act, 2013 and other applicable provisions of the Act by deleting the existing Clause and replacing it by the following:

"The Authorised Share Capital of the Company is Rs 151,09,00,000/- (Rupees One Hundred and Fifty One Crores Nine lacs Only) divided into 11,60,90,000 Equity shares of Rs 10/- each each and 3,50,00,000 Preference Shares of Rs 10/- each with powers to increase or reduce the capital and divide the shares in the capital of the company for the time being into several classes and to attach thereto respectively any preferential, deferred or special rights and to vary or modify or abrogate any such rights, privileges including voting or non voting rights or on such conditions in such manner as may from time to time, be allowed as per the provisions of the Companies Act."

- 9.3 The approval of this Scheme under Sections 230 and 232 of the Companies Act, 2013 shall be deemed to have the approval under sections 13, 61, 62 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.

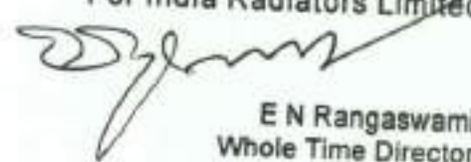
## 10. ACCOUNTING TREATMENT

- 10.1 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company being under common control, the Amalgamation of the Transferor Company with the Transferee Company shall be accounted by the Transferee Company as per the "Pooling of interest Method" provided under Appendix C of Ind AS 103, 'Business Combinations' notified under Section 133 of the Act.
- 10.2 Upon the scheme coming into effect, all the assets and liabilities of the Transferor Company shall be transferred to and vested in the Transferee Company and shall be recorded at their respective book values. No adjustment shall be made to the carrying amounts of assets and

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liabilities as reflected in the books of Transferor Company on the Appointed Date, to reflect fair values or recognise any new assets or liabilities including any new deferred tax assets or liabilities. All reserves of the Transferor Company are deemed to be carried forward and shall be recorded in the books of Transferee Company in the same form in which they appeared in the books of the Transferor Company as on the Appointed Date. The difference between the carrying amount in the books of the Transferee Company of its investment in the shares of the Transferor Company, which shall stand cancelled in terms of this scheme, and the aggregate face value of such shares shall, subject to the other provisions contained herein, be adjusted against and reflected in the capital reserves of the Transferee Company.

- 10.3 Upon the scheme coming into effect, the difference between the amount recorded as share capital issued by Transferee Company (Securities issued will be recorded at their nominal value) and the amount of share capital of the Transferor Company shall be transferred to capital reserve of the Transferee Company.
- 10.4 To the extent of and with respect to inter-corporate loans or balances or securities held inter- se between the Transferor Company and the Transferee Company, the rights and obligations shall come to an end.
- 10.5 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies, as may be directed by the Board of Directors of the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 10.6 Upon the scheme coming into effect, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed with the terms of this Scheme.

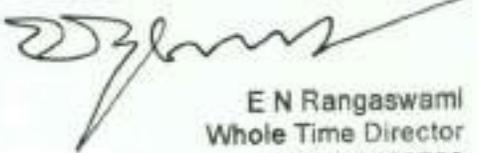
#### **11. CONSEQUENTIAL MATTERS RELATING TO TAX**

- 11.1 Upon the Scheme coming into effect, from the Appointed Date, all taxes/cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Company, all or any refunds and claims pending with the Revenue Authorities and including the right to claim credit for CENVAT,

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VAT, GST, minimum alternate tax and carry forward of accumulated losses etc., and all payments made, refunds received, claims made shall, for all purposes, be treated as the tax/cess/duties, liabilities or refunds, claims, credits and accumulated losses and discharge of liability of the Transferee Company in accordance with the respective legislation.

- 11.2 Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income tax returns, VAT returns, Excise & Cenvat returns, service tax returns, other tax returns, and file necessary forms to claim refunds/credits, pursuant to the provisions of this Scheme. The Transferee Company is also expressly permitted to claim refunds/credits in respect of any transaction between Transferor Company and the Transferee Company upto the Effective date.

### **PART III – GENERAL TERMS AND CONDITIONS**

#### **12. APPLICATION TO THE TRIBUNAL**

- 12.1 The Transferor Company shall, with reasonable dispatch, apply to the Tribunal for necessary orders or directions for holding meetings of the shareholders and creditors of the Transferor Company for sanctioning this Scheme of Amalgamation under Section 230 of the Act or for dispensing the holding of such meetings and orders for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up. The Transferee Company shall apply to the Tribunal for necessary orders or directions for holding meetings of the shareholders and creditors of the Transferee Company for sanctioning this Scheme of Amalgamation under Section 230 of the Act or for dispensing the holding of such meetings and orders for carrying this Scheme into effect.

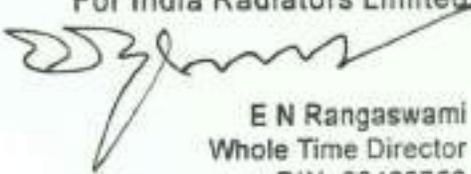
#### **13. DISSOLUTION OF TRANSFEROR COMPANY AND VALIDITY OF THE RESOLUTIONS**

- 13.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

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- 13.2 Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as Resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

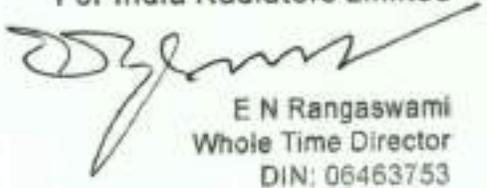
#### **14. MODIFICATIONS, AMENDMENTS TO THE SCHEME**

- 14.1 The Transferor Company and the Transferee Company through their respective Board of Directors or other persons duly authorised by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations, which the Board of Directors may deem fit or under direction of the Court or any other competent authority may deem fit to direct, approve or impose and may give such directions including an order of dissolution of the Transferor Company without process of winding up as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.
- 14.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity of implementation of the other parts and/or provisions of the Scheme. If any part or provision of this Scheme hereof is invalid, ruled illegal by any Tribunal/ Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby,

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unless the deletion of such part or provision, as the case may be, shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such part or provision.

- 14.3 This Scheme has been drawn up to comply and come within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and Section 47 of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Sections of the Income Tax Act, 1961, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified/amended to the extent determined necessary to comply and come within the definition and conditions relating to "Amalgamation" as defined in the Income Tax Act, 1961. In such an event the clauses which are inconsistent shall be modified or if the need arises be deemed to be deleted and such modification/deemed deletion shall however not affect the other parts of the Scheme.

#### **15. DATE OF TAKING EFFECT**

- 15.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the Effective Date.

#### **16. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

- 16.1 This Scheme is conditional on and subject to -

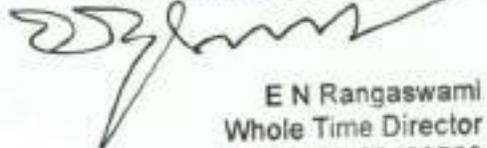
The sanction or approval under any law of the Central Government, State Government(s), Stock Exchanges under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

- i. The Scheme being agreed to by the respective requisite majority of the shareholders and/or creditors of the Transferor Company and

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Whole Time Director  
DIN: 06463753

the Transferee Company if a meeting of the shareholders or creditors of the Transferor and Transferee Company is convened by the Tribunal or if dispensation from conducting the meeting of the shareholders or creditors of the Transferor Company and the Transferee Company is obtained from the Tribunal, and the sanction of the Tribunal being accorded to the Scheme

- ii. Approval of the Scheme by the members of the Transferor and Transferee Company in accordance with the provisions of the Regulations and Circulars issued by the Securities and Exchange Board of India (as amended from time to time) to the extent considered applicable. To elaborate further approval of public shareholders of the Transferor Company and Transferee Company through e-voting in terms of Para 10 of SEBI Circular No SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by them against the Scheme.
- iii. The sanction by the Court under Sections 230 to 232 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company.
- iv. The filing with the Registrar of Companies, Chennai, of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Company.

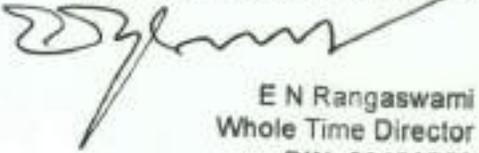
## 17. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

- 17.1 In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue to or be inter-se by the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such event, each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

For Mercantile Ventures Limited

  
B Narendran  
Director  
DIN: 01159394

For India Radiators Limited

  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

**18. EXPENSES CONNECTED WITH THE SCHEME**

- 18.1 All costs, charges, levies, fees, duties and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company.

For Mercantile Ventures Limited

  
B Narendran  
Director  
DIN: 01159394

For India Radiators Limited

  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

Schedule 1

**DETAILS OF IMMOVABLE PROPERTY HELD BY THE TRANSFEROR COMPANY**  
**INDIA RADIATORS LIMITED**

Land measuring an extent of 7.054 acres in Ambattur Road, Red Hills, Puzhal Village, Madhavaram Taluk, Chennai District, Chennai 600 066 as per details given below:

Survey No.	Extent (Acres)
459/2A2	2.842
460/2A	1.570
461/1B	0.240
459/2A1A1	2.100
461/1A1A1A	0.302
Total	7.054

For Mercantile Ventures Limited

  
B Narendran  
Director  
DIN: 01159394

For India Radiators Limited

  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

DATED: 31<sup>st</sup> MARCH, 2025

REPORT NO. ICAIRVO/25032

UDIN NO. 25226853BMOHYU2441

<b>KALYANAM BHASKAR</b> Registered Valuer Registration No. IBBI/RV/06/2020/12959 PAN ADOPK5944L  201, Rangaprasad Enclave, Vinayak Nagar, Gachibowli, Hyderabad- 500032	<b>V.G.HAREESH</b> Registered Valuer Registration No. IBBI/RV/03/2021/14465 PAN ADGPH8001F  2-18-19/4, DRR Nilayam, 102, 1 <sup>ST</sup> Floor, Prashant Nagar, Uppal Hyderabad - 500039
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To:

<b>The Audit Committee/  The Board of Directors,  Mercantile Ventures Limited</b>  88, Mount Road Guindy, Chennai - 600032 Tamilnadu State	<b>The Audit Committee/  The Board of Directors,  India Radiators Limited</b>  88, Mount Road Guindy, Chennai - 600032 Tamilnadu State
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**Re:** Recommendation of Fair Equity Share Exchange ratio for the proposed amalgamation of India Radiators Limited ('IRL/' 'Transferor Company') with Mercantile Ventures Limited ('MVL/' 'Transferee Company');

Dear Sir / Madam,

We refer to the respective engagement letters of Registered Valuers – **Kalyanam Bhaskar** ('RVKB') and **V.G.Hareesh** ('RVVGH') whereby RVKB and RVVGH are appointed by Mercantile Ventures Limited and India Radiators Limited respectively, to assist in the recommendation of a Fair Equity Share Exchange Ratio ('Equity Share Exchange Ratio') in connection with the proposed Transaction defined hereinafter:

This Report providing a recommendation of the Equity Share Exchange Ratio for the proposed Transaction ('Equity Share Exchange Ratio Report' or 'Valuation Report' or 'Report') with 31<sup>st</sup> March 2025 as the **Valuation Date** is our deliverable for the current engagement. For the purpose of this valuation, the valuation is based on 'Going Concern' premise and we have done the valuation exercise on the principle of Arm's Length Basis

We have arrived at the Pre-Money Valuation and fair price per equity share of the company, using International Valuation Standards, ICAI Valuation Standards and applying globally accepted valuation approaches and pricing methodologies.

We have taken into consideration the Company's Financials, Investments, Financial Assets, Business & Revenue Model and Information provided by you in the Management Representation.

The Equity Shares Fair Valuation derived by us is:

	MVL	IRL
Equity -Valuation	Rs. 375,49,12,624	Rs. 83,88,000
Outstanding Shares	11,19,18,195	9,00,000
Fair Value Per Share	Rs. 33.55	9.32
Equity Share Exchange Ratio (Rounded)	1.00 : 3.60	
"10 (Ten) Equity Shares of MVL of INR 10/- each fully paid up for 36 (Thirty-Six) Equity Shares of IRL of INR 10/- each fully paid up"		

This Valuation Report is subject to the scope, assumptions, exclusions, caveats, limitations disclaimers detailed hereinafter. The Report must be read in totality, and not in parts in conjunction with relevant information and documents referred to therein.

Regards,



continued....  
Page 1 of 12

## A. BACKGROUND

Mercantile Ventures Limited (MVL) and India Radiators Limited ('IRL') are hereinafter jointly referred to as 'you' or 'Clients' or 'Companies'. RVKB and RVVGH are hereinafter jointly referred to as 'Valuers' or 'we' or 'us' in this Report.

The Share Entitlement Ratio for this Report refers to the number of equity shares of MVL which would be issued to the equity shareholders of IRL pursuant to the proposed amalgamation of IRL with and into MVL.

This Report providing a recommendation of the Equity Share Exchange Ratio for the proposed Transaction ('Equity Share Exchange Ratio Report' or 'Valuation Report' or 'Report') with 31<sup>st</sup> March 2025 as the **Valuation Date** is our deliverable for the current engagement. For the purpose of this valuation, the valuation is based on 'Going Concern' premise.

### SCOPE AND PURPOSE OF THIS REPORT

Mercantile Ventures Limited is a listed public limited company incorporated under the laws of India and having its registered office at 88, Mount Road, Guindy, Chennai – 600032. The CIN of MVL is L65191TN1985PLC037309. MVL is a Chennai based 40-year-old company engaged in the business of Leasing of immovable properties and Manpower supply services.

The equity shares of MVL are listed on BSE Limited ('BSE').

India Radiators Limited is a listed public limited company incorporated under the laws of India and having its registered office at No.88, Mount Road, Guindy, Chennai– 600032. The CIN of IRL is L27209TN1949PLC000963. IRL is engaged in the business of providing. IRL is a Chennai based Auto-Ancillary Company, engaged in the business of manufacturing automobile parts and components. The Company wherein offers a range of radiators, heat exchangers, and related products. Since couple of years the main operations of the IRL discontinued and its plant is shutdown. Currently IRL mainly deals in leasing of properties and has a land bank of around 7 Acres at Puzhalli, Chennai.

The equity shares of IRL are listed on BSE Limited ('BSE').

We understand that the managements of MVL and IRL ('Managements') are evaluating a Scheme of Arrangement ('Scheme') under the provisions of Sections 230 to 232, and other relevant provisions of the Companies Act, 2013, including the rules and regulations issued thereunder, as may be applicable, for the proposed amalgamation of IRL with and into MVL ('Proposed Transaction').

In this connection, the Board of Directors of the Clients (the 'BOD') require a Registered Valuer Report as per section 232 read with section 247 of the Companies Act, 2013 and accordingly the BOD of MVL and IRL have appointed RVKB and RVVGH respectively for recommending the Equity Share Exchange Ratio for the Proposed Transaction for the consideration of the Board of Directors (including audit committees, if applicable) of the Clients in accordance with the applicable Securities and Exchange Board of India ('SEBI'), the relevant stock exchanges', and relevant laws, rules and regulations. To the extent mandatorily required under applicable laws of India, this Report maybe produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Transaction.

We understand that the appointed date for the Proposed Transaction as per the draft scheme shall be opening business hours of 1<sup>st</sup> January 2025 or such other later date as may be fixed or approved by the National Company Law Tribunal at Chennai or such other competent authority.

The scope of our services is to conduct a valuation of equity shares of the Companies on a relative basis and recommend the Equity Share Exchange Ratio for the Proposed Transaction.

The Valuers have independently performed their analysis on the valuation of the Companies and have arrived at different value per share of Companies. However, to arrive at the consensus on the Equity Share Exchange Ratio for the Proposed Transaction, appropriate minor adjustments/rounding off have been done by the Valuers.



## B. INFORMATION & REPRESENTATION

We have been provided with the financials of the Companies as discussed below. Further, we have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. We have been informed that all material information impacting the Companies has been disclosed to us.

We have been also informed by the Management that:

- a) In the event that either of the Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares before the Proposed Transaction becomes effective, the issue of shares pursuant to the Equity Share Exchange Ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.
- b) till the Proposed Transaction becomes effective, neither Company would declare any substantial dividends having materially different yields as compared to past few years.

We have relied on the above while arriving at our recommendation of the Equity Share Exchange Ratio for the Proposed Transaction.

This Report is our deliverable for the above engagement. This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein.

### SOURCES OF INFORMATION / MAJOR FACTORS THAT WERE TAKEN INTO ACCOUNT DURING THE VALUATION

In connection with this exercise, we have used the following information received from the Management(s) of the Companies and that gathered from the public domain:

- Considered the draft Scheme of Arrangement ("Scheme") for the Proposed Transaction;
- Considered the audited Consolidated Financial Statements of MVL and IRL for the last 4 years ending 31<sup>st</sup> March 2024;
- Considered the consolidated - Limited Reviewed Financials of MVL and IRL for the period ending 31<sup>st</sup> December, 2024;
- Shareholding Pattern & Number of equity shares of the Companies as on the Valuation Date and the number of shares on a fully diluted basis as at the date of this Report; and
- Other relevant information and documents for the purpose of this engagement provided through emails or during discussion.

In addition, we have obtained information from public sources/proprietary databases including quarterly results:

During discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended Equity Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

### PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information, and clarifications regarding past financials performance of the Companies and their subsidiaries, as applicable;
- Considered data available in public domain related to the Companies, their subsidiaries, and their peers;
- Discussions (physical/over call) with the Management to
  - Understand the business, key value drivers, historical financial performance and projected financial performance of the Companies;
- Undertook Industry Analysis
  - Researched publicly available market data including economic factors and industry trends that may impact the valuation;
  - Analyzed key trends and valuation multiples of comparable companies using proprietary databases subscribed by us on our network firms.



- Selected internationally accepted valuation methodology/(is) as considered appropriate by us, in accordance with the ICAI Valuation Standards/International Valuation standards published by the International Valuation Standards Council.
- Arrived at valuation of Companies in order to conclude our analysis on Equity Share Exchange Ratio for the Proposed Transaction.

### C. LIMITATIONS - DISCLAIMER

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our network firms.

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the Valuation Date. Due to possible changes in market forces and circumstances, this Report can only be regarded as relevant as at the Valuation Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Clients are the only authorized users of this Report and use of the Report is restricted for the purpose indicated in the respective engagement letters. This restriction does not preclude the Clients from providing a copy of the Report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Clients' existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date; (iii) and are based on the limited reviewed financials of the Companies as at 31<sup>st</sup> December 2024 (as applicable) and other information provided by the Management (iv) other information obtained by us from time to time. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between 31<sup>st</sup> December 2024 and the Report date and that no material changes have occurred in their respective operations of the Companies. Further.

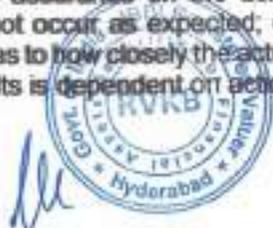
An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents.

The Clients/owners and its Management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owners/Clients, their Management and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the Report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Companies, their directors, employee or agents.

Valuers are not aware of any contingency, commitment or material issue which could materially affect the Companies' economic environment and future performance and therefore, the equity value of the Companies.

We do not provide assurance on the achievability of the results forecast by the Management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of Management.



The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies, if any provided to us.

This Report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

It has been assumed that the required and relevant policies and practices have been adopted by the Companies and would be continued in the future.

The fee for the engagement is not contingent upon the results reported.

The actual Equity Share Exchange ratio may be higher or lower than our recommendation depending upon the circumstances of the transaction, the nature of the business. The knowledge, negotiating ability and motivation of the buyers and sellers will also affect the exchange ratio achieved. Accordingly, our recommended Equity Share Exchange Ratio will not necessarily be the Equity Share Exchange ratio at which actual transaction will take place.

We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

This Report and the information contained herein is absolutely confidential. The Report will be used by the Clients only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation analysis and our Report cannot be used or relied by the Clients for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person/ party based on this Report. Any person/ party intending to provide finance/ invest in the shares/ businesses of the companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Clients) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us.

It is clarified that reference to this Report in any document and/ or filing with aforementioned tribunal/ judicial/ regulatory authorities/ government authorities/ stock exchanges/ courts/ shareholders/ professional advisors/ merchant bankers, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuers of any responsibility or liability to any person/ party other than the Boards of Directors of the Clients.

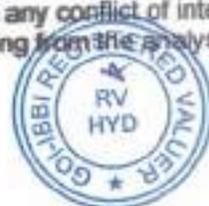
Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Transaction, without our prior written consent.

This Report is subject to the laws of India.

Though the Valuers are issuing a joint report, notwithstanding the issuance of this joint report, it is clarified that RVKB / RVVGH are not responsible for the acts or omissions of RVKB / RVVGH in connection with this engagement. Further, we will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions or advice given by any other person.

#### D. DISCLOSURES

- The Valuers are not affiliated to the Clients in any manner whatsoever.
- We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation. Valuers' fee is not contingent on an action or event resulting from the analyses, opinions or conclusions in this Report.



- Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.

## E. SHAREHOLDING PATTERN

### MVL

As at the Report Date, the Capital Structure of Mercantile Ventures Limited is as follows.

Particulars	Amount Rs in Lakhs
<b>Authorized Capital</b>	
11,50,90,000 Equity Shares of Rs.10/- each	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
Total	<b>13,009.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>	
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82
<b>Total</b>	<b>11,191.82</b>

As per the Draft Scheme of arrangement.

### IRL

As at the Report Date, the Capital Structure of India Radiators Limited is as follows

Particulars	Amount Rs in Lakhs
<b>Authorized Capital</b>	
10,00,000 Equity Shares of Rs.10/- each	100.00
2,00,00,000 Preference Shares of Rs.10/- each	2000.00
Total	<b>2100.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>	
9,00,000 Equity Shares of Rs.10/- each fully paid up	90.00
1,94,82,700 Redeemable Preference Shares of Rs.10/- each fully paid up	1948.27
<b>Total</b>	<b>2,038.27</b>

As per the Draft Scheme of Arrangement



## F. FINANCIAL HISTORY

## Mercantile Ventures Limited

Rs. Lakhs

FOR FY ENDING MARCH	2020-21	2021-22	2022-23	2023-24	2024-25
	Audited	Audited	Audited	Audited	9 Months
REVENUE	3,729.99	3,703.75	4,714.90	6,038.97	5,292.37
OTHER INCOME	694.55	1,631.55	659.27	570.07	1,091.44
<b>TOTAL INCOME</b>	<b>4,424.54</b>	<b>5,335.30</b>	<b>5,374.17</b>	<b>6,609.04</b>	<b>6,383.81</b>
COST OF MATERIALS CONSUMED	899.10	875.63	1,364.69	2,210.20	2,041.22
EMPLOYEE SALARIES	2,009.43	2,156.34	2,565.14	3,000.24	2,575.14
GENERAL & ADMIN	379.77	451.24	451.06	814.04	545.88
OPERATING PROFIT	1,136.24	1,852.09	993.28	584.56	1,221.57
DEPRECIATION	101.39	99.01	98.15	98.93	68.50
FINANCE COST	99.30	108.01	104.48	133.86	17.58
EXCEPTIONAL ITEMS	-	-	91.96	985.50	-
PROFIT BEFORE TAX	935.55	1,645.07	882.61	(633.73)	1,135.49
TAX	297.13	496.68	208.44	142.65	208.35
PROFIT/LOSS FROM DISCONTINUED OPERATIONS	-	-	-	19.45	1.07
SHARE OF PROFIT FROM ASSOCIATE	28.35	279.26	172.52	-	-
PROFIT/LOSS FORM LLP/PPF	271.93	211.80	815.60	(5.68)	(4.03)
NET PROFIT	938.70	1,639.45	1,662.29	(762.61)	924.19
SHARE CAPITAL	11,191.82	11,191.82	11,191.82	11,191.82	11,191.82
NETWORTH	30,306.33	33,819.70	31,131.66	33,317.84	36,387.79
TOTAL LIABILITIES*	436.74	418.31	786.04	459.87	467.87
Operating Margin	26%	35%	18%	9%	19%
Net Margin	14%	22%	13%	-12%	15%
E.P.S	0.84	1.46	1.49	(0.68)	0.83
Book Value	27.08	30.22	27.82	29.77	32.51

\*Total Liabilities includes Trade Payables, Other financial liabilities (both Current and Non-Current)

## India Radiators Limited

Rs. Lakhs

FOR FY ENDING MARCH	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Audited	Audited	Audited	Audited	Audited	9 Months
REVENUE	0.68	0.77	4.51	6.32	6.32	4.74
OTHER INCOME	195.75	1.87	927.20	39.68	0.34	0.17
EMPLOYEE SALARIES	11.87	6.11	4.18	4.45	1.69	-
GENERAL & ADMIN	40.06	36.51	61.53	11.11	9.56	8.99
OPERATING PROFIT	144.50	(39.98)	866.00	30.44	(4.59)	(4.08)
DEPRECIATION	3.06	1.36	-	-	-	-
FINANCE COST	91.33	147.52	154.17	71.64	74.80	59.68
PROFIT BEFORE TAX	50.11	(188.86)	711.83	(41.20)	(79.39)	(63.76)
TAX	(144.95)	5.65	222.18	(17.32)	(23.63)	(14.92)
PROFIT FROM DISCONTINUED OPERATIONS	(665.10)	-	-	91.96	-	-
NET PROFIT AFTER TAX	(470.04)	(194.51)	489.65	68.08	(55.76)	(48.84)
SHARE CAPITAL	90.00	90.00	90.00	90.00	90.00	90.00
NETWORTH	(719.00)	(913.00)	(423.88)	(355.80)	47.90	(0.96)
REDEEMABLE CONV PREF SHARES	860.06	938.60	980.77	1,050.41	1,125.21	1,184.89
ICD / LIABILITIES	691.48	801.19	46.04	72.92	85.99	92.95
Operating Margin	74%	-1515%	93%	66%	-69%	-83%
Net Margin	99%	-7373%	53%	-52%	-837%	-995%
E.P.S	(52.23)	(21.61)	54.41	7.56	(6.20)	(5.43)
Book Value	(79.89)	(101.44)	(47.10)	(39.53)	5.32	(0.10)



## G. VALUATION APPROACH

1. We have used International Valuation Standards as well as ICAI Valuation Standards.
2. We have framed our Valuation Basis and Approach, considering both the companies as a going concern entity, and have done the valuation exercise on the principle of Arm's Length Basis.
3. Since MVL & IRL are public limited companies and frequently traded / untraded companies, we have used all the valuation approaches and given rationale weightages for these approaches.
4. While using MARKET APPROACH using SEBI PRICING METHOD, we have taken A. Average of the volume weighted average price (VWAP) of the equity shares of MVL quoted in the BSE during 90 days preceding the relevant date i.e. 31<sup>st</sup> March 2025 and B. Average of the volume weighted average price (VWAP) of the equity shares of MVL quoted on BSE during 10 days preceding the relevant date i.e. 31<sup>st</sup> March 2025.
5. We have used all three approaches and methodologies for arriving at Fair Valuation
  - a. Cost Approach – Book Value – NAV Method.
  - b. Market Approach – Comparable Price / Book Value Multiples.
  - c. Market Approach – Market Price Method.

## RATIO BASIS OF EQUITY SHARE EXCHANGE RATIO

The Scheme contemplates amalgamation of IRL with and into MVL. Arriving at the Equity Share Exchange Ratio for the Proposed Transaction would require determining the value of equity shares of the Companies on a relative basis. These values are to be determined independently, but on a relative basis for the Companies, without considering the effect of the Proposed Transaction(s).

The valuation approach adopted by RVKB and RVVGH is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as Annexures).

The determination of a Equity Share Exchange Ratio / Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single Equity Share Exchange Ratio/ equity value estimate. While we have provided our recommendation of the Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Share Exchange Ratio. The final responsibility for the determination of the Equity Share Exchange Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

We have independently applied approaches/methods discussed in the Annexures, as considered appropriate, and arrived at the value per share of the Companies. To arrive at the consensus on the Equity Share Exchange Ratio for the Proposed Transaction, suitable minor adjustments / rounding off have been done.

As per the scheme, the equity shares/ Preference Shares of the Transferor Company held by the Transferee Company, if any, on the Effective Date, such equity/ preference shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed and consequentially there shall be no allotment of New Equity/ Preference Shares for such shareholding and to that extent the Transferee Company is required to issue less number of shares. As regards the preference shares of the Transferor Company held by the Transferee Company or vice versa on the Effective Date such shares shall stand cancelled and the Transferee Company shall have no claims in respect of arrears of dividend.



MVL holds 1,94,82,700 (One Crore Ninety-Four Lakh Eighty-Two Thousand Seven Hundred) Redeemable Preference Shares of Rs. 10/- each, fully paid-up, in IRL. Accordingly, upon the effectiveness of the merger, the aforesaid Redeemable Preference Shares shall stand cancelled.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following Equity Share Exchange Ratio for the proposed amalgamation of IRL with and into MVL:

*Equity Share Exchange Ratio:*

**"10 (Ten) equity shares of MVL of INR 10/- each fully paid up for 36 (Thirty-Six) equity shares of IRL of INR 10/- each fully paid up"**

Our Valuation report and Equity Share Exchange Ratio is based on the equity share capital structure of the MVL Limited and IRL Limited as mentioned earlier in this report. Any variation in the equity capital of the Companies may have material impact on the Equity Share Exchange Ratio.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.

<p>Respectfully submitted,</p> <p><b>KALYANAM BHASKAR</b> Registered Valuer Registration No. IBBI/RV/06/2020/12959 PAN - ADOPK5944L</p>   <p><b>KALYANAM BHASKAR</b> REGISTERED VALUER</p>	<p>Respectfully submitted,</p> <p><b>V.G.HAREESH</b> Registered Valuer Registration No. IBBI/RV/03/2021/14465 PAN - ADGPH8001F</p>   <p><b>V.G.HAREESH</b> REGISTERED VALUER</p>
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*V.G. Hareesh*  
**VG HAREESH**  
REGISTERED VALUER  
IBBI/RV/03/2021/14465  
ICSI RVO/COP/SFA0620/239



### Annexure 1A - Approach to Valuation – RVKB & RVVGH

We have considered International Valuation Standards<sup>2</sup> in carrying out our valuation analysis and delivering our valuation conclusion. There are several commonly used and accepted valuation approaches for determining the value of equity shares of a company, which have been considered in the present case, to the extent relevant and applicable:

#### 1. Cost Approach - Net Asset Value method

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in cases where the firm is to be liquidated i.e., it does not meet the 'going concern' criteria or in case where the assets base dominates earnings capability. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies/ business would continue as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power is of importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance.

Cost Approach – NAV Method	Period	MVL	IRL
EQUITY SHARE CAPITAL	31-Dec-24	11,191.82	90,00,000
ADD : FREE RESERVES	31-Dec-24	25,196.07	-90,96,000
NETWORTH – SH's EQUITY		36,387.89	-96,000
Outstanding Equity Shares as on date	shares	11,19,18,195	9,00,000
NAV-BOOK Value Per Share	Rs.	32.51	-0.10

#### 2. Market Approach:

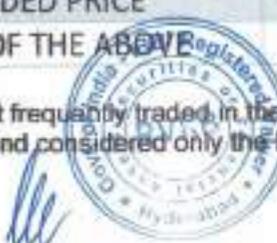
Under this approach, value of a company is assessed basis its market price (i.e. if its shares are quoted on a stock exchange) or basis multiples derived using comparable (i.e., similar) listed companies or transactions in similar companies. Following are the methods under Market Approach:

##### A. Market Price (MP) Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper indicator of the fair value of the share especially where the market values are fluctuating in a volatile capital market or when the shares are thinly traded. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Market Approach – SEBI Pricing		MVL	IRL
A. 90 TRADING DAYS	VWAVP	21.89	*
B. 10 TRADING DAYS	VWAVP	19.76	*
C. LAST TRADED PRICE	27-Nov-24		9.32
HIGHER OF THE ABOVE	Rs.	21.89	9.32

\*IRL shares are not frequently traded in the last 90 trading days. So we have considered their 90/10 day prices and considered only the last traded price.



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## B Comparable Companies' Multiple (CCM) method

Under this method, value of a business / company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. The market price, as a ratio of the comparable company's attribute such as sales, capital employed, earnings, networth etc. is used to derive an appropriate multiple. This multiple is then applied to the attribute of the asset being valued to indicate the value of the subject asset. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

### INDIAN REALTY SECTOR VALUATIONS

REALTY INDUSTRY LISTED COMPANIES

		AMERA REALTY	ELDECO HOUSING	GEEDEE VENTURES	PROZONE REALTY	ALEMBIC LTD	S V GLOBAL MILLS	VRIL LTD	Sector Average
Stock Symbol Headquarters		Mumbai	Ludhiana	Mumbai	Mumbai	Vadodra	Chennai	Delhi	
Current Market Price - BSE	Rs.	900	750	307	30	96	100	10	
Face Value	Rs.	10.00	2.00	10.00	2.00	2.00	5.00	1.00	
Outstanding Shares	Cr	3.94	0.50	2.30	15.26	25.68	1.81	14.10	
Market Capitalization Value	Rs.Cr	3,543	737	767	404	2,529	192	143	
Enterprise Value	Rs.Cr	4,237	727	692	819	2,554	190	440	
Sales - Revenue - Mar 24	Rs.Cr	708	122	97	202	217	6	430	
EBITDA - Mar 24	Rs.Cr	200	40	45	72	112	2	317	
Net Profit - Mar 24	Rs.Cr	106	34	37	3	93	1	234	
Shareholder's Equity - Mar24	Rs.Cr	898	371	645	509	2,189	65	352	
Total Debt - Mar24	Rs.Cr	811	107	2	462	27	8	340	
Cash in Hand - Mar24	Rs.Cr	117	117	77	100	3	11	40	
EBITDA margin	%	30%	40%	47%	36%	53%	30%	72%	45%
Net Margin	%	15%	20%	39%	1%	44%	16%	63%	27%
Market Multiples									Average
RM : M.Cap / Revenue	X	5.01	6.03	7.93	2.29	11.92	31.81	0.33	8.30
P/E : M.Cap / Net Profit	X	34.09	21.79	20.80	162.67	27.23	310.40	0.61	82.48
EV / EBITDA	X	20.27	14.94	15.24	11.31	22.88	89.57	1.30	25.97
P/BV : M.Cap / Book Value	X	4.09	1.09	1.19	0.91	1.16	2.94	0.41	1.81

\*\*Since there are not much manpower supply sector companies are not listed and regularly traded in Indian Stock Exchanges, we didn't consider manpower supply companies for market peer group valuation

\*\* As both MVL and IRL are operating in Realty Sector, we have mainly compared with peer realty companies for arriving at Price/Book Value Multiples in our Market Approach.

Market Approach - PRICE / BOOK Value Multiples		MVL	IRL
Networth - Book Value Per Share	Rs.	32.51	-0.10
INDUSTRY P-Bv Multiples	X	1.81	1.81
Fair Valuation	Rs.	58.94	-0.19

### BASIS OF EQUITY SHARE EXCHANGE RATIO FOR AMALGAMATION

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g., present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. The determination of a fair value of equity shares / business undertaking/ preference shares / Equity Share Exchange Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single fair value estimate / Equity Share Exchange Ratio. The fair value estimates / Equity Share Exchange Ratio rendered in this Report only represent our recommendation based upon information till the Valuation Date, furnished by the Management (or its representatives) and other sources, others may place a different value. The final responsibility for the determination of the Equity Share Exchange Ratio at which the proposed amalgamation of IRL with and into MVL shall take place will be with the Board of Directors of the Clients who should take into account other factors such as their own assessment of the Proposed Scheme and input of other advisors.



Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature. The valuation approaches/ methods used, and the values arrived at using such approaches/ methods by us have been discussed below.

The Equity Share Exchange Ratio has been arrived at on the basis of equity valuation (on a per share basis) of MVL and IRL on a relative basis, based on the various methodologies explained herein earlier and other factors considered relevant, having regard to information base, key underlying assumptions, and limitations. Though different values have been arrived at under each of the above methodologies, it is finally necessary to arrive at a single value for the Proposed Transaction. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology. In the current analysis, the proposed amalgamation of IRL with and into MVL is proceeded with the assumption that IRL would amalgamate with and into MVL as going concern and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Hence, while we have calculated the values of the equity shares of MVL and IRL under the Asset Approach, we have considered it appropriate not to give any weightage to the same in arriving at the Share Exchange Ratio.

For our analysis under Market Approach, we have considered the Market Price Method to arrive at the fair value of the equity shares of MVL and IRL. For determining the market price, the volume weighted share price over an appropriate period has been considered in this case. Further, we have also considered the CCM Method (Price / Book Value multiple ('P/B.V') under Market Approach in our analysis ( Peer Group Valuation Multiples )

CTM Method has not been used due to lack of comparable transactions in this space. Further, the transaction multiples may include acquirer specific considerations, synergy benefits, control premium and minority adjustments.

For our final analysis and recommendation, we have considered the values arrived under the Income Approach and Market Approach, as discussed above, to arrive at the value of the equity shares of MVL and IRL for the purpose of the Proposed Transaction.

We have considered appropriate weights to the values arrived at under different methods under Income and Market Approaches.

In view of the above, and on consideration of the relevant factors and circumstances as discussed and outlined hereinabove, the table below summarises our workings for valuation of equity shares of MVL and IRL and the Equity Share Exchange Ratio as derived by us.

## FINAL VALUATION

The computation of Equity Share Exchange Ratio for the Proposed Transaction of amalgamation of IRL with and into MVL computed by RVKB & RVVGH is tabulated below:

Valuation Approach	MVL		IRL	
	Value per Share of MVL (INR)	Weight	Value per Share of IRL (INR)	Weight
Cost/Asset Approach	32.51	40%	-0.10	0%
<b>Market Approach</b>				
Market Price method (i) (Higher of 10 trading days or 90 trading days volume weighted average price as of 28 <sup>th</sup> March 2025)	21.89	40%	9.32	100%
P/B.V Multiples method (ii)	58.94	20%	-0.19	0%
<b>Relative Value per Share (Weighted Average of (i),(ii) and (iii))</b>	<b>33.55</b>		<b>9.32</b>	
<b>Equity Share Exchange Ratio (Rounded)</b>	<b>1.00 : 3.60</b>			
<b>*10 (Ten) equity shares of MVL of INR 10/- each fully paid up for 36 (Thirty Six) equity shares of IRL of INR 10/- each fully paid up*</b>				



**Date: March 31, 2025**

To,  
**The Board of Directors,**  
**Mercantile Ventures Limited (“Company”)**  
88, Mount Road  
Guindy, Chennai - 600032  
Tamil Nadu

Dear Members of the Audit Committee and the Board of Directors,

### **1. Engagement Background**

We understand that the Management of India Radiators Limited (“IRL” or the “Transferor Company”) and Mercantile Ventures Limited (“MVL” or the “Transferee Company”) (jointly referred to as “Companies”) are contemplating Amalgamation of IRL with MVL and their respective shareholders and creditors through a Scheme of Amalgamation pursuant to Sections 230 to 232 of the Companies Act, 2013 and Rules framed thereunder (“Proposed Amalgamation”).

The terms and conditions of the Proposed Amalgamation are more fully set out in the draft scheme of Amalgamation shared with us, the final version of which will be filed by the aforementioned companies with the appropriate authorities.

We understand that the Valuation as well as the swap ratio for the Proposed Amalgamation is based on the Joint Valuation Report dated March 31, 2025 issued by Kalyanam Bhaskar, Independent valuer registered with Insolvency and Bankruptcy Board of India (“IBBI”) with Registration No.: IBBI/RV/06/2020/12959 and V.G. Hareesh, Independent valuer registered with IBBI with Registration No.: IBBI/RV/03/2021/14465 (“Valuers”).

We, Saffron Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker, have been engaged by MVL to give a fairness opinion (“Opinion”) on Joint Valuation Certificate dated March 31, 2025 issued by Valuers.

### **2. Background of the companies and Rationale**

Mercantile Ventures Limited is a listed public limited company incorporated under the laws of India and having its registered office at 88, Mount Road, Guindy, Chennai – 600032. The CIN of MVL is L65191TN1985PLC037309. MVL is a Chennai based 40-year-old company engaged in the business of

Leasing of immovable properties and Manpower supply services. The equity shares of MVL are listed on BSE Limited ('BSE').

India Radiators Limited is a listed public limited company incorporated under the laws of India and having its registered office at No,88, Mount Road, Guindy, Chennai– 600032. The CIN of IRL is L27209TN1949PLC000963. IRL is engaged in the business of providing. IRL is a Chennai based Auto-Ancillary Company, engaged in the business of manufacturing automobile parts and components. The Company wherein offers a range of radiators, heat exchangers, and related products. Since couple of years the main operations of the IRL discontinued and its plant is shutdown. Currently IRL mainly deals in leasing of properties and has a land bank of around 7 Acres at Puzhali, Chennai.

With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company and the Transferee Company are proposing to amalgamate the Transferor Company with the Transferee Company to ensure better management of the Company as a single entity.

We understand that the appointed date for the Proposed Amalgamation as per the draft scheme shall be opening business hours of 1 January 2025 or such other later date as may be fixed or approved by the National Company Law Tribunal at Chennai or such other competent authority.

### **3. Recommended Share Exchange Ratio for the Proposed transaction**

The Valuers has recommended the following share exchange ratio for the Proposed Amalgamation:

*"10 (Ten) equity shares of MVL of INR 10/- each fully paid up for 36 (Thirty-Six) equity shares of IRL of INR 10/- each fully paid up."*

We have relied upon the joint valuation report (together with the other facts and assumptions set forth therein) into account while determining the meaning of "fairness", from a financial point of view, for the purposes of this Opinion.

### **4. Exclusions and Limitations**

Our opinion and analysis are limited to the extent of review of the joint valuation report by the Valuers. In connection with the opinion, we have:

- a) Joint Valuation Report dated March 31, 2025, issued by Valuers.
- b) Consideration of various financial data including but not limited to the following:
  - a. Financial Statements of MVL for the years ended 31 March 2021 to 31 March 2024.
  - b. Financial Statements of IRL for the years ended 31 March 2021 to 31 March 2024.
  - c. Limited reviewed financial statements of MVL and IRL for nine months ended 31 December 2024.
  - d. Other relevant information and documents for the purpose of this engagement.

- c) Reviewed such other information and explanations as we have required, and which have been provided by the management of IRL and MVL.

This opinion is intended only for the sole use and information of IRL and MVL and in connection with the Proposed Amalgamation, including for the purpose of obtaining judicial and regulatory approvals for the Proposed Amalgamation and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either IRL and/or MVL or their subsidiaries/ joint ventures/ associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this assignment, Saffron has relied on the Joint Valuation Certificate for the Proposed Amalgamation of IRL into MVL and information and explanation provided to it, the accuracy whereof has not been evaluated by Saffron. Saffron's work does not constitute certification or due diligence of any past working results and Saffron has relied upon the information provided to it as set out in working results of the aforesaid reports.

Saffron has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of IRL and MVL and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the Proposed Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Joint Valuation Certificate issued for the Proposed Amalgamation between IRL and MVL and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and,

therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where the shares of MVL are being issued as consideration to the shareholders of IRL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the IRL vis-a-vis shares of MVL. We have assumed that the Final Scheme of Amalgamation will not differ in any material respect from the Draft Scheme of Amalgamation shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Proposed Amalgamation on MVL, IRL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which MVL, IRL and/or their associates/subsidiaries, are or may be a party.

The company has been provided with an opportunity to review Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion. Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such a holder should vote or act in connection with the Proposed Amalgamation or any matter thereto.

## 5. Conclusion

Based on and subject to the foregoing, we are of the opinion that the share issuance ratio is fair to the shareholders of MVL from the financial point of view. Further the relative valuation of IRL and MVL as detailed by the Valuers is fair.

**For Saffron Capital Advisors Private Limited,**

**SAKSHI  
GUPTA** Digitally signed by  
SAKSHI GUPTA  
Date: 2025.03.31  
19:42:07 +05'30'

**Sakshi Gupta  
Head-Valuation**

Date: March 31, 2025

To,  
The Board of Directors,  
India Radiators Limited ("Company")  
88, Mount Road  
Guindy, Chennai - 600032  
Tamil Nadu

Dear Members of the Audit Committee and the Board of Directors,

### 1. Engagement Background

We understand that the Management of India Radiators Limited ("IRL" or the "Transferor Company") and Mercantile Ventures Limited ("MVL" or the "Transferee Company") (jointly referred to as "Companies") are contemplating Amalgamation of IRL with MVL and their respective shareholders and creditors through a Scheme of Amalgamation pursuant to Sections 230 to 232 of the Companies Act, 2013 and Rules framed thereunder ("Proposed Amalgamation").

The terms and conditions of the Proposed Amalgamation are more fully set out in the draft scheme of Amalgamation shared with us, the final version of which will be filed by the aforementioned companies with the appropriate authorities.

We understand that the Valuation as well as the swap ratio for the Proposed Amalgamation is based on the Joint Valuation Report dated March 31, 2025 issued by Kalyanam Bhaskar, Independent valuer registered with Insolvency and Bankruptcy Board of India ("IBBI") with Registration No.: IBBI/RV/06/2020/12959 and V.G. Hareesh, Independent valuer registered with IBBI with Registration No.: IBBI/RV/03/2021/14465 ("Valuers").

We, Khandwala Securities Limited ("KSL"), a SEBI registered Category-I Merchant Banker, have been engaged by IRL to give a fairness opinion ("Opinion") on Joint Valuation Certificate dated March 31, 2025 issued by Valuers.

### 2. Background of the companies and Rationale

Mercantile Ventures Limited is a listed public limited company incorporated under the laws of India and having its registered office at 88, Mount Road, Guindy, Chennai – 600032. The CIN of MVL is L65191TN1985PLC037309. MVL is a Chennai based 40-year-old company engaged in the business of Leasing of immovable properties and Manpower supply services. The equity shares of MVL are listed on BSE Limited ("BSE").

India Radiators Limited is a listed public limited company incorporated under the laws of India and having its registered office at No.88, Mount Road, Guindy, Chennai– 600032. The CIN of IRL is L27209TN1949PLC000963. IRL is a Chennai based Auto-Ancillary Company, engaged in the business of manufacturing automobile parts and components. The Company wherein offers a range of radiators, heat



exchangers, and related products. Since couple of years the main operations of the IRL discontinued and its plant is shutdown. Currently IRL mainly deals in leasing of properties and has a land bank of around 7 Acres at Puzhali, Chennai. The equity shares of IRL are listed on BSE Limited ('BSE').

With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company and the Transferee Company are proposing to amalgamate the Transferor Company with the Transferee Company to ensure better management of the Company as a single entity.

We understand that the appointed date for the Proposed Amalgamation as per the draft scheme shall be opening business hours of 1 January 2025 or such other later date as may be fixed or approved by the National Company Law Tribunal at Chennai or such other competent authority.

### 3. Recommended Share Exchange Ratio for the Proposed transaction

The Valuers has recommended the following share exchange ratio for the Proposed Amalgamation:

*"10 (Ten) equity shares of MVL of INR 10/- each fully paid up for 36 (Thirty-Six) equity shares of IRL of INR 10/- each fully paid up."*

We have relied upon the joint valuation report (together with the other facts and assumptions set forth therein) into account while determining the meaning of "fairness", from a financial point of view, for the purposes of this Opinion.

### 4. Exclusions and Limitations

Our opinion and analysis are limited to the extent of review of the joint valuation report by the Valuers. In connection with the opinion, we have:

- a) Joint Valuation Report dated March 31, 2025, issued by Valuers.
- b) Consideration of various financial data including but not limited to the following:
  - a. Financial Statements of MVL for the years ended 31 March 2021 to 31 March 2024.
  - b. Financial Statements of IRL for the years ended 31 March 2021 to 31 March 2024.
  - c. Limited reviewed financial statements of MVL and IRL for nine months ended 31 December 2024.
  - d. Other relevant information and documents for the purpose of this engagement.
- c) Reviewed such other information and explanations as we have required, and which have been provided by the management of IRL and MVL.

This opinion is intended only for the sole use and information of IRL and MVL and in connection with the Proposed Amalgamation, including for the purpose of obtaining judicial and regulatory approvals for the Proposed Amalgamation and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either IRL and/or MVL or their subsidiaries/ joint ventures/ associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this assignment, KSL has relied on the Joint Valuation Certificate for the Proposed Amalgamation of IRL into MVL and information and explanation provided to it, the accuracy whereof has not been evaluated by KSL. KSL's work does not constitute certification or due diligence of any past working results and KSL has relied upon the information provided to it as set out in working results of the aforesaid reports.

KSL has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of IRL and MVL and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the Proposed Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Joint Valuation Certificate issued for the Proposed Amalgamation between IRL and MVL and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where the shares of MVL are being issued as consideration to the shareholders of IRL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the IRL vis-a-vis shares of MVL. We have assumed that the Final Scheme of Amalgamation will not differ in any material respect from the Draft Scheme of Amalgamation shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Proposed Amalgamation on MVL, IRL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which MVL, IRL and/or their associates/subsidiaries, are or may be a party.

The company has been provided with an opportunity to review Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion. Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such a holder should vote or act in connection with the Proposed Amalgamation or any matter thereto.

#### **5. Conclusion**

Based on and subject to the foregoing, we are of the opinion that the share issuance ratio is fair to the shareholders of MVL from the financial point of view. Further the relative valuation of IRL and MVL as detailed by the Valuers is fair.

For Khandwala Securities Limited



**Pranav Khandwala**  
Director

Date: 31-03-2025  
Place: Mumbai



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**Report of the Independent Directors of Mercantile Ventures Limited recommending the Draft Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures Limited ("Transferee Company" or "Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 considered and approved at their meeting held via video conferencing on Tuesday, April 08, 2025 at 2.30 P.M. (IST) at No.88, Mount Road, Guindy, Chennai – 600032, Tamil Nadu, India.**

**Members Present Physically:**

Mr. B Narendran - Chairperson

**Members Present through Video Conferencing:**

Mr. M S Niranjhan - Member

Ms. Rita Chandrasekar - Member

Mr. G D Sharma - Member

**1. Background:**

- 1.1. A meeting of the Independent Directors of Mercantile Ventures Limited ("Transferee Company" or "Company") was held on April 08, 2025 to inter-alia, consider and recommend the draft Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into the Transferee Company and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") and other applicable provisions, if any, other applicable law ("Scheme").
- 1.2. The Transferee Company was incorporated under the provisions of the Companies Act, 1956. The equity shares of the Transferee Company are listed on BSE Limited ("BSE").
- 1.3. The Transferor Company was incorporated under the provisions of the Companies Act, 1913. The equity shares of the Transferor Company are listed on BSE. The Transferor Company is a subsidiary of the Transferee Company pursuant to section 47 (2) of the Companies Act, 2013. The Transferee Company is entitled to 95.58% of the voting rights of the Transferor Company due to non-payment of dividend on preference shares for more than two years. In this manner, the Transferee Company is the holding company of Transferor Company. However, the Transferee Company holds 38.74% of the Equity Share Capital of the Transferor Company.
- 1.4. The Scheme, inter alia, provides for the amalgamation of the Transferor Company with and into the Transferee Company and dissolution of the Transferor Company without winding-up and consequent issuance of shares of Transferee Company to the shareholders of the Transferor Company (other than the Company) as consideration of arrangement in accordance with the share exchange ratio as stipulated in Clause 8 of the Scheme. The swap ratio as recommended in the joint share exchange ratio report is for every 36 (Thirty Six) equity shares held by the shareholders in the Transferor Company, 10 (Ten) equity share of the Transferee Company will be issued.
- 1.5. The Appointed Date for the purpose of this Scheme and for Income Tax Act, 1961 ("IT Act"), means January 01, 2025 or such other date as may be approved by the Hon'ble National Company Law Tribunal ("Tribunal").



**Mercantile Ventures Limited**

(CIN-L65191TN1985PLC037309)

Registered Office : 88 Mount Road, Guindy, Chennai - 600 032 India

- 1.6. This report of Independent Directors is made in order to comply with the requirements of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Master Circular") including amendments thereto.
- 1.7. While deliberating on the Scheme, the Independent Directors, inter-alia, considered and took record of the following documents:
- Draft Scheme
  - Joint Share exchange ratio report ("**Valuation Report**") dated March 31, 2025 issued by Mr. Kalyanam Bhaskar, (Registration No. IBBI/RV/06/2020/12959) and Mr. V.G.Hareesh, (Registration No. IBBI/RV/03/2021/14465), both registered valuers appointed by the Transferee Company and the Transferor Company, respectively, describing the methodology adopted by them in determining the consideration;
  - Fairness Opinions dated March 31, 2025 issued by Saffron Capital Advisors Private Limited and Khandwala Securities Limited, Independent SEBI registered merchant bankers ("**Fairness Opinion**"), appointed by the Transferee Company and the Transferor Company, respectively, providing an opinion on the fairness of the consideration specified in the reports of the registered valuers;
  - Certificate dated April 08, 2025, issued by M/s. Venkatesh & Co (Firm Registration No. 004636S), the Statutory Auditors of the Transferee Company, confirming the accounting treatment stated in the Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable accounting standards notified by the Central Government under section 133 of the Act read with relevant rules thereunder and other Generally Accepted Accounting Principles and MCA circular and
  - Other presentations, reports, documents and information furnished before the Independent Directors.

## 2. Salient Features of the Scheme:

The Independent Directors noted the brief particulars of the Scheme as under:

- This Scheme is presented inter alia under Sections 230 to 232 and other applicable provisions of the Act, SEBI Master Circular read with Section 2(1B) and other applicable provisions of the IT Act and other applicable law, if any. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and dissolution of the Transferor Company without winding up and also provides for various other matters consequent and incidental thereto or otherwise integrally connected thereto.



- b) The Appointed Date for the amalgamation is January 01, 2025. Pursuant to the sanction of the Scheme by the Tribunal and upon the fulfilment of conditions for the Scheme, the Scheme shall become effective from the last of the dates on which the conditions specified in Clause 16 of the Scheme are satisfied or complied with or the requirement of which has been waived (i.e. "Effective Date")
- c) With effect from the Appointed Date and upon the Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, records etc. being its integral part shall stand transferred to the Transferee Company as a going concern subject to the provisions of the Scheme.
- d) From the Appointed Date and up to the Effective Date (as defined in the Scheme), the Transferor Company shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any of their business undertaking(s) or any part thereof including plant and machinery and other fixed assets (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).
- e) The entire paid-up share capital of the Transferor Company including the shares held by the Transferee Company in the Transferor Company shall stand cancelled in its entirety without any further act or deed upon the Scheme becoming effective.
- f) Allotment of equity shares of the Transferee Company to the shareholders of the Transferor Company (other than the Transferee Company) in accordance with the share exchange ratio, as set out in Valuation Report. No shares shall be issued and allotted by the Transferee Company in respect of the shares held by the Company itself in the Transferor Company.
- g) The Equity Shares/ Preference Shares of the Transferor Company held by the Transferee Company, if any, on the Effective Date, such Equity/ Preference Shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed and consequentially there shall be no allotment of New Equity/ Preference Shares for such shareholding and to that extent the Transferee Company is required to issue less number of shares. As regards the preference shares of the Transferor Company held by the Transferee Company or vice versa on the Effective Date such shares shall stand cancelled and the Transferee Company shall have no claims in respect of arrears of dividend.
- h) Transfer of the authorized share capital of the Transferor Company to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company as provided in the Scheme.
- i) The Transferor Company shall stand dissolved without being wound up.
- j) The effectiveness of the Scheme is contingent upon certain conditions as mentioned in the Scheme, which inter alia include:
  - (i) The sanction or approval under any law of the Central Government, State Government(s), or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required;

- (ii) The Scheme being agreed to by the respective requisite majority of the shareholders and/or creditors of the Transferor Company and the Transferee Company if a meeting of the shareholders or creditors of the Transferor and Transferee Company is convened by the Tribunal or if dispensation from conducting the meeting of the shareholders or creditors of the Transferor Company and the Transferee Company is obtained from the Tribunal, and the sanction of the Tribunal being accorded to the Scheme.
- (iii) Approval of the Scheme by the members of the Transferor and Transferee Company in accordance with the provisions of the Regulations and Circulars issued by the Securities and Exchange Board of India (as amended from time to time) to the extent considered applicable.
- (iv) The sanction by the Court under Sections 230 to 232 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company.
- (v) The filing with the Registrar of Companies, Chennai, of certified copies of all necessary orders, sanctions and approvals mentioned above by the respective Company.

### 3. The proposed Scheme of Amalgamation

#### 3.1. Need for the amalgamation and rationale of the scheme:

With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company have decided to amalgamate the Transferor Company with the Transferee Company in order to ensure better management of the Company as a single entity. The Board of Directors of the Transferor Company are of the opinion that the proposed amalgamation of the Transferor Company with the Transferee Company will be for the benefit of both the Transferor Company and the Transferee Company in the following manner:

- a) By this amalgamation, it is expected that the administrative and operational costs will be considerably reduced and the Transferee Company will be able to operate and run the business/operations more effectively and economically resulting in better turnover and profits.
- b) It is expected that the proposed Scheme of Amalgamation will benefit the Transferee Company in the usual economies of a centralized and a large company including elimination of duplication of work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency and will bring in synergies for the Transferee Company post amalgamation. It will help the Transferee Company to use the combined managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of the business, thereby it will make available to the Transferee Company, the benefit of technical and marketing expertise of both the companies.
- c) The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
- d) The Transferee Company will have the benefit of the combined assets, cash flows and manpower of both the companies. These combined resources will enhance its capability to expand and improve its efficiency of operations.



Accordingly, the Scheme is commercially and economically viable, feasible, fair and reasonable and would be in the interest of the Transferor Company and the Transferee Company, and their respective shareholders, creditors and all other stakeholders concerned (including employees) and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large

### 3.2. Synergies of business of the companies involved in the scheme

The proposed Scheme would result in following synergies:

- (i) **Market Expansion:** The combined entity i.e. the Transferee Company can leverage the geographical strengths of each company to gain access to new markets and customers. This can lead to an increased customer base and market share.
- (ii) **Cross-Selling Opportunities:** With complementary industry verticals, there is an opportunity to cross-sell products/ services to the existing customer base of each company, potentially increasing revenue streams.
- (iii) **Operational Efficiencies:** The arrangement may lead to the consolidation of operations, such as shared services or centralized administration, which can reduce costs and improve operational efficiency.
- (iv) **Technology and Innovation:** The pooling of technological resources and talent can accelerate innovation, leading to the development of new products/ services. This can also improve the competitive position of the combined entity.
- (v) **Talent and Knowledge Sharing:** The arrangement can lead to a richer talent pool with diverse skills and experiences. Knowledge sharing between teams can foster innovation and best practice adoption.

### 3.3. Impact of the scheme on the transferee company and each class of shareholders (promoter/ non-promoter shareholders)

- (i) The Scheme is expected to be beneficial to the shareholders of the Transferee Company leading to opportunity for growth and value creation in the long run and maximizing the value and returns to the shareholders, achieving cost and operational efficiencies. The equity shares that will be issued by the Transferee Company on account of the Scheme will result in miniscule dilution of the existing shareholding in the Transferee Company by 0.10% of the total issued equity shares fully paid up and the shareholders of the Transferee Company in turn will benefit on account of: (a) synergies which are expected to accrue to the Transferee Company; and (b) operational efficiencies;
- (ii) In consideration for the amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company, as on the Record Date (as defined in the Scheme) shall receive equity shares of the Transferee Company (as per Clause 8 of the Scheme). Further, the rights and interests of the shareholders of the Transferee Company will not be prejudicially affected by the Scheme, and there will be no change in the economic interest of the shareholders of the Transferee Company, before and after the Scheme. The equity shares to be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to the Scheme shall rank pari-passu in



all respects with the existing equity shares of the Transferee Company. The Fairness Opinion issued above opines that the share exchange ratio, as proposed by the registered valuers, is fair to the shareholders of the Transferee Company from a financial point of view;

- (iii) Upon the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved; and

**3.4. Effect of the scheme on Directors and Key Managerial Person ("KMP") of the transferee Company**

There shall be no change or effect of the Scheme on the directors and KMPs of the Transferee Company. However, their role(s)/function(s)/ responsibilities may undergo change pursuant to business and organization requirements /needs. The effect of the Scheme on the interests of the directors and KMPs and their relatives holding shares in the Company, is not different from the effect of the Scheme on other shareholders of the Company. It is clarified that there shall no change in the management of the Transferee Company by virtue of the Scheme coming into effect.

**3.5. Effect on the creditors**

Under the Scheme, no arrangement or compromise is being proposed with the creditors (secured or unsecured, including debenture holders) of the Transferee Company. The liability of the creditors of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished.

**3.6. Effect of the scheme on staff or employees**

Under the Scheme, no rights of the staff and employees (who are on payroll) of the Transferee Company are being affected. The services of the staff and employees of the Transferee Company shall continue on the same terms and conditions applicable prior to the proposed Scheme.

Further, upon the Scheme becoming effective, the employees of the Transferor Company ("**Employees**") will be deemed to have become employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date.

All such Employees shall be deemed to have become employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company, shall not be less favourable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.

**4. SCHEME NOT DETRIMENTAL TO THE SHAREHOLDERS OF THE TRANSFEE COMPANY**

The Independent Directors discussed the rationale, salient features and expected benefits of the Scheme and noted that on account of the aforesaid, the proposed Scheme is in the best interest of the shareholders of the Transferee Company and is not detrimental to the shareholders of the Transferee Company.

**5. COST BENEFIT ANALYSIS OF THE SCHEME:**

Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Transferee Company and lead to operational efficiency and cost savings through rationalization / consolidation of support functions and business processes.

**6. VALUATION REPORT**

The Independent Directors noted that the share exchange ratio is as recommended in the Valuation Report. No special valuation difficulties were identified.

**7. RECOMMENDATION OF THE INDEPENDENT DIRECTORS**

The Independent Directors after due deliberations and detailed discussions, and, inter alia, taking into consideration the draft Scheme, Valuation Report, Fairness Opinion and certificates issued by the Statutory Auditors of the Transferee Company, have noted the rationale, benefits and the impact of the Scheme on shareholders and others concerned, and have noted that the Scheme is not detrimental to the shareholders of the Company. Accordingly, the Independent Directors hereby recommends the Scheme to the Board of Directors of the Transferee Company for its consideration, approval and for favorable considerations by BSE, SEBI and other appropriate authorities.

**For and behalf of Independent Directors of Mercantile Ventures Limited**

  
Name: B Narendran  
Designation: Chairperson  
DIN: 01159394  
Date: April 08, 2025



DCS/AMAL/NB/R37/3842/2025-26

October 14, 2025

To,  
The Company Secretary,  
**India Radiators Limited**  
No.88, Guindy Chennai, Mount Road,  
Chennai, Tamil Nadu, 600032

The Company Secretary,  
**Mercantile Ventures Limited**  
No.88, Mount Road, Guindy, Chennai, Tamil  
Nadu, 600032

**Sub: Scheme of amalgamation of India Radiators Limited with Mercantile Ventures Limited and their respective shareholders and creditors.**

We refer to your application for Scheme of amalgamation of **India Radiators Limited** ("IRL/ Transferor Company") with **Mercantile Ventures Limited** ("MVL / Transferee Company"), and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 and rules made thereunder filed with the Exchange under Regulation 37 of SEBI LODR Regulations, 2015, read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and Reg. 94(2) of SEBI LODR Regulations, 2015.

In this regard, SEBI vide its Letter dated October 13, 2025, has inter alia given the following comment(s) on the said draft scheme of Arrangement:

1. "The Entities shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
2. "The Entity shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the stock exchanges."
3. "The Entity shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
4. "The entities is advised that the information pertaining to all the Unlisted Companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
5. "The Entities shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
6. "The entities are advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
7. "The entities are advised that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form only."

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8. "The entities are advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
9. No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.
10. "The entities are advised that the observations of SEBI/Stock exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT."
11. "The entity is advised to the Company to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
12. The entities are advised to ensure that the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to take an informed decision
  - i. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme.
  - ii. Impact of scheme on revenue generating capacity of Transferee Company.
  - iii. Need and Rationale of the scheme, Synergies of business of the companies involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.
  - iv. Value of assets and liabilities of Transferor Companies that are being transferred to Transferee Company.
  - v. Stock Exchange shall ensure that applicable additional information, if any to be submitted to SEBI along with draft scheme of arrangement as advised by email dated October 14, 2025 shall form part of disclosures to the shareholders.
- vi. "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Please note that the submission of documents / information, in accordance with the circular to SEBI / Exchange should not any way be deemed or construed that the same has been cleared or approved by SEBI / Exchange. SEBI / Exchange does not take any responsibility either for the financial soundness

of any scheme or for the correctness of the statements made or opinions expressed in the document submitted.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.

Kindly note that as required under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

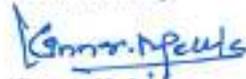
Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



**Kinnar Mehta**  
Assistant Vice President



**Nilima Burghate**  
Deputy Manager

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING  
HELD ON **02.02.2026** THROUGH VIDEO CONFERENCE

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CORAM: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)  
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)  
-----

APPLICATION NO : CA(CAA)/103(CHE)/2025  
PETITION NO :  
NAME OF PETITIONER :  
& : India Radiators Ltd  
NAME OF RESPONDENT :  
SECTION : 230-232 of CA, 2013  
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**ORDER**

**CA(CAA)/103(CHE)2025**

Present: None for the Applicant.

Vide separate Order pronounced in open Court, the Application is allowed.

Meetings be convened.

-sd-

**[VENKATARAMAN SUBRAMANIAM]  
MEMBER (TECHNICAL)**

-sd-

**[SANJIV JAIN]  
MEMBER (JUDICIAL)**

MS

Date: 02.02.2026

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH - I, CHENNAI**

**CA(CAA)/103(CHE)/2025**

*(Under Sections 230 to 232 of the Companies Act, 2013)*

*In the matter of Scheme of Amalgamation between India Radiators Limited and  
Mercantile Ventures Limited and their Respective Shareholders and Creditors*

**INDIA RADIATORS LIMITED**

(CIN: L27209TN1949PLC000963)

Having its registered office at,  
No.88, Mount Road, Guindy,  
Chennai – 600 032.

*...Applicant Company-1/  
Transferor Company*

**And**

**MERCANTILE VENTURES LIMITED**

(CIN: L65191TN1985PLC037309)

Having its registered office at  
No.88, Mount Road, Guindy,  
Chennai – 600 032.

*...Applicant Company-2/  
Transferee Company*

*Order Pronounced on 02<sup>nd</sup> February, 2026*

**CORAM**

**SHRI. SANJIV JAIN, MEMBER (JUDICIAL)**

**SHRI. VENKATRAMAN SUBRAMANIAM, MEMBER (TECHNICAL)**

*For Applicant(s) : B. Chandra, PCS*

**ORDER**

**(Heard through Hybrid)**

1. This is a Joint Company Application viz., **CA(CAA)/103(CHE)/2025** filed by **India Radiators Limited** (hereinafter “Applicant Company-1 / First Transferor Company”), along with **Mercantile Ventures Limited**,

(hereinafter “Applicant Company-2 / Transferee and its Shareholders under section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation (hereinafter referred to as the “SCHEME”) proposed by the Applicant Companies herein with its Shareholders. The Scheme is placed as at Pg.209-238 of the Application.

2. The Applicant Companies in this Company Application have sought for the following reliefs;

	Equity Shareholders	Preference Shareholders	Secured Creditors	Unsecured Creditors
Transferor Company	Convene Meeting	Dispense With	NA	Dispense With
Transferee Company	Convene Meeting	NA	NA	Convene Meeting

3. The rationale of the scheme is as under:

*“To carry on the business as a single entity for consolidation and utilization of the resources of the Company more efficiently as a single unit.”*

4. It is stated that, (i) The Applicant Company-1 i.e. India Radiators **Limited** is a public limited Company incorporated as Rayala Corporation (Mysore) Limited on 05.01.1949 under the Mysore Companies Act, 1938. Later the Company changed its name to India Radiators Limited under and a certificate of incorporation on change of name was issued on 31.05.1955 by the Registrar of Joint Companies pursuant to Section 11(4) and (5) of the Indian Companies Act, 1913. The authorized, issued, subscribed and paid-up capital of the Applicant Company-1 as on 30.09.2025 are as follows:

Particulars	Rs in Lakhs
<b>Share Capital as on 30-09-2025</b>	
<b>Authorized Capital:</b>	
10,00,000 Equity Shares of Rs.10/- each	100.00
2,00,00,000 Preference Shares of Rs.10/- each	2,000.00
<b>Total</b>	<b>2,100.00</b>
<b>Issued, Subscribed and Paid-up Capital:</b>	
9,00,000 Equity Shares of Rs.10/- each fully paid up	90.00
1,94,82,700	
7% Redeemable Cumulative Preference Shares of Rs.10/- each fully paid up	1,948.27
<b>Total</b>	<b>2,038.27</b>

The turnover of the Applicant Company – 1 for the financial year ended 31.03.2025 is Rs.6.32 lakhs and the net worth of the Applicant Company – 1 is negative Rs.37.03 lakhs and is placed at Pg.No.169 of the application.

(iii) The Transferee Company i.e. **Mercantile Ventures Limited** is a private limited Company incorporated on 23.12.1985 as Excel Finance Limited with Registration no. 4375 of 1985 in state of Kerala. Further, vide certificate dated 10.01.1997, the registered office of the company was changed to state of Tamil Nadu. Later, the Transferee Company changed its name to MCC Finance Limited and subsequently vide certificate dated 27.03.2013 changed its name as Mercantile Ventures Limited. The authorized, issued, subscribed and paid up capital of the Transferee Company as on 30.09.2025 are as follows:

Particulars	Rs in lakhs
<b>Share Capital as on 30-09-2025</b>	
<b>Authorised Capital:</b>	
11,50,90,000 Equity Shares of Rs.10/- each	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
<b>Total</b>	<b>13,009.00</b>
<b>Issued, Subscribed and Paid-up capital:</b>	
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82

The turnover of the Transferee Company for the financial year ended 31.03.2025 is Rs.36.56 lakhs and the net worth of the Transferee Company is Rs.32,827.06 lakhs and is placed at Pg.No.81 of the application.

5. It is stated that this Application has been filed in relation to a Scheme of Amalgamation between India Radiators Limited (“Applicant Company-1”) and Mercantile Ventures Limited, (“Applicant Company-2”), and its respective shareholders and creditors.

6. It is stated that an affidavits in support of the above application sworn in, on behalf of the Applicant Company-1, Applicant Company-2 have been filed by B.Narendran and E N Rangaswami in the capacity of Directors. It is also represented that the registered offices of all the Applicant Companies are situated at Chennai, Tamil Nadu and therefore they are within the jurisdiction of this Tribunal.

8. We have perused the application and the connected documents / papers filed therewith including the Scheme contemplated by the Applicant Companies.

9. The Applicant Companies have filed the Memorandum and Articles of Association *inter alia* delineating their object clauses as well as their last available Audited Financial Statements for the year ended 31.03.2025 and Unaudited Financial Statements as on 30.09.2025.

10. The Board of Directors of the Applicant Company-1, Applicant Company-2, vide meeting held on 08.04.2025 have unanimously approved the proposed Scheme as contemplated above. Copy of resolutions passed individually thereon have been placed at Pg. No. 199 – 208.

11. The Appointed date as specified in the Scheme is **01.04.2025**.

12. The Statutory Auditors of the Applicant Companies have examined the Scheme in terms of provisions of Sec. 232 of Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The Accounting Treatment Certificates for the Applicant Companies are annexed along with the Application Pg. No. 262 – 266.

13. The BSE has given consent to the Scheme and the observation letter DCS/AMAL/NB/R37/3842/2025-26 dated 14.10.2025 is placed at Pgs. 259-261 of the Application typeset.

14. Taking into consideration the Application filed by the Applicant Companies and the documents filed therewith as well as the position of law, this Tribunal issues the following directions:

**A. INDIA RADIATORS LIMITED**

**(APPLICANT COMPANY-1 / FIRST TRANSFEROR COMPANY)**

**I. EQUITY SHAREHOLDERS**

(i) It is represented that, there are **4461 (Four Thousand Four Hundred and Sixty One)** Equity Shareholders for Applicant Company-1. The Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed at **Page No.133** of the application. It has sought for convening the meeting.

(ii) Since there are **4461 (Four Thousand Four Hundred and Sixty One)** Equity Shareholders for Applicant Company-1, it will be

appropriate to convene, hold and conduct the meeting of the equity shareholders of the Applicant Company-1. The meeting is directed to be held on **13.03.2026** at **10.00 A.M.** at the registered office of the Transferee Company or through video conferencing or at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices. The voting shall take place through electronic mode as perceived in Para 10 of the SEBI master Circular cited on the subject.

## **II. PREFERENCE SHAREHOLDERS**

(i) It is represented that, there is **1 (One) Preference Shareholder** of the Applicant Company-1. The Certificate issued by the Chartered Accountant certifying the list of Preference shareholders is placed at **Page No. 188** of the application. The consent given by **1 (One) Preference Shareholder** amounting to **100%** of the credit value is placed at **Page No.189**. The Applicant Company-1 has sought for dispensing with the meeting.

(ii) Since it is represented by the Applicant Company-1 that there is **1 (One) Preference Shareholder**, whose consent affidavit is placed on record, the necessity for convening, holding and conducting the meeting is *dispensed with*.

## **III. SECURED CREDITORS**

(i) It is represented that, there are **NIL Secured Creditors**. The Certificate issued by the Chartered Accountant certifying the list of secured creditors is placed at **Page No.186** of the application. The Applicant Company-1 has sought for dispensing with the meeting.

(ii) Since it is represented by the Applicant Company-1 that there are **NIL Secured Creditors**, the necessity for convening, holding and conducting the meeting *does not arise*.

#### **IV. UNSECURED CREDITORS**

(i) It is represented that, there is **1 (One)** Unsecured Creditor of the Applicant Company-1. The Certificate issued by the Chartered Accountant certifying the list of Unsecured Creditor is placed at **Page No. 194** of the application. The consent given by **1 (One)** Unsecured Creditor amounting to **100%** of the credit value is placed at **Page No.195**. The Applicant Company-1 has sought for dispensing with the meeting.

(ii) Since it is represented by the Applicant Company-1 that there is **1 (One)** Unsecured Creditor, whose consent affidavit is placed on record, the necessity for convening, holding and conducting the meeting is *dispensed with*.

#### **B. MERCANTILE VENTURES LIMITED**

**(APPLICANT COMPANY – 2 / TRANSFEREE COMPANY)**

##### **I. EQUITY SHAREHOLDERS**

(i) It is represented that, there are **50668 (Fifty Thousand Six Hundred and Sixty Eight)** Equity Shareholders for Applicant Company-2. The Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed at **Page No.16** of the application. It has sought for convening the meeting.

(ii) Since there are **50668 (Fifty Thousand Six Hundred and Sixty Eight)** Equity Shareholders for Applicant Company-2, it will be appropriate to convene, hold and conduct the meeting of the equity shareholders of the Applicant Company-2. The meeting is directed to be held on **13.03.2026** at **12.00 P.M.** at the registered office of the Transferee Company or through video conferencing or at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior

to the issue of notices. The voting shall take place through electronic mode as perceived in Para 10 of the SEBI master Circular cited on the subject.

## **II. PREFERENCE SHAREHOLDERS**

(i) It is represented that, there are **NIL Preference Shareholders**. The Certificate issued by the Chartered Accountant certifying the list of Preference Shareholders is placed at **Page No.190** of the application. The Transferee Company has sought for dispensing with the meeting.

(ii) Since it is represented by the Transferee Company that there are **NIL Preference Shareholders**, the necessity for convening, holding and conducting the meeting *does not arise*

## **III. SECURED CREDITORS**

(i) It is represented that, there are **NIL Secured Creditors**. The Certificate issued by the Chartered Accountant certifying the list of Secured creditors is placed at **Page No.** of the application. The Transferee Company has sought for dispensing with the meeting.

(ii) Since it is represented by the Transferee Company that there are **NIL Secured Creditors**, the necessity for convening, holding and conducting the meeting *does not arise*.

## **IV. UNSECURED CREDITORS**

(i) It is represented that, there are 16 (**Sixteen**) Unsecured Creditors for Transferee Company. The Certificate issued by the Chartered Accountant certifying the list of Unsecured Creditors is placed at **Page No.130** of the application. It has sought for convening the meeting.

(ii) Since there are 16 (**Sixteen**) Unsecured Creditors for Transferee Company, it will be appropriate to convene, hold and conduct the meeting of the unsecured creditors of the Transferee Company. The meeting is directed to be held on **13.03.2026** at **1.00 P.M.** at the

registered office of the Transferee Company or through video conferencing or at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

15. The quorum for the meeting of the Applicant companies shall be as follows;

S.N.	CLASS	QUORUM	DATE & TIME OF THE MEETING
1.	EQUITY SHAREHOLDERS OF TRANSFEROR COMPANY	30	13.03.2026 at 10.00 A.M.
2.	EQUITY SHAREHOLDERS OF TRANSFEREE COMPANY	30	13.03.2026 at 12.00 P.M.
3.	UNSECURED CREDITORS OF TRANSFEREE COMPANY	5	13.03.2026 at 1.00 P.M.

- i) The Chairperson appointed for the above said meetings shall be **Mr. K. Gaurav Kumar (Mob: 9884464319)** The Fee of the Chairperson for the aforesaid meeting shall be **Rs.1,50,000/- (Rupees One Lakh and Fifty Thousand only)** in addition to meeting his incidental expenses if any. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above said meetings.
- ii) **Ms. A.U. Maithereyi (Mob: 9003048460)**, is appointed as a Scrutinizer and would be entitled to a fee of **Rs. 75,000 /- (Rupees Seventy-Five Thousand only)** for services in addition to meeting incidental expenses if any.
- iii) In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the

quorum. For the purpose of computing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.

- iv) The meetings shall be conducted as per applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5<sup>th</sup> May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);
- v) That individual notices of the above said meetings shall be sent by the Applicant Companies through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.
- vi) That the Applicant Companies shall publish advertisement with a gap of atleast 30 clear days before the aforesaid meetings,

indicating the day, date and the place and time as aforesaid, to be published in the English Daily "*Business Standard*" (*All India Edition*) & "*Makkal Kural*" (*Tamil Nadu Edition*) in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.

- vii) The Chairperson shall as aforesaid be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.
- viii) The company shall individually send notice to concerned Regional Director, MCA, Registrar of Companies, Official Liquidator and the Income Tax Authorities as well as other sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.
- ix) The Applicant Companies shall further furnish a copy of the Scheme free of charge within 1 day of any requisition for the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.
- x) The Authorized Representative of the Applicant Companies shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.

- xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

16. This Application stands **allowed** on the aforesaid terms.

**-Sd-**  
**VENKATARAMAN SUBRAMANIAM**  
Member (Technical)

**-Sd-**  
**SANJIV JAIN**  
Member (Judicial)



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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF INDIA RADIATORS LIMITED**

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

##### **Opinion**

We have audited the accompanying financial statements of India Radiators Limited ("the Company"), which comprised the Balance Sheet as at March 31, 2025, 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 financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2025, 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 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 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 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 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 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 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 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 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and

whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

- I. 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 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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, no remuneration paid/provided by the Company to its directors during the year, Accordingly, reporting under clause is not applicable to the Company.
- 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were 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.





**DPU & Associates**  
Chartered Accountants

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With respect to the other matters to be included in the Auditor's Report in accordance with **Rule 11(g)** 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 used an accounting software (**Tally Prime Edit Log 5.1**) for maintaining its books of accounts for the financial year ended March 31, 2025 which has a feature of recording **Audit Trail**.
  - (ii) The Audit Trail feature is Configurable and operated throughout the year.
  - (iii) All the transactions recorded in the software are covered in the Audit Trail feature.
  - (iv) Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

*For DPU & Associates*

Chartered Accountants

FRN: 011688S



**CA Vaira Mutthu K**

Partner

M No: 218791

UDIN: **25218791BMILN22478**

Chennai., 23<sup>rd</sup> May 2025



## **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 India radiators 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 **INDIA RADIATORS LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The 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.





**DPU & Associates**  
Chartered Accountants

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### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2025, 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 DPU & Associates*

Chartered Accountants

FRN: 0116885

**CA Vaira Mutthu K**

Partner

M No: 218791

UDIN: **25218791BMILN22478**

Chennai., 23<sup>rd</sup> May 2025





### 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 India Radiators Limited of even date)**

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
B) There were no intangible Assets and 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, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii. (a) The Company does not have any physical inventories. Accordingly, reporting under clause 3 (ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not availed any working capital limits at any point 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. According to the information and explanations given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted loans or made investment under the provisions of Sections 185 and 186 of the Act hence reporting under clause 3(iv) of the Order is not applicable.





- v. The Company has not accepted deposits during the year or amounts which are deemed to be deposits 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 Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except a sum of **Rs. 32,160/-** appearing as **TDS Default** in the traces portal.
- There were no undisputed amounts payable in respect of, Income Tax, Goods and service Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable .
- The Company doesn't have any disputed statutory dues referred to in sub-clause (a) and hence reporting under the clause 3(vii) (b) is not applicable.
- 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 willful 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) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made private placement of Preference shares





- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report
- (c) The Company has not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business and the reports of the internal auditor has been considered by us.
- (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 45-1A 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 incurred cash losses of **₹ 24.99 lakhs** in the current 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 not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they





**DPI & Associates**  
Chartered Accountants

'Sri Ranga' | Third Floor | No. 151 | Mambalam High Road |  
T. Nagar | Chennai - 600017 | India  
Phone - Front Office: +91 - 93635 24397  
E Mail: [ca\\_dgv@yahoo.co.in](mailto:ca_dgv@yahoo.co.in)

- xx. According to the information and explanations given to us, provisions of section 135 of Companies Act 2013 are not applicable to the Company, Hence reporting under clause 3(xx)(a) & 3(xx)(b) of the Order is not applicable

*For DPI & Associates*

Chartered Accountants  
FRN: 0116885



**CA Vaira Mutthu K**

Partner

M No: 218791

UDIN: **25218791BMILNZ2478**

Chennai., 23<sup>rd</sup> May 2025

**INDIA RADIATORS LIMITED**  
**CIN: L27209TN1949PLC000963**  
**Regd Office: No.88, Mount Road, Guindy, Chennai - 600 032.**

**BALANCE SHEET AS AT 31 MARCH 2025**

(Rs. In Lakhs)

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non- Current Assets</b>			
Property Plant and Equipment	2	1,802.35	1,802.35
		1,802.35	1,802.35
<b>Current Assets</b>			
<b>Financial Assets</b>			
(i) Trade receivables	3	20.82	16.27
(ii) Cash and Cash equivalents	4	2.80	3.63
Other Current Assets	5	2.37	1.33
		25.99	21.23
<b>Total Assets</b>		<b>1,828.34</b>	<b>1,823.58</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	6	90.00	90.00
Other Equity	7	(127.03)	(42.10)
		(37.03)	47.90
<b>LIABILITIES</b>			
<b>Non- Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Other financial liabilities	8	1,205.10	1,125.21
Deferred tax liabilities (Net)	9	544.39	564.35
		1,749.49	1,689.56
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Trade Payables	10	2.16	0.03
(ii) Other Financial Liabilities	11	113.43	85.99
Other current Liabilities	12	0.28	0.10
		115.87	86.12
<b>Total Equity &amp; Liabilities</b>		<b>1,828.34</b>	<b>1,823.58</b>

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For DPV & Associates  
Chartered Accountants  
FRN: 0116885

CA Veeramuthu K  
Partner  
M.NO : 218791



For and on behalf of the Board

E N Rangaswami  
Whole-time Director  
DIN: 06463753

B Narendran  
Director  
DIN:01159394

Oberoi Jangit M  
Company Secretary

N. Umasankar  
Chief Financial Officer

Place : Chennai  
Date : 23 May 2025  
UDIN : 25218791BMILNZ2478

**INDIA RADIATORS LIMITED**  
**CIN: L27209TN1949PLC000963**  
**Regd Office: No.88, Mount Road, Guindy, Chennai - 600 032.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025**

(in Lakhs)

S.No.	Particulars	Note No.	Year Ended 31 March 2025	Year Ended 31 March 2024
I	Revenue from operations	13	6.32	6.32
II	Other income	14	0.25	0.33
III	Total Income (I+II)		6.57	6.65
IV	Expenses			
	Employee benefits expense	15	-	1.69
	Finance costs	16	79.90	74.80
	Depreciation and amortisation expense	2	-	-
	Other expenses	17	31.56	9.56
	Total expenses (IV)		111.46	86.05
V	Profit/(loss) before exceptional items and tax (III- IV)		(104.89)	(79.39)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(104.89)	(79.39)
	Profit/(loss) from Discontinued operation		-	-
	Profit/(loss) for the period before tax (V-VI)		(104.89)	(79.39)
VIII	Tax expense			
	1) Current tax		-	-
	2) Deferred tax (net)		(19.97)	(23.63)
IX	Profit/(loss) for the period (VII-VIII)		(84.92)	(55.76)
X	Other Comprehensive Income			
	(i) items that will not be reclassified to profit and loss		-	614.00
	(ii) Income tax relating to items that will not be reclassified to Profit and loss		-	154.54
XI	Total Comprehensive Income for the period (IX+X)(Comprising Profit/(Loss) and Other Comprehensive Income for the period)		(84.92)	403.70
XII	Earnings per equity share			
	(1) Basic		(9.44)	(6.20)
	(2) Diluted		(9.44)	(6.20)

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date attached.

For DPV & Associates  
Chartered Accountants  
FRN: 0116883

CA Varamuthu K  
Partner  
M.NO : 218791



Place : Chennai  
Date : 23 May 2025  
UDIN : 252187918MILN22478

For and on behalf of the Board

F N Rangaswami  
Whole-time Director  
DIN: 06463753

B Narendran  
Director  
DIN:01159394

Oberoi Jagjit M  
Company Secretary

N Umasankar  
Chief Financial Officer

**INDIA RADIATORS LIMITED**  
**CIN: L27209TN1949PLC000963**  
**Regd Office: No.88, Mount Road, Guindy, Chennai - 600 032.**  
**Cash Flow Statement for the year ended 31 March 2025**

(Rs. In Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
<b>A Cash Flow from Operating Activities</b>		
Profit for the year before Exceptional Items and Tax	(104.89)	(79.39)
<b>Adjustments for:</b>		
Depreciation	-	-
<b>Operating Profit before Working Capital changes</b>	<b>(104.89)</b>	<b>(79.39)</b>
<b>Adjustments for:</b>		
Decrease/(increase) in other current assets	(5.59)	(5.32)
Increase/(decrease) in non current financial Liabilities	79.89	74.80
Increase/(decrease) in other Current financial Liabilities	27.44	12.53
Increase/(decrease) in other Current Liabilities	2.31	0.12
<b>Net Cash from Operating activities</b>	<b>(0.83)</b>	<b>2.73</b>
<b>B Cash Flow from Investing activities</b>	-	-
<b>C Cash Flow from Financing activities</b>		
<b>Net Cash used in Financing Activities</b>		
<b>Net Cash Flows during the year (A) + (B) + (C)</b>	<b>(0.83)</b>	<b>2.73</b>
Cash & Cash Equivalents at the begning of the period	3.63	0.90
<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>2.80</b>	<b>3.63</b>

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For DPV & Associates  
Chartered Accountants  
FRN: 0116885

CA Vairamuthu K  
Partner  
M.NO : 218791



For and on behalf of the Board

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

*B Narendran*  
B Narendran  
Director  
DIN:01159394

*Oberoi Jangit M*  
Oberoi Jangit M  
Company Secretary

*N Umasankar*  
N Umasankar  
Chief Financial Officer

Place : Chennai  
Date : 23 May 2025  
UDIN : 25218791BMILNZ2478

(A) Equity share capital  
 (1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Revised 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
₹ 0.00	-	₹ 0.00	-	₹ 0.00

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Revised 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
₹ 0.00	-	₹ 0.00	-	₹ 0.00

INDIA RADIATORS LIMITED  
 STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2025

(B) Other equity  
 (1) Current reporting period

Particulars	Reserves and surplus								Total
	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Dividend Equalisation Reserve	Retained earnings	Resvaluation surplus**	Equity instruments through other comprehensive income	Other items of other comprehensive income Redeemable Cumulative Preference Shares***	
Balance as at 1 April 2024	-	0.01	-	0.75	(1,958.50)	1,579.02	-	342.60	(42.12)
Profit for the year	-	-	-	-	(84.91)	-	-	-	(84.91)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(84.91)	-	-	-	(84.91)
Any other changes	-	-	-	-	-	-	-	-	-
Balance as at 31 Mar 2025	-	0.01	-	0.75	(2,043.41)	1,579.02	-	342.60	(127.03)
(2) Previous reporting period									
Balance as at 1 April 2023	-	0.01	-	0.75	(1,802.72)	1,233.56	-	342.60	(445.80)
Profit for the year	-	-	-	-	(15.76)	-	-	-	(15.76)
Other comprehensive income	-	-	-	-	-	450.46	-	-	450.46
Total comprehensive income for the year	-	-	-	-	(15.76)	450.46	-	-	434.70
Any other changes	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	-	0.01	-	0.75	(1,818.50)	1,679.02	-	342.60	(42.12)

\* Resvaluation surplus is an account of effect of measuring Fixed Assets at fair value

\*\* Fair value of Redeemable Cumulative Preference Shares

The accompanying notes are an integral part of the Financial statements.

As per our Report of even date

For DPV & Associates  
 Chartered Accountants  
 Regd. 21240001

CA Vigneshwarthi K  
 Partner  
 M NO - 216790

Place: Chennai  
 Date: 28-05-2025  
 UDIN: 252187810000101478



*[Signature]*  
 M. Rangasami  
 Whole-time Director  
 CUDIN: 6461713  
 Company Secretary

Signed on behalf of the Board

*[Signature]*  
 B. Haridivya  
 Director  
 DIN: 02134884  
 N. V.  
 N. Umashankar  
 Chief Financial Officer

**INDIA RADIATORS LIMITED**

**MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2025**

**1 Overview**

**1.1 Company Overview**

India Radiators Limited (IRL) is a public limited company incorporated and domiciled in India and has its registered office at Chennai, Tamilnadu India.

**1.2 Basis of Preparation of Financial Statements:-**

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

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

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

**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 ( IND AS 7 )**

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 A) Revenue recognition ( IND AS 115 )**

Revenue is recognized 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 is recognised based on the contract with customers.
- b. Interest income is recognised based on accrual basis.
- c. Other Income were accounted on accrual basis.

**1.6 Property, Plant and Equipment and Intangible Assets ( IND AS 16 and IND AS 38 )**

The land of the company are stated at fair value, all other 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.



**INDIA RADIATORS LIMITED**

**MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2025**

**1.7. Impairment ( IND AS 36 )**

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 ( IND AS 109 )**

**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 to the transaction costs.

2. (i) Financial assets carried 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.

**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 measured as per IND AS 109 and subsequently carried at amortized cost using the effective interest method, and is 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 expenses ( IND AS 19 )**

**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 ( IND AS 21 )**

There are no such transactions in the current financial year.

**1.11. Segment Reporting ( IND AS 108 )**

The Company operates in only one segment - Renting of properties.



**INDIA RADIATORS LIMITED**

**MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2025**

**1.12. Income tax ( IND AS 12 )**

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.

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. Recent Pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The impact of Amendment Rules, 2022, is given below:

IND AS 108 - Reference to Conceptual Framework

IND AS 16 - Proceeds before intended use

IND AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

IND AS 109 - Annual Improvements to IND AS (2021)

IND AS 116 - Annual Improvements to IND AS (2021)

The above amendments have no impact in the financial statements.



**INDIA RADIATORS LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

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

(Rs. in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS AT 01-04-2024	ADDITIONS	DELETIONS	TOTAL 31-03-2025	AS AT 01-04-2024	DELETIONS	FOR THE YEAR	AS AT 31-03-2025	AS AT 31-03-2025	AS AT 31-03-2024
<b>a)Property,Plant and Equipment</b>										
Freehold Land	1,802.00	-	-	1,802.00	-	-	-	-	1,802.00	1,802.00
Leasehold Land	-	-	-	-	-	-	-	-	-	-
Buildings	48.41	-	-	48.41	48.41	-	-	48.41	-	-
Computers	14.66	-	-	14.66	14.63	-	-	14.63	0.03	0.03
Plant & Machinery	0.38	-	-	0.38	0.36	-	-	0.36	0.02	0.02
Furniture and Fixtures	10.21	-	-	10.21	10.21	-	-	10.21	-	-
Electrical Installation	5.88	-	-	5.88	5.58	-	-	5.58	0.30	0.30
Office Equipments	4.47	-	-	4.47	4.47	-	-	4.47	-	-
<b>Total</b>	<b>1,886.01</b>	<b>-</b>	<b>-</b>	<b>1,886.01</b>	<b>83.66</b>	<b>-</b>	<b>-</b>	<b>83.66</b>	<b>1,802.35</b>	<b>1,802.35</b>
<b>b)Capital work-in Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>c)Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,886.01</b>	<b>-</b>	<b>-</b>	<b>1,886.01</b>	<b>83.66</b>	<b>-</b>	<b>-</b>	<b>83.66</b>	<b>1,802.35</b>	<b>1,802.35</b>
Previous Year	1,626.26	-	354.26	1,272.00	417.01	333.35	-	83.66	1,188.35	1,209.25



INDIA RADIATORS LIMITED  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

**3 Trade Receivables** (Rs. in Lakhs)

Particulars	Rs at	
	31.03.2025	31.03.2024
Undisputed Trade receivables considered good	20.82	16.27
Disputed Trade receivables considered good		
<b>Total</b>	<b>20.82</b>	<b>16.27</b>
<b>Trade Receivables Ageing Schedule</b>		
Outstanding bills for due for less than six months	11.11	4.48
Outstanding bills for due period 6 months - 1 year	9.71	7.44
Outstanding bills for due period 1 - 2 years	9.99	4.35
Outstanding bills for due period 2 - 3 years	-	-
Outstanding bills for due more than 3 years	-	-
<b>Total</b>	<b>30.82</b>	<b>16.27</b>

**4 Cash & Cash Equivalents** (Rs. in Lakhs)

Cash on Hand	0.02	0.02
Balance with Banks	2.76	3.58
<b>Total</b>	<b>2.80</b>	<b>3.60</b>

**5 Other Current Assets** (Rs. in Lakhs)

INCOME TAX ADVANCE	0.71	0.57
Duties & Taxes	1.65	0.76
<b>Total</b>	<b>2.37</b>	<b>1.33</b>

**6 Share Capital**

<b>Authorised Capital</b>		
10,00,000 (10,00,000) Equity Shares of Rs 10/- each	100.00	100.00
2,00,00,000 Preference shares of Rs10/- each	2,00.00	2,00.00
<b>Total</b>	<b>2,100.00</b>	<b>2,100.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>		
9,00,000 (9,00,000) Equity Shares of Rs 10/- each fully paid up	90.00	90.00
<b>Total</b>	<b>90.00</b>	<b>90.00</b>

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

Particulars	As at 31-03-2025		As at 31-03-2024	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	9,00,000	90.00	9,00,000	90.00
Shares issued during the year	-	-	-	-
Shares outstanding at the close of the year	9,00,000	90.00	9,00,000	90.00

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

Particulars	As at 31-03-2025		As at 31-03-2024	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	1,94,82,700	1,948.27	1,94,82,700	1,948.27
Shares issued during the year	-	-	-	-
Shares outstanding at the close of the year	1,94,82,700	1,948.27	1,94,82,700	1,948.27

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

Promoter name	No. of shares	% of total shares	% change during the year
Mentoria Ventures Limited	3,48,622	38.74	38.74
<b>Total</b>	<b>3,48,622</b>	<b>38.74</b>	<b>38.74</b>

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

Name of Shareholder	As at 31-03-2025		As at 31-03-2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Mentoria Ventures Limited	3,48,622	38.74	-	0.00%
South India House (Estates) Properties Ltd	47,188	5.24%	47,188	5.24%
MAHCO BDR Group & Co Ltd	46,140	5.13%	46,140	5.13%

**7 Other Equity** (Rs. in Lakhs)

Particulars	Reserves and surplus				Total
	OCI - Revaluation on Land	Capital Reserve	Dividend Equalisation Reserve	Retained earnings (*)	
Balance as at 1 April 2024	-	0.01	0.75	(42.88)	(42.10)
Profit for the year	-	-	-	(84.92)	(84.92)
Other comprehensive income (Net of Tax)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(84.92)	(84.92)
Any other changes	-	-	-	-	-
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>0.01</b>	<b>0.75</b>	<b>(127.80)</b>	<b>(127.03)</b>
Balance as at 1 April 2023	-	0.01	0.75	(448.56)	(447.80)
Profit for the year	-	-	-	(55.76)	(55.76)
Other comprehensive income	458.46	-	-	-	458.46
Total comprehensive income for the year	458.46	-	-	(55.76)	402.70
Any other changes	-	-	-	-	-
<b>Balance as at 31st March 2024</b>	<b>458.46</b>	<b>0.01</b>	<b>0.75</b>	<b>(47.86)</b>	<b>(42.10)</b>



**INDIA RADIATORS LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

8 Other Financial Liabilities (Non Current)		(Rs. In Lakhs)	
Particulars	As at 31.03.2025	As at 31.03.2024	
7% Redeemable Cumulative Preference Shares	1,125.21	1,050.41	
National Interest on Preference Shares	79.90	74.80	
<b>Total</b>	<b>1,205.10</b>	<b>1,125.21</b>	

- a) Number of shares outstanding as at 31.03.2025: 1,91,02,700  
b) Face value per share: ₹20  
c) Total face value: ₹3,82,05,400  
d) Issued at: Par  
e) Terms of redemption: Redeemable at par on 30th March 2032  
f) Nature of dividend: Cumulative  
g) Shareholders holding more than 5% (Mercantile Ventures Limited 100%)  
h) Classification: Shown under Non Current Other financial liabilities in line with Ind AS 32

9 Deferred Tax Liability		
Opening Balance	564.35	423.44
Deferred tax for the year	(19.97)	130.91
<b>Total</b>	<b>544.38</b>	<b>564.35</b>

Refer Note No. 18

10 Trade Payables		
Undisputed Due to Micro, Small and Medium Enterprises	-	-
Undisputed dues to others	2.16	0.08
<b>Total</b>	<b>2.16</b>	<b>0.08</b>
<b>Trade Payables Ageing Schedule</b>		
Undisputed dues to others:		
Less than 1 year	2.16	0.08
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>2.16</b>	<b>0.08</b>

11 Other Current Financial Liabilities		
Other Advances	112.88	85.44
Provision for Audit fees	0.55	0.55
<b>Total (A)</b>	<b>113.43</b>	<b>85.99</b>

12 Other Current Liabilities		
Duties & Taxes	0.28	0.10
<b>Total</b>	<b>0.28</b>	<b>0.10</b>

13 Income from Operations		(Rs. In Lakhs)	
Particulars	Year ended 31 March 2025	Year ended 31 March 2024	
Rental Income	6.32	6.32	
<b>Total</b>	<b>6.32</b>	<b>6.32</b>	

14 Other Income		
Miscellaneous Income	0.25	0.27
Income Tax Refund	-	0.04
Interest on Income Tax Refund	-	0.03
<b>Total</b>	<b>0.25</b>	<b>0.34</b>

15 Employment Benefit Expenses		
Salaries	-	1.69
<b>Total</b>	<b>-</b>	<b>1.69</b>

16 Finance Cost		
National Interest on Redeemable Preference Shares	79.90	74.80
Interest on Inter corporate deposits	-	-
<b>Total</b>	<b>79.90</b>	<b>74.80</b>

17 Other Expenses		
Bank Charges	-	0.01
Statutory Auditors remuneration	0.90	0.70
Internal Auditors remuneration	0.20	-
Rates & Taxes	24.54	4.55
Filing Fees	-	0.17
Postage and Telephone Charges	-	0.14
Professional and Consultancy Charges	3.86	1.69
Traveling and Conveyance	-	0.10
Advertisement	1.31	1.61
Printing & Stationery	0.33	0.52
Miscellaneous Expense	0.14	0.07
<b>Total</b>	<b>31.98</b>	<b>9.96</b>



**INDIA RADIATORS LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

18	Deferred tax	As at 31.03.2025	As at 31.03.2024
	Components of Deferred Tax		
	Deferred Tax Liabilities	95.58	85.58
	Deferred Tax Assets	587.25	587.25
	Deferred Tax Liabilities (Net)	544.38	588.35

Particulars	As at 31-3-2024	(Change) credit in Statement of profit and loss	(Change) credit in Other Comprehensive Income	As at 31-3-2025
<b>Deferred Tax Assets:</b>				
Property, plant & Equipment	238.54			238.54
Financial Assets	0			0
Others (Provision for National Interest, Preference Share) etc.	30.09	19.97		50.06
<b>Deferred Tax Assets:</b>	<b>268.63</b>	<b>19.97</b>		<b>318.60</b>
<b>Deferred Tax Liabilities:</b>				
Property, Plant & Equipment	825.76		0.00	825.76
Financial Assets	0			0
Others (Provision for Bond Deposits, National Interest etc.)	75.83			75.83
<b>Deferred Tax Liabilities:</b>	<b>895.59</b>	<b>0.00</b>	<b>0.00</b>	<b>895.59</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>626.96</b>			<b>576.99</b>

19	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
	Expenditure in foreign currency during the current period	Nil	Nil
	Earnings in Foreign Exchange received during the current period	Nil	Nil

21 As per IND AS 26, the disclosures of transactions with the related parties are given below:

**Related Parties:**

**Holding Company:**

Mercantile Ventures Limited

**Subsidiary of Holding Company:**

IS Security Private Limited

Waters Security Private Limited

Chittaranjan Developers LLP

**Key Managerial Personnel:**

Mr. T. N. Rangaswami, Whole time Director

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

Particulars of transaction	Year ended 31 March 2025	Year ended 31 March 2024
<b>Mercantile ventures limited:</b>		
National Interest on Preference shares	79.90	74.80
<b>Closing Balances:</b>		
<b>Mercantile Ventures Limited:</b>		
7% Redeemable Cumulative Preference Shares	1,205.10	1,125.31
Loans and Advances	112.88	85.44

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

(Rs. in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>(i) Contingent liabilities:</b>		
a) Claims against the company not acknowledged as debt,	0.32	Nil
b) Guarantees-charge created on company's asset for third party loan	Nil	Nil
c) Other money for which the company is contingently liable	Nil	Nil
<b>(ii) Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
b) Uncalled liability on shares and other investments partly paid	Nil	Nil
c) Other commitments (specify nature)	Nil	Nil



INDIA RADIATORS LIMITED  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

25 Corporate Social Responsibility	NA	NA
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24 Relationship with struck off companies

Name of struck off company	Nature of transactions	Balance outstanding - No. of shares held	Relationship with struck off company
NIL	Investment in securities	NA	NA
NIL	Receivables	NA	NA
NIL	Payables	NA	NA
1. Yash Sai Investments Pvt Ltd 2. Kothari & Sons (Nominees) Private Limited 3. Purnkar Financial Services Limited 4. South India Credit Company Pvt Ltd 5. Parasvita Investments Pvt Ltd	Shares held by struck off company	150 75 14 100 100	UNRELATED COMPANIES
NIL	Other outstanding balances	NA	NA

25 Financial Ratios:	2024-25	2023-24	% Change	Numerator and denominator	Reasons
(a) Current Ratio	0.22	0.25	-9.09%	Current assets/Current liabilities	Increase in Trade Receivables
(b) Debt Equity Ratio	NA	NA	NA	Company has no debts	
(c) Debt Service Coverage Ratio	NA	NA	NA		
(d) Return on Equity	NA	NA	-	Profit after Tax / Equity Shareholder Funds	
(e) Inventory Turnover Ratio	NA	NA	NA		
(f) Trade Receivables Turnover Ratio	0.35	0.47	NA	Average Trade receivables/Revenue from operation	
(g) Trade Payables Turnover Ratio	NA	NA	NA	Average Trade Payables/Revenue from operation	
(h) Net Capital Turnover Ratio	NA	NA	NA	(Current assets - Current liabilities)/Revenue from operations	
(i) Net Profit Ratio	2292.20%	-838.50%	54.11%	Net Profit/Revenue from operations	Increase in Loss
(j) Return on capital employed	-4.98%	-3.21%	54.52%	Net Profit/Total assets (current liabilities)	Increase in Loss
(k) Return on Investment	-4.64%	-3.06%	51.90%	Net Profit/Total assets	Increase in Loss

27 The figures have been rounded off to Rupees in Lakhs

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



INDIA RADIATORS LIMITED		
Regd Office: No 88, Mount Road, Guindy, Chennai - 600 052		
Additional Regulatory Information Required under Division II to Schedule III of the Companies Act 2013		
Sl.No	Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (if any)
1	Title deeds of immovable Property not held in name of the Company	The Company don't have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable
2	Revaluation of Property, Plant & Equipment	The Company has not revalued Freehold Land based on a valuation report.
3	Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets, Hence disclosure under this clause is not applicable
4	Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties.	The Company doesn't have any Advances in the nature of Loans, Hence disclosure under this clause is not applicable
5	Capital-Work-in Progress (CWIP)	Nil
6	Intangible assets under development.	Nil
7	Details of Benami Property held	The Company has no Benami Property
8	Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions, Hence disclosure under this clause is not applicable
9	Willful Defaulter	The Company has not been declared as willful defaulter by any bank or financial Institution or other lender, Hence disclosure under this clause is not applicable
10	Relationship with Struck off Companies	Refer Note No 24
11	Registration of charges or satisfaction with Registrar of Companies (ROC)	Nil
12	Compliance with number of layers of companies.	The Company has no subsidiary/ associate or Joint Venture, Hence disclosure under this clause is not applicable.
13	Analysical Ratios	Refer Note No 25.
14	Compliance with approved Scheme(s) of Arrangements	The Company has filed Scheme of Amalgamation with Mercantile Ventures Limited (Transferee Company) as approved in the Board Meeting held on 08th April 2025 and is pending for approval by the competent authority in terms of sections 230 to 237 of
15	Utilisation of Borrowed funds and share premium	The Company has neither any Borrowed funds nor Share Premium.
16	Undisclosed Income	Nil
17	Corporate Social Responsibility (CSR)	Not Applicable.
18	Details of Crypto Currency or Virtual Currency	The Company has not Traded or invested in crypto currency or virtual currency, Hence disclosure under this clause is not applicable





**VENKATESH & CO**  
Chartered Accountants

## **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 comprised the Balance Sheet as at March 31, 2025, 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, 2025, 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



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assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 in this Report is agreeing 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 except for the matters mentioned in the annexure.
- 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 31.
  - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were 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.
- vi) With respect to the other matters to be included in the Auditor's Report in accordance with **Rule 11(g)** 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:

The Company has used an accounting software (**Tally Prime Edit Log 6.0**) for maintaining its books of accounts for the financial year ended March 31,2025 which has a feature of recording **Audit Trail**.

The Audit Trail feature is **Configurable** and was **enabled** and operated throughout the year.

All the transactions recorded in the software are covered in the Audit Trail feature. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

**For Venkatesh & Co**  
**Chartered Accountants**  
**FR. No 0046365**

**CA Hrishikesh.D**  
**Partner**

**M. No 272865**

**Date: 28<sup>th</sup> May 2025**

**Place: Chennai**

**UDIN: 25272865BMLLAI8517**





## **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, 2025 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Venkatesh & Co**  
**Chartered Accountants**  
**FR. No 004636S**

**CA Hrishikesh.D**  
**Partner**

**M. No 272865**

**Date: 28<sup>th</sup> May 2025**

**Place: Chennai**

**UDIN: 25272865BMLLAI8517**





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

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Mercantile Ventures Limited of even date)**

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
B) There were no intangible Assets and hence reporting under this clause is not applicable.
  - (b) The Company has physically verified the Plant & Equipment by the management once in the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
  - (d) The Company has revalued its Land and Building during the year based on a valuation obtained from a Registered Valuer. As a result of this revaluation, the Net carrying value of Land has increased by **Rs. 479 Lakhs** and this increase constitutes **8.5%** over the Existing carrying value of the Land.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 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 availed any working capital limits at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. During the year Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided any loans or advances in the nature of loans or stood guarantees, or provided security to any other entity during the year,





Particulars	Guarantees (Amount in Lakhs)	Loans (Amount in Lakhs)	% of Total Loans granted towards (Total loans granted)
Aggregate amount granted during the year:			
Subsidiaries	Nil	Rs. 36.08	1.23%
Others	Rs. 40,000.00	Nil	Nil
Balance outstanding as on 31/03/2025:			
Subsidiaries	Nil	Rs. 112.88	4% (inclusive of 1.23% stated above)
Others	Nil	2,820.13	96%

- (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, wherever the schedule of repayment of principal and payment of interest is stipulated by the company, the repayments are regular except for **Rs 3,032.77 Lakhs** where the repayment for interest and principal is not as stipulated by the company. The company has provided **Rs. 337.16 Lakhs as Expected Credit Loss** in respect of such loans.
- (d) No Amount is overdue more than 90 days, hence the provisions of the clause 3 (iii)(d) of the Order are not applicable to the Company.
- (e) The company has renewed the Inter Corporate Deposit which has fallen due during the year. The renewed amount during the reporting period is Rs. 2300 Lakhs which amounts to **77.16%** 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 36.08 Lakhs** to its subsidiaries which amounts to **1.23%** of the total loans or advances given by the company.
- iv. In our opinion and according to the information explanations given to us, the company has complied with the provisions of Section 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 or amounts which are deemed to be deposits 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 Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except a sum of **Rs 61,103/-** 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)	Assessment Year	Forum where dispute is pending
Income Tax Act 1961	Income Tax	6.20	2014-15	AO
Income Tax Act 1961	Income Tax	39.10	2015-16	CIT(A)
Income Tax Act 1961	Income Tax	25.91	2016-17	CIT(A)
Income Tax Act 1961	Income Tax	18.96	2017-18	ITAT
Income Tax Act 1961	Income Tax	83.84	2018-19	CIT(A)





- 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 willful 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) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made private placement of Preference shares
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-1A 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 in the current financial year and in 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 not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are **no unspent amounts** towards Corporate Social Responsibility (CSR) on **Other than ongoing projects** required to be transferred 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. Accordingly reporting under CARO 2020 has been provided us under :



Financial Year	Amount required to be Spent by the Company during the year(Rs in Lakhs)	Amount of Expenditure incurred (Rs in Lakhs)	Shortfall at the end of the year (Rs in Lakhs)	Reason for shortfall	Nature of CSR Activities	Details of Related party transactions
2023-24	13.90	3.04	10.87	The entire amount of Rs. 13.90 lakhs transferred to CSR Unspent account with a scheduled bank	Construction of new toilets for students of Government Higher Secondary School in Chennai.	Nil

For Venkatesh & Co  
Chartered Accountants  
FR. No 0046365

CA Hrishikesh.D  
Partner  
M. No 272865



Date: 28<sup>th</sup> May 2025  
Place: Chennai  
UDIN: 25272865BMLLAI8517

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FOR THE YEAR ENDED  
31 MARCH 2025**

**Note: 1**

**Significant Accounting Policies:**

**1.1 Corporate Information**

Mercantile Ventures Limited (CIN: L65191TN1985PLC037309) is a public limited company incorporated on 23rd December 1985 under the provisions of the Companies Act, 1956. The Company is domiciled in India with its registered office situated at No.88, Mount Road, Guindy, Chennai – 600032, Tamil Nadu. The Company is primarily engaged in the business of leasing of properties, and Manpower Supply Services. The equity shares of the Company are listed on BSE Limited (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). 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 thereafter.

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

**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.

**1.4 Inventories (Ind AS 2)**

The provisions of Ind AS 2 – Inventories are not applicable to the Company, as it does not hold or maintain any inventories during the reporting period.

**1.5 Cash Flow Statement (Ind AS 7)**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.



## 1.6 Accounting Policies, Changes in Accounting Estimates and Errors (Ind AS 8)

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Company selects and applies its accounting policies consistently for similar transactions, events, and conditions, unless Ind AS specifically requires or permits categorization and application of different policies for different transactions.

### Changes in Accounting Policies

Changes in accounting policies are made only if:

- Required by an Ind AS; or
- Such a change results in the financial statements providing more reliable and relevant information.

When a change in accounting policy is applied:

- It is accounted for retrospectively unless otherwise stated.
- The comparative figures for prior periods are restated, and
- The cumulative effect, if any, is adjusted in the opening balance of retained earnings.

### Changes in Accounting Estimates

Changes in accounting estimates (e.g., useful lives, bad debt provisions) are recognized prospectively:

- In the period of the change, if the change affects only that period; or
- In the period of the change and future periods, if the change affects both.

### Prior Period Errors

Material prior period errors are corrected retrospectively in the first set of financial statements approved after their discovery by:

- Restating the comparative amounts for the prior period(s) presented; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities, and equity for the earliest period presented.

The nature of the error and the amount of the correction are disclosed in the notes to accounts.

## 1.7 Taxes on Income (Ind AS 12)

Income tax expense comprises both current tax and deferred tax. It is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in other comprehensive income or in equity, in which case the tax is also recognized in other comprehensive income or equity, respectively.

### • Current Tax

Current tax is the amount of income taxes payable or recoverable in respect of the taxable profit or loss for a period. It is calculated based on the applicable tax laws and rates that have been enacted or substantively enacted as on the reporting date. The Company recognizes interest and penalties related to income tax, if any, under finance costs or administrative expenses, as appropriate.



#### • **Deferred Tax**

Deferred tax is recognized using the balance sheet approach, for all temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying amount of deferred 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 the benefit of part or all of that deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled.

#### • **Offsetting**

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority.

### 1.8 **Property Plant & Equipment (Ind AS 16)**

The land and properties of the company are stated at fair value and depreciation provided on straight line value method over the estimated useful lives of the assets. Property, plant and equipment are part of the fixed assets of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life under residual value method. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Type of Assets	Period
Building	22 to 33 Years
Furniture and Fittings	10 Years
Office Equipment	5 Years
Computer	3 Years
Air conditioner	15 Years



### 1.9 **Employee Benefits: (Ind AS 19)**

The Company has classified its employee benefits into the following categories:

### 1. Short-Term Employee Benefits

Short-term employee benefits such as salaries, wages, bonus, ex-gratia, and non-monetary benefits are recognized as an expense in the Statement of Profit and Loss in the period in which the related service is rendered. These benefits are accounted for at undiscounted amounts.

### 2. Defined Contribution Plans

The Company's contribution to provident fund and other funds governed by the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 is recognized as an expense in the Statement of Profit and Loss when the services are rendered by the employees.

### 3. Defined Benefit Plans – Gratuity

The Company has a defined benefit gratuity plan which is funded through the Mercantile Ventures Gratuity Trust with Life Insurance Corporation of India (LIC). The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

- The liability for defined benefit obligations is determined annually using the Projected Unit Credit Method.
- The present value of the obligation is determined by discounting the estimated future cash outflows using market yields on government bonds.
- The Company operates a separate gratuity trust. All payments are routed through LIC, and the fund is maintained by LIC as part of their policy management.

### 4. Termination Benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

#### 1.10 Effect of changes in foreign exchange rates (Ind AS 21)

a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction.

b) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of long-term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### 1.11 Earnings Per Share (EPS) (Ind AS 33)

In accordance with Ind AS 33 – Earnings Per Share, the Company presents Basic and Diluted Earnings Per Share for its equity shares.

- Basic Earnings Per Share is calculated by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.



- Diluted Earnings Per Share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares, such as employee stock options, convertible debentures, or other instruments convertible into equity.
- The Company does not currently have any outstanding dilutive instruments; hence, Basic EPS and Diluted EPS are the same for all periods presented.

The earnings and the weighted average number of shares used in calculating basic and diluted EPS are disclosed in the Notes to Financial Statements.

### 1.12 Impairment of Assets: (Ind AS 36)

The Company assesses the carrying amounts of property, plant and equipment at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the higher of the asset's fair value less costs of disposal and its value in use. If the asset does not generate independent cash flows, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or CGU exceeds its recoverable amount. The impairment loss is reversed if there is an indication of reversal and a change in the estimate used to determine the recoverable amount. The reversal is limited so that the carrying amount does not exceed the amount that would have been determined (net of depreciation) had no impairment loss been recognized in earlier periods.

### 1.13 Provisions, Contingent Liabilities and Contingent Assets (Ind AS 37)

#### Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Provisions are not recognized for future operating losses.

Where the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

#### Contingent Liabilities

A contingent liability is disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events but is not recognized because:

It is not probable that an outflow of resources will be required; or  
The amount of the obligation cannot be measured with sufficient reliability.



Contingent liabilities are not recognized but are disclosed in the notes to the financial statements unless the possibility of an outflow is remote.

### **Contingent Assets**

A contingent asset is disclosed where an inflow of economic benefits is probable, but not recognized until the realization of income is virtually certain. When the inflow of benefit becomes virtually certain, the asset is recognized in the financial statements.

## **1.14 Segment Reporting (Ind AS 108)**

The Company operates in one primary business segment: Sale of Services and hence they are identified as reportable segments in accordance with Ind AS 108 – *Operating Segments*.

**Sale of Services:** This segment includes the provision of Renting of property and related services, Manpower supply services, and Facilities management services. The revenue under this segment is derived from contracts for rental and related services provided to clients.

### **Measurement and Reporting**

- Segment revenue, segment expenses, and segment results include respective amounts directly attributable to each segment and a portion of common costs allocated on a reasonable basis.
- Segment assets and liabilities are reported only to the extent they are regularly provided to the CODM.
- The accounting policies used for segment reporting are consistent with those followed in the preparation of the financial statements.

Disclosures relating to segment revenue, profit/loss, assets, and liabilities are made in the notes to accounts, along with reconciliations as required under Ind AS 108.

## **1.15 Financial Instruments: (Ind AS 109)**

### **Initial Recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. For instruments not measured at fair value through profit or loss, transaction costs directly attributable to acquisition or issue are added to the carrying amount on initial recognition.

### **Subsequent Measurement**

**Financial Assets at Amortized Cost:** Includes trade receivables, loans and advances, and other receivables. These are measured at amortized cost using the effective interest method, where applicable. **Financial Liabilities at Amortized Cost:** Includes borrowings, trade payables and other financial obligations.

### **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.

#### **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.

#### **Impairment of Financial Assets**

The Company applies the Expected Credit Loss (ECL) model for impairment of financial assets as per Ind AS 109. However, in practice, the following simplified approach is used:

#### **Trade Receivables (Sundry Debtors):**

A provision for expected credit losses is recognized at 10% of the outstanding balance for receivables that are outstanding for more than 2 years based on historical default rates and management's assessment.

#### **Loan Receivables:**

Similar to trade receivables, a 10% provision is made on loans receivable that remain outstanding for more than 2 years, considering credit risk and recovery experience.

No ECL is recognized on other financial assets due to their low credit risk and immaterial nature.

This approach is reviewed periodically by management to ensure reasonableness.

#### **Derecognition**

Financial Assets: Derecognized when contractual rights to receive cash flows expire or are transferred without retaining control or substantial risks and rewards.

### **1.16 Critical Accounting Estimates**

#### **(a) Revenue recognition: (Ind AS 115 – Revenue from Contracts with Customers)**

Revenue is recognized upon the completion of services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company applies the five-step model under Ind AS 115 to recognize revenue:

- Identify the contract with the customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to performance obligations
- Recognize revenue when (or as) performance obligations are satisfied



**(b) Expenditure:**

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

• **Sale of Services – Renting of property, Manpower Services and Facilities Management services**

Revenue from the abovementioned services is recognized over time as the performance obligation is fulfilled, based on the terms of the rental and service agreement with the customer. The output method (e.g., time elapsed, milestones) is used to measure progress towards complete satisfaction of the performance obligation. Revenue is recognized on an accrual basis in accordance with the contract terms, provided that control of the service has been transferred to the customer and recovery of consideration is probable.

• **Other Income**

**Interest Income:** Recognized using the Effective Interest Rate (EIR) method in accordance with Ind AS 109 – Financial Instruments. This includes interest earned on fixed deposits and other interest-bearing instruments.

**1.17 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.



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032  
CIN: L65191TN1985PLC037309

**Standalone Balance Sheet as at 31st March, 2025**

(Rs. In Lakhs)

Particulars	Note No	31-Mar-25	31-Mar-24
<b>ASSETS</b>			
<b>A) Non-Current Assets</b>			
a) Property, Plant and Equipment and Intangible assets			
--- (i) Property, Plant and Equipment	2	7,324.09	6,891.00
--- (ii) Capital work-in progress			
--- (iii) Intangible Assets			
b) Financial Assets			
--- (i) Investments	3	23,414.30	23,024.61
<b>Total Non Current Assets</b>		<b>30,738.39</b>	<b>29,915.61</b>
<b>B) Current Assets</b>			
a) Financial Assets			
--- (i) Investments	4	4.10	205.49
--- (ii) Trade Receivables	5	768.73	656.94
--- (iii) Cash and cash equivalents	6	77.20	203.05
--- (iv) Bank balance other than (iii) above	7	100.74	103.58
--- (v) Loans	8	2,372.90	2,691.93
--- (vi) Other financial assets	9	566.82	1,376.19
b) Current Tax Assets (Net)	10	1,008.05	899.30
b) Other current assets	11	24.28	14.71
<b>Total Current Assets</b>		<b>4,922.82</b>	<b>6,151.19</b>
<b>Total Assets</b>		<b>35,661.21</b>	<b>36,067.00</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	12	11,191.82	11,191.82
b) Other Equity	13	21,635.24	21,639.23
<b>Total Equity</b>		<b>32,827.06</b>	<b>32,831.05</b>
<b>Liabilities</b>			
<b>(a) Non-Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
--- (i) Other financial liabilities	14	292.00	269.03
(b) Deferred Tax Liabilities (Net)	15	1,221.52	1,833.04
<b>Total Non Current Liabilities</b>		<b>1,514.32</b>	<b>2,102.07</b>
<b>(b) Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
--- (I) Trade Payables	16	28.71	48.11
--- (II) Other financial liabilities	17	10.06	34.04
b) Other current liabilities	18	223.86	171.34
c) Provisions	19	1,057.20	880.39
<b>Total Current Liabilities</b>		<b>1,319.83</b>	<b>1,133.88</b>
<b>Total Equity &amp; Liabilities</b>		<b>35,661.21</b>	<b>36,067.00</b>

For Venkatesh and Co.  
Chartered Accountants  
F.R.No. 016365

*henshikesh*  
**CA Hrishikesh.D**  
Partner  
Membership No. 272865  
UDIN: 25272865BMLLA18517  
Place: Chennai  
Date: 28 May 2025



for and on behalf of the board

*[Signature]*  
**E N Rangaswami**  
Whole-time Director  
DIN: 06463753

*[Signature]*  
**S Narendran**  
Director  
DIN:01159394

*[Signature]*  
**N Umashankar**  
Chief Financial Officer

*[Signature]*  
**Obero Jyoti M**  
Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

**Standalone Statement of Profit and Loss for the Year Ended 31st March, 2025**

(Rs. In Lakhs)

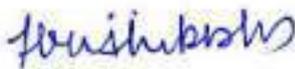
Particulars		Notes	31-Mar-25	31-Mar-24
I	Revenue from Operations	20	3,656.07	2,983.03
II	Other Income	21	232.19	350.09
III	<b>Total Income (I+II)</b>		<b>3,888.26</b>	<b>3,333.12</b>
IV	<b>Expenses</b>			
	Cost of Services	22	2,778.44	2,220.73
	Employee Benefit Expense	23	137.54	115.08
	Finance Cost	24	20.36	24.72
	Depreciation and amortization expense	25	84.00	95.65
	Other expenses	26	614.17	632.35
	<b>Total Expenses</b>		<b>3,634.51</b>	<b>3,088.53</b>
V	Profit / (loss) before exceptional items and tax		253.75	244.59
VI	Exceptional Items		-	-
VII	Profit / (loss) before tax		<b>253.75</b>	<b>244.59</b>
VIII	<b>Tax Expense:</b>			
	(1) Current Tax		176.82	185.79
	(2) Deferred Tax		(617.22)	(38.15)
	(3) Tax of Earlier Years		-	-
IX	<b>Profit (Loss) for the period from continuing operations</b>		694.15	96.95
X	Share of Profit/(loss) from LLP/Partnership Firms		(4.98)	(5.68)
XI	Profit (Loss) for the period		<b>689.17</b>	<b>91.27</b>
XII	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss		22.62	5,025.18
	(ii) Income tax relating to items that will not be reclassified to Profit and loss		5.69	1,398.49
	Total Comprehensive Income for the period comprising Profit (Loss) and Other comprehensive income for the period (XI+XII)		706.10	3,717.96
XIII	Earnings Per Share: (In ₹)			
	(1) Basic		0.62	0.09
	(2) Diluted		0.62	0.09

**For Venkatesh and Co.**

Chartered Accountants

F.R.No. 046365

for and on behalf of the board


**CA Hrishikesh.D**

Partner

Membership No. 272865

UDIN: 25272865BMLLA18517

Place: Chennai

Date: 28 May 2025



**E N Rangaswami**

Whole-time Director

DIN: 06463753


**N Umasankar**

Chief Financial Officer


**B Narendran**

Director

DIN:01159394


**Oberoi Jangit M**

Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.111, Mount Road, Guindy, Chennai - 600 032.  
CIN: L65191TN1905PLC037309

**Standalone Statement of Changes in Equity for the year ended 31st March 2025**

**(A) Equity share capital**

Equity shares of Rs.10 each issued, subscribed and fully paid up

**(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
11,191.82		11,191.82	-	11,191.82

**(A) Equity share capital**

Equity shares of Rs.10 each issued, subscribed and fully paid up

**(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
11,192		11,192	-	11,192

Particulars	Reserves and Surplus							Total as on 31-03-2025
	Capital Reserve	Securities Premium Account	General Reserves	Retained Earnings	Revaluation Surplus	Equity Instruments through other comprehensive income	Other Items of Other Comprehensive Income*	
Balance at the Beginning of the Current Reporting Period - 01/04/2024	361.27	12,250.20	375.60	3,135.67	(1,391.96)	5,479.16	1,429.29	21,639.23
Changes in accounting Policy/prior period errors	-	-	-	-	-	-	-	-
Restated Balance as at the beginning of the current reporting period - 01/04/2024	361.27	12,250.20	375.60	3,135.67	(1,391.96)	5,479.16	1,429.29	21,639.23
Profit/(Loss) of Current Reporting period				694.15				694.15
Share of profit from LLP				(4.98)				(4.98)
Other Comprehensive Income for the current year							(693.17)	(693.17)
Total Comprehensive Income for the current year	-	-	-	689.17	-	-	(693.17)	(4.00)
Any other changes								
Balance at the End of the current Reporting Period - 31/03/2025	361.27	12,250.20	375.60	3,824.85	(1,391.96)	5,479.16	736.12	21,635.24



\*Reversal of Preference Dividend Receivable – IRL Limited- The Company had earlier recognised preference dividend income of ₹.10 Crores as part of Other Comprehensive Income (OCI) in respect of its investment in preference shares of IRL Limited, based on the original terms of the investment agreement. During the current financial year, the Board of Directors of the Company approved a Scheme of Amalgamation involving IRL Limited (Transferor Company) and the Company, in its meeting held in April 2025, under the provisions of Sections 230 to 237 of the Companies Act, 2013. The Scheme has been filed with the appropriate authorities and is pending for necessary regulatory approvals. Consequent to the proposed merger and the change in terms of the preference shares and dividend entitlement, the Company has reversed the earlier recognised dividend income of ₹.10 Crores during the year. The said reversal has been accounted for as a reduction in Other Comprehensive Income (OCI), in line with the guidance under Ind AS 109 – Financial Instruments, and Ind AS 1 – Presentation of Financial Statements. The management will reassess the accounting treatment of the investment and related income based on the final outcome and approved terms of the Scheme of Amalgamation.

Particulars	Reserves and Surplus							Total as on 31-03-2024
	Capital Reserve	Securities Premium Account	General Reserves	Retained Earnings	Revaluation Surplus *	Equity Instruments through other comprehensive income	Other Items of Other Comprehensive Income **	
<b>Balance at the Beginning of the Previous Reporting Period - 01/04/2023</b>	361.27	12,250.20	375.60	3,044.40	(2,068.52)	2,245.74	1,712.58	<b>17,921.27</b>
Changes in accounting Policy/prior period errors	-	-	-	-	-	-	-	-
<b>Restated Balance as at the beginning of the previous reporting period - 01/04/2023</b>	<b>361.27</b>	<b>12,250.20</b>	<b>375.60</b>	<b>3,044.40</b>	<b>(2,068.52)</b>	<b>2,245.74</b>	<b>1,712.58</b>	<b>17,921.27</b>
Profit/(Loss) of Previous Reporting period	-	-	-	96.95	-	-	-	<b>96.95</b>
Share of profit from LLP	-	-	-	(5.68)	-	-	-	<b>(5.68)</b>
Other Comprehensive Income for the previous year	-	-	-	-	676.56	3,233.42	(283.29)	<b>3,626.69</b>
<b>Total Comprehensive Income for the previous year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5.68)</b>	<b>676.56</b>	<b>3,233.42</b>	<b>(283.29)</b>	<b>3,621.01</b>
Any other changes	-	-	-	-	-	-	-	-
<b>Balance at the End of the previous Reporting Period - 31/03/2024</b>	<b>361.27</b>	<b>12,250.20</b>	<b>375.60</b>	<b>3,135.67</b>	<b>(1,391.96)</b>	<b>5,479.16</b>	<b>1,429.29</b>	<b>21,639.23</b>

For Venkatesh and Co.  
Chartered Accountants  
F.R.No. 046365

*Hrishikesh D*  
CA Hrishikesh D  
Partner  
Membership No. 272865  
UDIN: 25272865BMLLA18517  
Place: Chennai  
Date: 28 May 2025



for and on behalf of the board  
*E N Rangaswami*  
E N Rangaswami  
Whole-time Director  
DIN: 06463753

*N. X*  
N Umashankar  
Chief Financial Officer

*B Narendran*  
B Narendran  
Director  
DIN: 01159394

*Oberoi Jagjit M*  
Oberoi Jagjit M  
Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032  
 CIN: L65191TN1985PLC037309

**Standalone Statement of Cash Flow for the period ended 31st March, 2025**

(Rs. In Lakhs)

Particulars	31-Mar-25	31-Mar-24
<b>(A) Cash Flow from Operating Activities:</b>		
Profit for the year before tax and after exceptional items, OCI, share of Loss	271.39	4,359.96
<b>Less:</b>		
<b>Other items of OCI</b>	<b>(710.10)</b>	
<b>Adjustment For:</b>		
Depreciation & Amortisation Expenses	84.00	95.65
Dividend Income	(39.95)	(40.55)
Interest Income	(6.59)	(187.57)
Profit on sale of Investments	(35.50)	(60.97)
Non Operating Income	(149.75)	(60.00)
Dividend Income		
<b>Operating Profit Before Working Capital changes:</b>	<b>(586.50)</b>	<b>4,106.52</b>
<b>Adjustment For:</b>		
Increase/(decrease) Other Financial Liabilities	23.77	(57.06)
Increase/(decrease) in Current Liabilities & Provision	9.14	81.72
[(Increase)/decrease in Trade Receivables	(111.79)	(207.09)
[(Increase)/decrease in Current Tax Assets	68.07	(12.82)
[(Increase)/decrease in Other Current Assets	(9.57)	186.69
	<b>(606.88)</b>	<b>4,097.96</b>
<b>Income Tax Paid</b>	<b>(176.82)</b>	<b>(186.53)</b>
<b>Net Cash Flow from Operating Activities(A)</b>	<b>(783.70)</b>	<b>3,911.43</b>
<b>(B) Cash Flow from Investing Activities:</b>		
Proceeds from sale of shares/investments	35.50	2,350.00
Addition on Fixed Asset	(517.09)	(0.94)
Current Investment	201.39	(2,239.35)
Other Non Current Investment	(389.49)	(5,272.38)
Income from Investment	196.29	288.12
Other Current Financial Asset	809.37	1,452.99
Loans & Advances	319.03	104.62
<b>Net Cash flow used in Investing Activities(B)</b>	<b>655.00</b>	<b>(3,316.92)</b>
<b>(C) Cash Flow from Financing Activities</b>		
Unsecured Loans	-	(400.00)
<b>Net Cash used in Financing Activities (C)</b>	<b>-</b>	<b>(400.00)</b>
<b>Net Cash Flows during the year (A) + (B) + (C)</b>	<b>(128.69)</b>	<b>194.51</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents:</b>		
Opening Balance as at 01st April, 2024	306.63	112.12
Net Cash Flow during the Year ended 31st March, 2025		
<b>Closing Balance as at 31st March, 2025</b>	<b>177.94</b>	<b>306.63</b>

- The cash flow statement has been prepared in accordance with the requirements of Indian Accounting Standards issued by the Institute of Chartered Accountants of India.
- Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregating between cash flows.
- Significant cash and cash equivalent balances held by the enterprise are available for use by the company.

**For Venkatesh and Co.**  
 Chartered Accountants  
 F.R.No. 046365

*flurshikesh*  
**CA Hirshikesh.D**

**Partner**  
 Membership No. 272865  
 UDIN: 252728658MLLA28517  
 Place: Chennai  
 Date: 28 May 2025



for and on behalf of the board

*[Signature]*  
**E N Rangaswami**  
 Whole-time Director  
 DIN: 06463753

*[Signature]*  
**B Narendran**  
 Director  
 DIN: 01159394

*[Signature]*  
**N. Y. Umasankar**  
 Chief Financial Officer

*[Signature]*  
**Oberoi Jangit M**  
 Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

**Schedule of Depreciation as per Companies Act, 2013****Note annexed to and forming part of Balance Sheet for the Year Ended as at 31st March 2025****2) Property, Plant and Equipment**

8.52%

(Rs. In Lakhs)

S No	Particulars	Gross Block			Depreciation				Net Block		
		As on 01-04-2024	Additions	Deletion	As on 31-03-2025	As on 01-04-2024	For the period	Deletions	As on 31-03-2025	As at 31-03-2025	As at 31-03-2024
1	Freehold Land	5,619.00	478.76	-	6,097.76	-	-	-	-	6,097.76	5,619.00
2	Buildings	1,857.51	-	-	1,857.51	642.02	71.65	-	713.67	1,143.85	1,215.49
3	Computers	7.67	3.41	2.88	8.20	7.46	2.79	2.88	7.37	0.83	0.21
4	Airconditioners,etc	124.63	19.50	-	144.13	69.95	9.23	-	79.18	64.95	54.68
5	Furniture and Fixtures	137.49	15.40	-	152.89	136.35	0.10	-	136.45	16.44	1.14
6	Office Equipments	5.11	-	-	5.11	4.63	0.23	-	4.85	0.26	0.48
	<b>Total</b>	<b>7,751.41</b>	<b>517.07</b>	<b>2.88</b>	<b>8,265.60</b>	<b>860.41</b>	<b>84.00</b>	<b>2.88</b>	<b>941.52</b>	<b>7,324.09</b>	<b>6,891.00</b>

**Note:**

The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e 31st March 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e., on 1st April 2016.



## 3) Non - Current investments:

(In Lakhs)

S.No.	Name of the Investee	Nature of relationship (Subsidiary / Associate / JV / Others)	Face Value (Rs.)	No. of Shares	As at 31st Mar 2025	No. of Shares	As at 31st Mar 2024
Investments in Equity Instruments-fully paid up at fair value through Other Comprehensive Income							
<b>Quoted</b>							
1	India Radicals Limited	Others	1L	3,48,622	32.49	-	-
2	Soal Logistics Ltd	Others	1L	840	0.89	12,600	1.50
3	Soaps India Ltd	Others	1L	9,09,510	808.14	9,09,510	584.01
4	Southern Petrochemical Industries Corporation Ltd	Others	1L	8,53,810	890.50	8,53,810	589.97
5	Tamil Nadu Petroproducts Ltd	Others	1L	2,01,000	138.71	2,01,000	156.96
6	Manal Petrochemicals	Others	5	38,49,810	2,362.82	28,97,810	1,403.77
7	TTK Prestige Ltd Shares	Others	1	1,000	5.94	1,000	6.71
8	Integrated Digital Info Services Ltd	Others	1L	200	-	-	-
9	Rumbhat Financial Services Ltd	Others	1L	10,100	1.87	200	1.59
10	Fertilisers Ltd	Others	1L	1,37,71,072	10,730.42	1,37,71,072	11,040.28
<b>Sub Total - (A)</b>					<b>14,372.78</b>		<b>13,794.79</b>
<b>Unquoted</b>							
1	Valley Security Management Ltd (formerly known as National Trust Housing Finance Ltd)	Subsidiary	1L	1,20,80,800	6,573.12	1,20,80,800	6,885.10
2	AM Foundation	Others	1L	1,200	-	1,200	-
3	Q Security private Ltd	Subsidiary	1L	30,07,800	866.70	28,07,800	922.62
4	Agrienne Exports Ltd	Others	1L	8,000	-	8,000	-
<b>Sub Total - (B)</b>					<b>7,539.82</b>		<b>7,807.81</b>
<b>Total (C) = (A) + (B)</b>					<b>21,912.60</b>		<b>21,602.60</b>
<b>Investments in Preference Shares</b>							
1	India Radicals Ltd	Subsidiary	1L	18,48,27,000	1,205.10	19,48,27,000	1,125.21
<b>Sub Total - (D)</b>					<b>1,205.10</b>		<b>1,125.21</b>
<b>Investment in capital of LLP-at cost</b>							
1	Chithiranjini Developers LLP *	Subsidiary			297.80		297.00
<b>Sub Total - (E)</b>					<b>297.80</b>		<b>297.00</b>
<b>Net Value of Investments (C)+(D) -(E)</b>					<b>23,414.30</b>		<b>23,024.81</b>

## Details of Investment in LLP:

Names of partners	31-03-2025		31-03-2024	
	Capital	Share of Profit	Capital	Share of Profit
Morcanic Ventures Limited	297.00	99%	297.00	99%
V Balagopal	3.00	1%	3.00	1%
<b>Total</b>	<b>300.00</b>	<b>100%</b>	<b>300.00</b>	<b>100%</b>

## 4) Current Investments

Particulars	As at	
	31-03-2025	31-03-2024
Investments in Mutual Funds at Fair Value		
UTI Money Market Funds at Fair Value - Regular Plan - Growth (34.04) Units (7247 Units)	4.10	205.49
<b>Total</b>	<b>4.10</b>	<b>205.49</b>

The Company has classified investments in mutual funds as financial assets measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109. These investments are held for both collection of contractual cash flows and for sale. The fair value is based on the Net Asset Value (NAV) declared by the mutual fund at the reporting date. Any changes in fair value are recognised in Other Comprehensive Income (OCI) and not reclassified to profit and loss on disposal.



5) Trade Receivables

(Rs. In Lakhs)

Particulars	31 March 2025	31 March 2024
Undisputed Trade Receivables considered good:	768.73	656.94
Disputed Trade Receivables considered good:	-	-
<b>Total</b>	<b>768.73</b>	<b>656.94</b>

Trade receivables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 Years	More than 3 Years	
Undisputed Trade receivables - Considered good	734.53	9.03	8.13	4.90	12.14	768.73
(Previous Year figures)	631.65	4.00	8.82	10.69	1.78	644.47
Undisputed Trade receivables - which have significant increase in credit risk						-
Undisputed Trade receivables - credit impaired						-
Disputed Trade receivables - considered good						-
(Previous Year figures)						-
Disputed Trade receivables - which have significant increase in credit risk						-
(Previous Year figures)						-
Disputed Trade receivables - credit impaired						-
<b>Total Trade Receivables</b>	<b>734.53</b>	<b>9.03</b>	<b>8.13</b>	<b>4.90</b>	<b>12.14</b>	<b>768.73</b>
(Previous Year figures)	631.65	4.00	8.82	10.69	1.78	656.94



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

**Notes on accounts \_ Balance Sheet (Assets) for the year ended 31st March, 2025**

(Rs. In Lakhs)

<b>6) Cash &amp; Cash Equivalents</b>		
Particulars	31-Mar-25	31-Mar-24
Cash In Hand	0.03	0.19
Balance with Banks	77.17	202.86
<b>Total</b>	<b>77.20</b>	<b>203.05</b>

<b>7) Bank balance other than (iii) above</b>		
Particulars	31-Mar-25	31-Mar-24
Fixed deposits with banks	100.74	103.58
<b>Total</b>	<b>100.74</b>	<b>103.58</b>

<b>8) Loans &amp; Advances</b>		
Particulars	31-Mar-25	31-Mar-24
<b>Loan and advances- considered good - unsecured</b>		
Loans and Advances-Related parties	112.88	93.16
Loans and Advances-Others	2,260.02	2,598.77
<b>Total</b>	<b>2,372.90</b>	<b>2,691.93</b>

Type of borrower	Amount of loan or advance in the nature of Loan outstanding	
	31-Mar-25	31-Mar-24
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	112.88	93.16
<b>Total</b>	<b>112.88</b>	<b>93.16</b>
<b>Percentage to the loans and Advances in the nature of loans</b>	<b>4.76%</b>	<b>3.46%</b>

Details of corporate deposits/ Loans disclosed pursuant to section 186(4) of the Companies Act, 2013

EDAC Engineering Limited	2,260.02	2,598.77
India Radiators Limited	112.88	85.44
Chitharanjan Developers LLP	-	7.72



9) Other financial assets		
Particulars	31-Mar-25	31-Mar-24
Others Advances	566.25	1,375.62
Security Deposit	0.57	0.57
<b>Total</b>	<b>566.82</b>	<b>1,376.19</b>

10) Current Tax		
Particulars	31-Mar-25	31-Mar-24
TDS & Advance Tax	1,008.05	899.30
<b>Total</b>	<b>1,008.05</b>	<b>899.30</b>

11) Other Current Assets		
Particulars	31-Mar-25	31-Mar-24
Share of Profit from LLP/Partnership Firms	22.32	13.95
Balance with revenue authorities	1.96	0.75
<b>Total</b>	<b>24.28</b>	<b>14.71</b>



**Mercantile Ventures Limited**

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CIN: L65191TN1985PLC037309

**Notes on accounts \_ Balance Sheet (Equity & Liabilities) for the Year Ended 31st March, 2025**

(Rs. In Lakhs)

12) Share Capital		31-Mar-25	31-Mar-24
Particulars			
<b>Authorised Capital</b>			
11,50,90,000 Equity Shares of Rs.10/- each		11,509.00	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each		1,500.00	1,500.00
<b>Total</b>		<b>13,009.00</b>	<b>13,009.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>			
11,19,18,195 Equity Shares of Rs.10/- each fully paid up		11,191.82	11,191.82
<b>Total</b>		<b>11,191.82</b>	<b>11,191.82</b>

**Number of Equity Shares at the beginning and end of the current and previous reporting periods**

Particulars	31-Mar-25		31-Mar-24	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the reporting period	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-
Changes in Equity Share Capital during the period	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>11,19,18,195</b>	<b>11,191.82</b>	<b>11,19,18,195</b>	<b>11,191.82</b>

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

Name of Shareholder	31-Mar-25		31-Mar-24	
	No. of shares	% of Holding	No. of shares	% of Holding
Trinity Auto Points Limited	2,09,56,000	18.72%	2,09,56,000	18.72%
South India Travels Private Limited	1,86,12,086	16.63%	1,86,12,086	16.63%
Golden Star Assets Consultants Private Limited	1,43,96,000	12.86%	1,43,96,000	12.86%
Southern Petrochemical Industries Corporation Limited	1,50,28,000	13.43%	1,50,28,000	13.43%
Ranford Investments Limited	78,07,955	6.98%	78,07,955	6.98%
Dornolly Investments Limited	64,37,000	5.75%	64,37,000	5.75%
Sicagen India Limited	77,23,005	6.90%	77,23,005	6.90%

**Shareholding of Promoter as at 31/03/2025**

Name of the Promoter	No. of Shares	% of total shares	% Change during the year	Remarks
Mr AC Muthiah	13,068	0.01%	-	Promoter Group
Mr AL Vadivelu	8,144	0.01%	-	Promoter
Mr Ashwin C Muthiah	230	-	-	Promoter Group
Trinity Auto Points Ltd	2,09,56,000	18.72%	-	Promoter Group
South India Travels Private Ltd	1,86,12,086	16.63%	-	Promoter
Golden Star assets Consultants Private Ltd	1,43,96,000	12.86%	-	Promoter Group
Ranford Investments Ltd	78,07,955	6.98%	-	Promoter
Dornolly Investments Ltd	64,37,000	5.75%	-	Promoter
Twinshield Consultants Private Ltd	52,81,899	4.72%	-	Promoter Group
Sicagen India Ltd	77,23,005	6.90%	-	Promoter
First Leasing Company of India Ltd	1,77,250	0.16%	-	Promoter
Navia Markets Ltd	11,600	0.01%	-	Promoter
	<b>8,14,24,237</b>	<b>72.75%</b>		



**(A) Equity share capital**

Equity shares of Rs.10 each issued, subscribed and fully paid up

**(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
11,191.82		11,191.82	-	11,191.82

**(A) Equity share capital**

Equity shares of Rs.10 each issued, subscribed and fully paid up

**(2) Previous reporting period**

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



13) Other Equity

Particulars	Reserves and Surplus							Total as on 31-03-2025
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	Revaluation Surplus	Equity Instruments through other comprehensive income	Other items of Other Comprehensive Income*	
Balance at the Beginning of the Current Reporting Period - 01/04/2024	361.27	12,250.20	375.60	3,135.67	(1,391.96)	5,479.16	1,429.29	21,639.23
Changes in accounting Policy/prior period errors	-	-	-	-	-	-	-	-
Restated Balance as at the beginning of the current reporting period - 01/04/2024	361.27	12,250.20	375.60	3,135.67	(1,391.96)	5,479.16	1,429.29	21,639.23
Profit/(Loss) of Current Reporting period	-	-	-	595.15	-	-	-	694.15
Share of profit from LLP	-	-	-	(4.90)	-	-	-	(4.90)
Other Comprehensive Income for the current year	-	-	-	-	-	-	(693.17)	(693.17)
Total Comprehensive Income for the current year	-	-	-	689.17	-	-	(693.17)	(3.95)
Any other changes	-	-	-	-	-	-	-	-
Balance at the End of the current Reporting Period - 31/03/2025	361.27	12,250.20	375.60	3,824.84	(1,391.96)	5,479.16	736.12	21,635.24

\*Reversal of Preference Dividend Receivable - IRL Limited: The Company had earlier recognised preference dividend income of ₹7.10 Crores as part of Other Comprehensive Income (OCI) in respect of its investment in preference shares of IRL Limited, based on the original terms of the investment agreement. During the current financial year, the Board of Directors of the Company approved a Scheme of Amalgamation involving JPL Limited (Transferor company) and the Company, in its moving hold in April 2025, under the provisions of Sections 230 to 237 of the Companies Act, 2013. The Scheme has been filed with the appropriate authorities and is pending for necessary regulatory approvals. consequent to the proposed merger and the change in terms of the preference shares and dividend entitlement, the Company has reversed the earlier recognised dividend income of ₹7.10 Crores during the year. The said reversal has been accounted for as a reduction in Other Comprehensive Income (OCI), in line with the guidance under Ind AS 109 - Financial Instruments, and Ind AS 1 - Presentation of Financial Statements. The management will reassess the accounting treatment of the investment and related income based on the final outcome and approved terms of the Scheme of Amalgamation.

Particulars	Reserves and Surplus							Total as on 31-03-2024
	Capital Reserve	Securities Premium Account	General Reserves	Retained Earnings	Revaluation Surplus	Equity Instruments through other comprehensive income	Other items of Other Comprehensive Income	
Balance at the Beginning of the Previous Reporting Period - 01/04/2023	361.27	12,250.20	375.60	1,044.40	(2,068.52)	2,245.74	1,712.58	19,931.39
Changes in accounting Policy/prior period errors	-	-	-	-	-	-	-	-
Restated Balance as at the beginning of the previous reporting period - 01/04/2023	361.27	12,250.20	375.60	1,044.40	(2,068.52)	2,245.74	1,712.58	19,931.39
Profit/(Loss) of Previous Reporting period	-	-	-	96.95	-	-	-	96.95
Share of profit from LLP	-	-	-	(5.68)	-	-	-	(5.68)
Other Comprehensive Income for the previous year	-	-	-	-	626.56	1,733.62	(283.29)	3,626.60
Total Comprehensive Income for the previous year	-	-	-	91.27	626.56	1,733.62	(283.29)	3,621.01
Any other changes	-	-	-	-	-	-	-	-
Balance at the End of the previous Reporting Period - 31/03/2024	361.27	12,250.20	375.60	3,135.67	(1,391.96)	5,479.16	1,429.29	21,639.23



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**Notes on accounts - Balance Sheet (Equity & Liabilities) for the period Ended 31st March, 2025**

(Rs. In Lakhs)

14) Non - Current Financial Liabilities		
Particulars	31-Mar-25	31-Mar-24
Security Deposits from Customers	252.80	269.03
<b>Total</b>	<b>252.80</b>	<b>269.03</b>

==>These represent security deposits received from customers against lease of immovable properties. The deposits are unsecured, interest-free (or interest-bearing if applicable), and refundable at the end of the lease term.

==>Based on lease terms, these deposits are not repayable within the next 12 months and are therefore classified as non-current financial liabilities.

==>For the current reporting period, the Company has assessed the fair value of these deposits using a discount rate of 8.75%, which represents the prevailing market rate for instruments with similar credit risk and tenure.

15) Deferred Tax Liabilities		
Particulars	31-Mar-25	31-Mar-24
Deferred Tax Liabilities	1,221.52	1,833.04
<b>Total</b>	<b>1,221.52</b>	<b>1,833.04</b>

16) Trade Payables		
Particulars	31-Mar-25	31-Mar-24
Total outstanding dues of micro enterprises and small enterprises; and	-	-
Total outstanding dues of creditors other than micro enterprises and small	28.71	48.11
<b>Total</b>	<b>28.71</b>	<b>48.11</b>

\* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date.

**Trade payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Outstanding for following periods from due date of payment	
	Less than 1 year	Total
MSME	-	-
Others	28.71	28.71
(Previous Year)	48.11	48.11
Disputed Dues - MSME	-	-
Disputed Dues - Others	-	-
<b>Total</b>	<b>28.71</b>	<b>28.71</b>
(Previous Year)	48.11	48.11

17) Other Current Financial Liabilities		
Particulars	31-Mar-25	31-Mar-24
Other Payables	10.06	34.04
<b>Total</b>	<b>10.06</b>	<b>34.04</b>

18) Other Current Liabilities		
Particulars	31-Mar-25	31-Mar-24
Statutory Dues	108.23	171.34
Bonus payable	115.63	-
<b>Total</b>	<b>223.86</b>	<b>171.34</b>

19) Current Provisions		
Particulars	31-Mar-25	31-Mar-24
Provision for Taxation	1,057.20	880.39
<b>Total</b>	<b>1,057.20</b>	<b>880.39</b>



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**Notes forming part of Statement of Profit & Loss for the year ended 31st March, 2025**

(Rs. In Lakhs)

<b>20) Revenue from operations</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
<b>Particulars</b>		
<b>(A) Sale of Services</b>		
Rent of Immovable Properties	753.51	712.36
Manpower Supply Service	2,902.56	2,270.67
<b>Total</b>	<b>3,656.07</b>	<b>2,983.03</b>

<b>21) Other Income</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
<b>Particulars</b>		
Interest Income	6.59	187.57
Dividend Income	39.95	40.55
Profit on sale of Assets	35.50	60.97
Miscellaneous Income	-	-
Non operating Income	150.15	61.00
<b>Total</b>	<b>232.19</b>	<b>350.09</b>

<b>22) Cost of Services</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
<b>Particulars</b>		
Cost of manpower supply services	2,369.77	1,912.65
Cost of maintenance services	95.42	103.42
Facility Management Service Expenses	313.25	204.66
<b>Total</b>	<b>2,778.44</b>	<b>2,220.73</b>

<b>23) Employee Benefits Expenses</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
<b>Particulars</b>		
Salary & Allowance:	130.25	108.12
Contribution to Provident Fund and other funds	2.81	1.37
Staff Welfare Expenses	4.48	5.59
<b>Total</b>	<b>137.54</b>	<b>115.08</b>



<b>24) Finance Costs</b>		
<b>Particulars</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
Unwinding Interest (IND AS Adjustment)	20.36	20.29
Interest on Inter Corporate Deposit	-	4.43
<b>Total</b>	<b>20.36</b>	<b>24.72</b>

<b>25) Depreciation And Amortisation Expenses</b>		
<b>Particulars</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
Depreciation	84.00	95.65
<b>Total</b>	<b>84.00</b>	<b>95.65</b>

<b>26) Other Expenses</b>		
<b>Particulars</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
Advertisement Charges	2.55	2.36
Auditors Remuneration	6.10	5.50
Power & Fuel	17.86	19.32
Insurance Expenses	1.25	1.83
Postage & Telephone Expenses	3.20	4.50
Printing & Stationery	4.10	4.58
Professional & Consultancy Charges	13.50	29.20
Repairs & Maintenance	82.03	122.32
Travelling & Conveyance	-	0.26
Donation	-	0.25
Contribution to CSR activities	-	13.90
Miscellaneous Expenses	45.58	9.19
Security Charges Puzhal	9.57	9.96
Expected credit loss on advances	337.16	337.17
Director Sitting Fees	13.75	7.50
Rates & Taxes	77.52	64.51
<b>Round Off</b>	<b>614.17</b>	<b>632.35</b>



**Hercantile Ventures Limited**

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 CM: 1453337N/195FL0037309

**27 Deferred Tax Computation**

Deferred Tax	As at 31-3-2025	As at 31-3-2024
<b>Components of Deferred Tax</b>		
Deferred Tax Liabilities	1,616.38	2,127.70
Deferred Tax Assets	394.86	234.66
<b>Deferred Tax Liabilities (Net)</b>	<b>1,221.52</b>	<b>1,893.04</b>

Particulars	Carrying Value	Tax base	Timing Difference	Deferred tax asset	Deferred tax liability
Lease Deposit	292.80	395.61	(102.81)	25.88	-
Loans and Advances ICD	2,356.86	3,079.61	(722.75)	181.92	-
Investment - Preference Shares	1,205.10	1,948.27	(743.17)	187.66	-
Investment	21,912.20	18,652.57	3,259.63	-	(820.45)
Land Revaluation	6,097.76	4,058.85	2,038.91	-	(513.19)
Tangible assets and Intangible assets	1,226.32	103.01	1,123.31	-	(282.74)
<b>Total</b>	<b>33,091.04</b>	<b>28,237.91</b>	<b>4,853.13</b>	<b>394.86</b>	<b>(1,616.38)</b>
				<b>Net Deferred Tax Asset/ (Liability)</b>	<b>(1,221.52)</b>

Previous Year

Particulars	Carrying Value	Tax base	Timing Difference	Deferred tax asset	Deferred tax liability
Lease Deposit - Present Value	269.03	434.47	(165.44)	41.64	(76.73)
Loans and Advances ICD	2,394.02	3,126.20	(432.18)	108.78	-
Investment - Preference Shares	1,125.21	1,948.27	(823.06)	-	(207.16)
Investment	21,402.60	17,882.24	(3,720.36)	-	(936.41)
Land Revaluation	5,498.25	4,058.85	1,839.40	-	(462.98)
Tangible assets and Intangible assets	1,272.01	79.39	(1,192.62)	-	(300.18)
<b>Total</b>	<b>32,861.11</b>	<b>27,529.41</b>	<b>(4,494.26)</b>	<b>150.42</b>	<b>(1,983.48)</b>
				<b>Net Deferred Tax Asset/ (Liability)</b>	<b>(1,833.04)</b>

**28 Exceptional Items**

Particulars	As at 31-3-2025	As at 31-3-2024
Exceptional Items	NIL	NIL

**29 Expenditure in foreign currency during the current period**

Particulars	As at 31-3-2025	As at 31-3-2024
Expenditure in foreign currency during the current period	NIL	USD 23,18,694

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

Particulars	As at 31-3-2025	As at 31-3-2024
Earnings in Foreign Exchange received during the current period	NIL	NIL



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

**(i) List of Related Parties:**

Name of the related party	Relationship
IQ Security Private Limited	Subsidiary Company
India Radiators Limited	Subsidiary Company
South India Travels Private Ltd	Promoter Company
Southern Petrochemical Industries Corporation Ltd	More than 10% Shareholding
Sciagen India Ltd	Promoter Company
Chitaranjan Developers LLP	Subsidiary Company
Wolery Security Management Ltd (formerly known as National Trust - Housing Finance Limited)	Subsidiary Company
AMI Holdings Private Limited	Companies with Common Directorship
B.Narendran	Director
A. L. Chandranouli	Director
Sashikala Srikanth	Director
M. S. Niranjan	Director
Rita Chandrasekar	Director
G.D.Sharma	Director
K.Gopalakrishnan	Director
Mr. E.N. Rangaswami, Whole-time Director	Whole Time Director

**(ii) Transactions with Related Parties:**

Rs in Lakhs

Name of the related party	FY 2024 - 25	FY 2023 - 24
<b>IQ Security Private Limited</b> Security charges	52.84	50.72
<b>India Radiators Limited</b> Inter corporate deposit & advances given	30.45	12.52
<b>Wolery Security Management Limited (Formerly known as National Trust - Housing Finance Limited)</b> Loans & Advances	0.88	2.21
Sale of Preference Shares	-	2,000.00
<b>Chitaranjan Developers LLP:</b> Loans & Advances	5.63	6.01
Receipts in current account	-	180.50
<b>South India Travels Private Ltd</b> Purchase of shares	-	407.00
<b>Sciagen India Ltd</b> Lease Rent, Maintenance and Manpower Supply Services	141.04	182.57
<b>Southern Petrochemical Industries Corporation Ltd</b> Lease Rent, Maintenance and Manpower Supply Services	1,002.94	1,004.28
<b>AMI Holdings Private Limited</b> Lease Rent, Maintenance and Manpower Supply Services	0.89	0.83
<b>Mr. E.N. Rangaswami, Whole Time Director</b> Remuneration to Director	61.60	60.00
<b>Sitting fees to Directors</b>		
B.Narendran	2.75	1.50
G.D.Sharma	2.75	1.50
K.Gopalakrishnan	2.75	1.50
A. L. Chandranouli	2.75	1.50
Sashikala Srikanth	2.75	1.50
M. S. Niranjan	-	-
Rita Chandrasekar	-	-



## (iv) Balances of Related Parties:

Rs in Lakhs

Name of the related party	As at	
	31-3-2025	31-3-2024
<b>IS Security Private Limited</b> Investments in Equity shares	866.30	922.62
<b>India Radiators Limited</b> Investment in preference shares	1205.10	1125.21
Advances	112.88	85.44
<b>Chitaranjan Developers LLP:</b> Investment in capital	297.00	297.00
Loans and advances	-	7.72
Current Account	22.32	13.95
<b>Southern Petrochemical Industries Corporation Ltd</b> Trade Receivables	299.75	211.02
<b>Sicagon India Ltd</b> Trade Receivables	25.41	21.97
<b>South India Travels Private Ltd</b> Advances	335.00	335.30
<b>Walory Security Management Ltd</b> Equity Shares	6,573.12	6,485.19



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

(Rs. In Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
<b>i) Contingent liabilities :</b>		
a) Claims against the company not acknowledged as debt;	Nil	Nil
b) Guarantees-charge created on company's asset for third party loan	30000.00	38500.00
c) Other money for which the company is contingently liable.	Nil	Nil
Disputed tax demand in respect of Assessment Year 2015-16 ( Rectification orders requested)	33.55	33.55
Disputed tax demand in respect of Assessment Year 2016-17 (appeal pending with CIT(A))	14.81	14.81
Disputed tax demand in respect of Assessment Year 2017-18	15.17	15.17
Appeal being filed in the Madras High Court		
<b>ii) Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
b) Uncalled liability on shares and other investments partly paid;	Nil	Nil
c) Other commitments (specify nature)	Nil	Nil

**33 Corporate Social Responsibility**

Particulars	2024-25	2023-24
i) Amount required to be spent by the company during the year	-	13.90
ii) Amount of expenditure incurred #		
FY 2021-22	1.76	
FY 2022-23	1.26	
FY 2023-24	3.10	
iii) Shortfall at the end of the year	10.80	13.90
iv) Total of previous years shortfall	10.80	3.02
v) Reason for shortfall	The entire amount of 13.90 lakhs transferred to CSR unspent account with a scheduled bank Construction of new toilets for students of Government Higher Secondary School in Chennai	The entire amount of 13.90 lakhs transferred to CSR unspent account with a scheduled bank Construction of new toilets for students of Government Higher Secondary School in Chennai
vi) Nature of CSR activities		
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

# spent during 2024-25.



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**34 Analytical Ratios:**

Analytical Ratios	2024-25	2023-24	Remarks	variance	Reasons for variance exceeding 25%
(a) Current Ratio	3.73	5.42	Current assets/current liabilities	-31.25%	Redemption of Current Investment
(b) Debt Equity Ratio	NA	NA			
(c) Debt Service Coverage Ratio	NA	NA			
(d) Return on Equity	2.11%	0.28%	Net profit after tax/shareholder funds*100	655.20%	Due to reversal of Deferred Tax
(e) Inventory Turnover Ratio	NA	NA			
(f) Trade Receivables Turnover Ratio	5.13	5.39	Revenue from operation/average receivables	-4.64%	
(g) Trade Payables Turnover Ratio	NA	NA			
(h) Net Capital Turnover Ratio	1.01	0.99	Revenue from operations/( Current assets-Current Liabilities)	21.99%	Increase in Manpower Turnover and Redemption of Current Investment
(i) Net Profit Ratio	0.19	0.03	Net Profit/Revenue from operations	532.88%	Due to reversal of Deferred Tax
(j) Return on capital employed	2.02%	0.20%	Net Profit/Total assets-current liabilities)	677.43%	Due to reversal of Deferred Tax
(k) Return on Investment	1.95%	0.25%	Net Profit/Total assets	678.61%	Due to reversal of Deferred Tax



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

**Reconciliation of the projected benefit obligations**

Rs in Lakhs

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Change in present value of obligation:</b>		
Present value of Obligations at the beginning of the year	97.41	67.36
Current Service cost	36.28	23.62
Interest cost	7.06	4.89
Actuarial gain/(loss) on obligations	1.97	1.54
Benefits settled	-9.46	-
<b>Present value of Obligations as at the end of the year</b>	<b>133.26</b>	<b>97.41</b>
<b>Change in plan assets:</b>		
Plans assets at the beginning of the year, at fair value	142.06	96.39
Expected return on plan assets	11.17	8.37
Contributions	44.56	37.30
Benefits settled	-9.46	-
<b>Plans assets at year end, at fair value</b>	<b>188.33</b>	<b>142.06</b>
<b>Amounts to be recognised in Balance Sheet</b>		
Present value of obligations as at the end of year	133.26	97.41
Fair value of plan assets as at the end of the year	188.33	142.06
Funded status	55.07	44.65
Net asset/liability recognised in balance sheet	55.07	44.65

**Expense recognised in the statement of profit and loss and other comprehensive income:**

Rs in Lakhs

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Gratuity cost for the year</b>		
<b>Included in profit and loss:</b>		
- Service cost	36.28	23.62
- Past service cost		
- Interest cost	7.06	4.89
<b>Net gratuity cost</b>	<b>43.34</b>	<b>28.51</b>
<b>Defined benefit obligation</b>		
<b>Assumptions</b>		
Discount rate	7.25%	7.25%
Salary escalation	5.00%	5.00%
Retirement age	58 years	58 years
Mortality table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate



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**36 Segment reporting**

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

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

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Segment Revenue:</b>		
a) Rent and Maintenance of Immovable properties	753.49	712.35
b) Manpower Services	2,902.58	2,270.67
c) Investment activity	232.19	350.10
d) Unallocated Income	-	
<b>Total</b>	<b>3,888.26</b>	<b>3,333.12</b>
<b>Segment Profit:</b>		
a) Rent and Maintenance of Immovable properties	362.09	307.93
b) Manpower Services	219.57	153.36
c) Investment activity	232.18	350.10
<b>Total</b>	<b>813.84</b>	<b>811.39</b>
Finance Cost	20.36	24.72
Other net unallocable (income)/expenses	539.73	542.08
Tax expenses	(440.40)	147.64
<b>Profit for the year</b>	<b>694.15</b>	<b>96.95</b>
<b>Segment Assets and Liabilities</b>		
<b>Segment Assets</b>		
a) Rent and Maintenance of Immovable properties	7,620.50	7,056.98
b) Manpower Services	472.32	490.96
c) Investment activity	26,358.12	27,298.42
d) Unallocated Income	1,210.27	1,220.64
<b>Total</b>	<b>35,661.21</b>	<b>36,067.00</b>
<b>Segment Liabilities</b>		
a) Rent and Maintenance of Immovable properties	325.53	330.76
b) Manpower Services	229.90	191.76
c) Unallocated	2,278.72	2,713.43
<b>Total Liabilities</b>	<b>2834.15</b>	<b>3235.95</b>

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

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



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**37 Relationship with struck off companies as at 31/03/2025:**

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
Harrington Investments Ltd	1,55,000	13.87%
Event Investments Ltd	55,000	4.93%
Miscard Ltd	39,700	3.00%
Pradal Ltd	12,648	0.73%
Aditya Financial Services P Ltd	8,400	0.49%
Cojeevaran Credits P Ltd	3,400	0.22%
Cowwoody Financials and Investments Ltd	1,600	0.12%
Synergy Finance and Leasing P LTD	1,500	0.13%
Vitality Investments P Ltd	1,350	0.12%
Nagarath Finance & Leasing P Ltd	800	0.06%
Guru Trade Credit Private Ltd	700	0.05%
Rajani Investments and Leasing Private Ltd	500	0.00%
Surlogy Investments & Consults P Ltd	500	0.02%
Totaram Investment & Finance Ltd	500	0.04%
Transcorp Financial Services Ltd	500	0.04%
Arvoce Finance Private Ltd	450	0.03%
Bobbhai Investments P Ltd	400	0.03%
Melodev Finance & Investments P Ltd	350	0.02%
Richfield Investments and Finance Limited	325	0.02%
Pachawanath Finance Ltd	300	0.03%
Kanshal Investments Promotion Ltd	250	0.01%
Mercury Software	250	0.02%
ACM Finance P Ltd	200	0.02%
Alphi Investments P Ltd	200	0.01%
Empire Finance Company Limited	200	0.00%
Intelliv & Financial Consultants	200	0.02%
Surya Vision Private Limited	200	0.02%
Emraas Financing Agricoles P Ltd	150	0.01%
Benevolent Housing & Allied Industries	125	0.01%
Arbhoo Estate Private Ltd	124	0.01%
Mohama Investments P Ltd	100	0.00%
Prakruth Finance Services Ltd	100	0.01%
Ranjani Investments P Ltd	100	0.01%
Sagithram Housing Investments Ltd	100	0.01%
Sri Sakshi Vinayak Stores Ltd	100	0.01%
Unique Business Private Ltd	100	0.01%
Kothari & Sons (Nominees) P Ltd	88	0.01%
Narvama Investments P Ltd	74	0.00%
Alphi Investments P Ltd	50	0.00%
Saxena Properties & Investments Ltd	50	0.00%
Sri Sri India Invest & Fin Corp Ltd	50	0.00%
Sandhanika Private Ltd	50	0.00%
Mow Arabadi Investments P Ltd	25	0.00%
Madan Stock & Share Limited	24	0.00%
Madan Finance Private Limited	13	0.00%
Pankaj Financial Services Ltd	8	0.00%
CRF Gold for shares Private Limited	6	0.00%
ST Christophers Tsang College	4	0.00%
Ahrenti Shares & Securities Private Limited	1	0.00%
<b>TOTAL</b>	<b>2,86,865</b>	<b>25.11%</b>



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

Sl.No	Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
1	Title deeds of Immovable Property not held in name of the Company	The Company does not have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable
2	Revaluation of Property , Plant & Equipment	The Company has revalued Property, Plant & Equipment, Refer note No.2(a).
3	Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets, Hence disclosure under this clause is not applicable
4	Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	<b>Refer Note No 8</b>
5	Capital-Work-in Progress (CWIP)	Nil
6	Intangible assets under development	Nil
7	Details of Benami Property held	The Company has no Benami Property
8	Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions secured against Current Assets,Hence disclosure under this clause is not applicable
9	Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender,Hence disclosure under this clause is not applicable
10	Relationship with Struck off Companies	<b>Refer Note No 37</b>
11	Registration of charges or satisfaction with Registrar of Companies (ROC)	Complied With
12	Compliance with number of layers of companies	The Company is in Compliance with Number of layers of the Companies
13	Anyaltical Ratios	<b>Refer Note No 34</b>
14	Compliance with approved Scheme(s) of Arrangements	Not Applicable
15	Utilisation of Borrowed funds and share premium	The company has not borrowed any funds or received any share premium and hence this clause is not applicable.
16	Undisclosed income	Nil
17	Corporate Social Responsibility (CSR)	<b>Refer Note No 33</b>
18	Details of Crypto Currency or Virtual Currency	The Company has not Traded or Invested in cryto currency or virtual currency, Hence disclosure under this clause is not applicable

**39** 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**

**Qualified 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, 2025, 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, 2025, 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 Qualified Opinion :**

**We draw your attention to the following qualification to the audit opinion of the financial statements of M/s Walery Security Management Limited, Subsidiary of the Holding company (M/s Mercantile Ventures Limited) issued by an Independent firm of Chartered Accountants (R.G.N Price & Co) vide report dated 19-05-2025 reproduced by us as under:**

During the year, The Company holds, 10%/9% 2.20 crores nos. redeemable cumulative preference shares of nominal value Rs. 10 per share aggregating to Rs. 22 crores of a company, purchased at par, in respect of which dividends remain unpaid since FY 2019-20.

In the absence of valuation reports in support of the fair-market value of these investments, we were unable to assess either the arm's length nature of this acquisition or the carrying value of these investments in terms of the principles outlined in Ind AS 109 Financial Instruments and Ind AS 113 - Fair Value Measurement and its consequential impact on the results of the Company for the year ended March 31, 2025.

Further, during the previous year, the issuer company had raised a request for roll over for a further five-year term and the same has been agreed upon by the Company.

**Emphasis of Matter:**

1. We draw attention to Note No.36 in the attached Statement relating to proposed merger of the Company with i3 Security Private Limited. Our opinion is not modified in this regard.



2. We draw attention to Note 10 of the financial statements relating to unutilized Balance with Revenue authorities. Our opinion is not modified in this regard.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our 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.

### **Management's Responsibility for the Financial Statements**

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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

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

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

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

#### Other matters

- a) We did not the audit the financial information of Subsidiaries namely **M/s. Walery Security Management Limited** and groups Share of Profit/(Loss) **Rs. 878.91 lakhs** and Total Comprehensive income / loss of **(Rs. 293.70 Lakhs)** and **M/s. India Radiators Limited** and groups Share of Profit/(loss) **(Rs. 84.92 Lakhs)** and total comprehensive income/loss of (Rs. 84.92 Lakhs) for the year ended 31st March 2025, has been considered in the Consolidated financial Statements. These Financial statements have been audited by other auditors whose reports have been furnished to us by the management and in our opinion the consolidated financial statements, in so far as it amounts and disclosures included in respect of these associates, and our report in the terms of the sub-section (3) and (11) of the section 143 of the act in so far as it relates to the aforesaid associate, is based solely upon the report of the other auditors and management representations.
- b) Our Opinion on the consolidated financial statements and our report on Other legal and regulatory requirements below, is not modified in the respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the consolidated financial statements/information certified by the management.

#### 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.

#### Report on Other Legal and Regulatory Requirements

- I. 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, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 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.
  - 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;

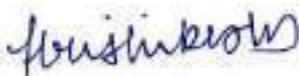
(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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

With respect to the matters specified in paragraphs 3(xi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, to which reporting under CARO is applicable, we report that there are the M/s Walery Security Management Limited, Subsidiary of the Holding company (M/s Mercantile Ventures Limited) issued by an Independent firm of Chartered Accountants (R.G.N Price & Co) vide report dated 19-05-2025, The Company holds, 10%/9% 2.20 crores nos. redeemable cumulative preference shares of nominal value Rs. 10 per share aggregating to Rs. 22 crores of a company, purchased at par, in respect of which dividends remain unpaid since FY 2019-20. In the absence of valuation reports in support of the fair-market value of these investments, we were unable to assess either the arm's length nature of this acquisition or the carrying value of these investments in terms of the principles outlined in Ind AS 109 Financial Instruments and Ind AS 113 - Fair Value Measurement and its consequential impact on the results of the Company for the year ended March 31, 2025.

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



**CA Hrishikesh.D**

**Partner**

**M.No : 272865**

**Place: Chennai**

**Date: 28/05/2025**

**UDIN: 25272865BMLLAJ2918**



**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, 2025 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.

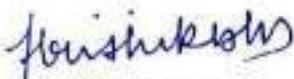
### **Limitations of Internal Financial Controls Over Financial Reporting**

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, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Venkatesh & Co**  
**Chartered Accountants**  
**FRN 0046365**



**CA. Hrishikesh.D**  
**Partner**

**M.No : 272865**

**Place: Chennai**

**Date: 28/05/2025**

**UDIN: 25272865BMLLAJ2918**



## **CONSOLIDATED NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

### **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, Tamil Nadu, India. The Company's shares are listed in the BSE.

List of Subsidiaries with percentage Holding:

<b>Name of the entity</b>	<b>Country of incorporation and other particulars</b>	<b>Type of Subsidiary</b>	<b>Holdings (%)</b>
i3 Security Pvt Ltd	A subsidiary of the company incorporated under the laws of India.	Wholly owned subsidiary	100.00
India Radiators Ltd	A subsidiary of the company incorporated under the laws of India.	Subsidiary	97.29*
Walery Security Management Ltd	A subsidiary of the company incorporated under the laws of India.	Subsidiary	80.60
Chitharanjan Developers LLP	A subsidiary of the company incorporated under the laws of India.	Wholly owned subsidiary	99.00

\* 1.71% of Equity shares and 95.58% of Voting rights through Preference Shares pursuant to Section 47(2) of the Companies Act, 2013.

#### **1.2 Basis of preparation of 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 standard which requires a change in the accounting policy hitherto in use.

#### **1.3 Basis of Consolidation (Ind AS 110):**

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.

- b) The excess of cost to the company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies are made being an asset is recognized as "Goodwill" in the consolidated financial statements.
- c) 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;
  - (b) the minorities' 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.
- e) The Company has filed Scheme of Amalgamation with India Radiators Limited (Transferor Company) as approved in the Board Meeting held on 08th April 2025 and is pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013.

#### 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 Inventories (Ind AS 2)

Inventories comprise security systems held for resale and are valued at the lower of cost and net realizable value, in accordance with the principles laid down under Indian Accounting Standard (Ind AS) 2 – Inventories. Cost includes all costs of purchase (including taxes and duties, net of recoverable GST), and other costs incurred in bringing the inventories to their present location and condition. The First-In, First-Out (FIFO) method is used to determine the cost of inventories. Net Realizable Value (NRV) is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The Company periodically assesses inventories for



obsolescence or slow-moving items, and appropriate write-downs are recognized in the Statement of Profit and Loss, if required.

### 1.6 Cash Flow Statement (Ind AS 7)

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

### 1.7 Accounting Policies, Changes in Accounting Estimates and Errors (Ind AS 8)

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Company selects and applies its accounting policies consistently for similar transactions, events, and conditions, unless Ind AS specifically requires or permits categorization and application of different policies for different transactions.

#### Changes in Accounting Policies

Changes in accounting policies are made only if:

- Required by an Ind AS; or
- Such a change results in the financial statements providing more reliable and relevant information.

When a change in accounting policy is applied:

- It is accounted for retrospectively unless otherwise stated.
- The comparative figures for prior periods are restated, and
- The cumulative effect, if any, is adjusted in the opening balance of retained earnings.

#### Changes in Accounting Estimates

Changes in accounting estimates (e.g., useful lives, bad debt provisions) are recognized prospectively:

- In the period of the change, if the
- In the period of the change and fu

#### Prior Period Errors

Material prior period errors are corrected retrospectively in the first set of financial statements approved after their discovery by:

- Restating the comparative amounts for the prior period(s) presented; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities, and equity for the earliest period presented.

The nature of the error and the amount of the correction are disclosed in the notes to accounts.

### 1.8 Taxes on Income (Ind AS 12)

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.



• **Current 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.

• **Deferred 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 assets are recognized 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 assets 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.

• **Offsetting**

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority.

**1.9 Property Plant & Equipment (Ind AS 16)**

The property, plant and equipment of the companies are all held at cost, except for land and building of the Company, which are recorded at fair value, with depreciation provided on the straight-line / WDV method over the estimated useful life 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.



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 is 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.

Type of Assets	Period
Building	22 to 33 Years
Furniture and Fittings	10 Years
Office Equipment	5 Years
Computer	3 Years
Air conditioner	15 Years
Motor Vehicles	8 to 10 Years

### 1.10 Employee Benefits: (Ind AS 19)

The Company has classified its employee benefits into the following categories:

#### 1. Short-Term Employee Benefits

Short-term employee benefits such as salaries, wages, bonus, ex-gratia, and non-monetary benefits are recognized as an expense in the Statement of Profit and Loss in the period in which the related service is rendered. These benefits are accounted for at undiscounted amounts.

#### 2. Defined Contribution Plans

The Company's contribution to provident fund and other funds governed by the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 is recognized as an expense in the Statement of Profit and Loss when the services are rendered by the employees.

#### 3. Defined Benefit Plans – Gratuity

The Company has a defined benefit gratuity plan which is funded through Gratuity Trust. The liability or asset recognized in the balance sheet in respect of defined benefit plans is the



present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets:

- The liability for defined benefit obligations is determined annually using the Projected Unit Credit Method.
- The present value of the obligation is determined by discounting the estimated future cash outflows using market yields on government bonds.
- The Company operates a separate gratuity trust. All payments are routed through LIC, and the fund is maintained by LIC as part of their policy management.

#### 4. Termination Benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

#### 5. 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 Effect of changes in foreign exchange rates (Ind AS 21)

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction.
- b) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of long-term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### 1.12 Earnings Per Share (EPS) (Ind AS 33)

In accordance with Ind AS 33 – Earnings Per Share, the Company presents Basic and Diluted Earnings Per Share for its equity shares.

- **Basic Earnings Per Share** is calculated by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.
- **Diluted Earnings Per Share** is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares, such as employee stock options, convertible debentures, or other instruments convertible into equity.

The Company does not currently have any outstanding dilutive instruments; hence, Basic EPS and Diluted EPS are the same for all periods presented.

The earnings and the weighted average number of shares used in calculating basic and diluted EPS are disclosed in the Notes to Financial Statements.

#### 1.13 Impairment of Assets: (Ind AS 36)



The 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.

#### **1.14 Provisions, Contingent Liabilities and Contingent Assets (Ind AS 37)**

##### **Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Provisions are not recognized for future operating losses.

Where the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

##### **Contingent Liabilities**

A contingent liability is disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events but is not recognized because:

It is not probable that an outflow of resources will be required; or

The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but are disclosed in the notes to the financial statements unless the possibility of an outflow is remote.

##### **Contingent Assets**

A contingent asset is disclosed where an inflow of economic benefits is probable but not recognized until the realization of income is virtually certain. When the inflow of benefit becomes virtually certain, the asset is recognized in the financial statements.

#### **1.15 Segment Reporting (Ind AS 108)**



The Company operates in one primary business segment: Sale of Services and hence they are identified as reportable segments in accordance with Ind AS 108 – *Operating Segments*.

**Sale of Services:** This segment includes the provision of Renting of property and related services, Manpower supply services, and Facilities management services. The revenue under this segment is derived from contracts for rental and related services provided to clients.

#### **Measurement and Reporting**

- Segment revenue, segment expenses, and segment results include respective amounts directly attributable to each segment and a portion of common costs allocated on a reasonable basis.
- Segment assets and liabilities are reported only to the extent they are regularly provided to the CODM.
- The accounting policies used for segment reporting are consistent with those followed in the preparation of the financial statements.

Disclosures relating to segment revenue, profit/loss, assets, and liabilities are made in the notes to accounts, along with reconciliations as required under Ind AS 108.

### **1.16 Financial Instruments: (Ind AS 109)**

#### **Initial Recognition**

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.

#### **Subsequent Measurement**

**Financial Assets at Amortized Cost:** Includes trade receivables, loans and advances, and other receivables. These are measured at amortized cost using the effective interest method, where applicable.

**Financial Liabilities at Amortized Cost:** Includes borrowings, trade payables and other financial obligations.

#### **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.

#### **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.

#### **Impairment of Financial Assets**

The Company applies the Expected Credit Loss (ECL) model for impairment of financial assets as per Ind AS 109. However, in practice, the following simplified approach is used:

#### **Trade Receivables (Sundry Debtors):**

A provision for expected credit losses is recognized at 10% of the outstanding balance for receivables that are outstanding for more than 2 years based on historical default rates and management's assessment.

#### **Loan Receivables:**

Similar to trade receivables, a 10% provision is made on loans receivable that remain outstanding for more than 2 years, considering credit risk and recovery experience.

No ECL is recognized on other financial assets due to their low credit risk and immaterial nature. This approach is reviewed periodically by management to ensure reasonableness.

#### **Derecognition**

Financial Assets: Derecognized when contractual rights to receive cash flows expire or are transferred without retaining control or substantial risks and rewards.

### **1.17 Critical Accounting Estimates**

#### **(a) Revenue recognition: (Ind AS 115 – Revenue from Contracts with Customers)**

Revenue is recognized upon the completion of services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. The Company applies the five-step model under Ind AS 115 to recognize revenue:

- Identify the contract with the customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to performance obligations
- Recognize revenue when (or as) performance obligations are satisfied

#### **(b) Expenditure:**

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

#### **Sale of Services – Renting of property, Manpower Services and Facilities Management services**

Revenue from the above-mentioned services is recognized over time as the performance obligation is fulfilled, based on the terms of the rental and service agreement with the



customer. The output method (e.g., time elapsed, milestones) is used to measure progress towards complete satisfaction of the performance obligation. Revenue is recognized on an accrual basis in accordance with the contract terms, provided that control of the service has been transferred to the customer and recovery of consideration is probable.

- **Sale of Products – Security Systems and Equipment**

Revenue from the sale of products is recognized at a point in time when the control of the goods is transferred to the customer, usually upon delivery or installation (as per contract terms). The transaction price is determined net of discounts, rebates, and other price concessions, if any.

- **Other Income**

**Interest Income:** Recognized using the Effective Interest Rate (EIR) method in accordance with Ind AS 109 – Financial Instruments. This includes interest earned on fixed deposits and other interest-bearing instruments.

#### **1.18 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.



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032  
CIN: L65191TN1985PLC037309

**Consolidated Balance Sheet as at 31st March, 2025**

(Rs. in Lakhs)

Particulars	Notes	31-Mar-25	31-Mar-24
<b>ASSETS</b>			
<b>A) Non-Current Assets</b>			
a) Property, Plant and Equipment			
-- (i) Property, Plant and Equipment	2	9,190.82	8,709.90
-- (ii) Investment Property	2A	-	28.91
-- (iii) Goodwill		306.58	303.90
b) Financial Assets			
-- (i) Investments	3	22,271.05	15,992.80
<b>Total Non Current Assets</b>		<b>31,718.45</b>	<b>25,034.51</b>
<b>B) Current Assets</b>			
a) Inventories	4	0.39	0.22
b) Financial Assets			
-- (i) Investments	5	9.69	1,548.65
-- (ii) Trade Receivables	6	1,649.96	1,316.43
-- (iii) Cash and Cash Equivalents	7	533.40	678.53
-- (iv) Bank Balances other than (ii) above	7A	188.74	5,128.58
-- (v) Loans	8	3,090.50	2,341.10
-- (vi) Other current financial assets	9	467.18	1,303.51
c) Current Tax Assets ( Net )	10	1,050.08	1,012.15
d) Other current assets	11	350.51	275.48
Asset held for sale	12	-	41.95
<b>Total Current Assets</b>		<b>7,340.45</b>	<b>14,646.60</b>
<b>Total Assets</b>		<b>39,058.90</b>	<b>39,681.11</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>A) Equity</b>			
a) Equity Share capital	12	11,191.82	11,191.82
b) Other Equity	13	21,885.03	22,126.02
c) Non-controlling interest		1,339.44	1,460.10
<b>Total Equity</b>		<b>34,416.29</b>	<b>34,778.00</b>
<b>B) Liabilities</b>			
<b>Non - current liabilities</b>			
a) Financial Liabilities			
-- (i) Other financial liabilities	14	292.80	269.03
b) Deferred tax liabilities (Net)	15	2,414.65	3,074.68
<b>Total Non - Current Liabilities</b>		<b>2,707.45</b>	<b>3,343.71</b>
<b>Current liabilities</b>			
a) Financial Liabilities			
-- (i) Trade Payables	16	-	-
total outstanding dues of micro enterprises and small enterprises; and			
total outstanding dues of creditors other than micro enterprises and small enterprises		30.87	40.93
-- (ii) Other financial liabilities	17	123.49	141.93
b) Other current liabilities	18	227.55	161.67
c) Provisions	19	1,553.25	1,206.87
<b>Total Current Liabilities</b>		<b>1,935.16</b>	<b>1,599.40</b>
<b>Total Equity &amp; Liabilities</b>		<b>39,058.90</b>	<b>39,681.11</b>

The accompanying notes form an integral part of the financial statements. ( Note No. 1 to 1.14 )

As per our report of even date attached

for Venkatesh & Co.,

Chartered Accountants

REN: 0046365

*Hrishikesh D*  
CA Hrishikesh D  
Partner  
M No: 272865  
UDIN: 252729658MLAJ2918  
28th May 2025  
Chennai.,



for and on behalf of the board

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

*B Narendran*  
B Narendran  
Director  
DIN: 01159394

*N. V*  
N Umashankar  
Chief Financial Officer

*Chandrasekhar M*  
Chandrasekhar M  
Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Gundy, Chennai - 600 032.  
CIN: L65191TN1985PLC007309

**Consolidated Statement of Profit and Loss for the period ended 31st March, 2025** (Rs. In Lakhs)

S No	Particulars	Notes	31-Mar-25	31-Mar-24
I	Revenue from operations	20	7,216.53	6,028.97
II	Other Income	21	1,266.99	570.07
	<b>Total Income (I+II)</b>		<b>8,505.52</b>	<b>6,609.04</b>
III	<b>Expenses</b>			
	Cost of Operation	22	2,772.99	2,210.20
	Employee benefits expense	23	1,536.96	3,000.24
	Finance costs	24	20.40	133.85
	Depreciation and amortisation expense	2	93.32	98.93
	Other expenses	25	769.72	814.04
	<b>Total Expenses</b>		<b>7,194.39</b>	<b>6,157.27</b>
IV	Profit / (loss) before exceptional items and tax (I-III)		1,309.22	351.77
V	Exceptional Items	26	-	565.50
VI	Profit / (loss) after exceptional items (V-IV)		1,309.22	(633.73)
VII	Tax Expense:			
	(1) Current Tax		369.75	204.51
	(2) Deferred Tax		(696.06)	(61.86)
VIII	Profit / (loss) for the period from continuing operations (VI-VII)		1,626.55	(796.38)
	Profit / (loss) for the period from discontinued operations		1.43	19.45
	Tax Expenses for the period from Discontinued Operations		0.36	-
	Profit / (loss) from discontinued operations (after tax) (X-III)		1.07	19.45
IX	Profit / (Loss) for the period (IX+III)		1,627.62	(756.93)
X	Share of Profit from LLP/Partnership Firms		(4.98)	(1.48)
XI	<b>Profit/(loss) for the period</b>		<b>1,622.64</b>	<b>(762.61)</b>
XII	<b>Non Controlling Interest</b>			
	Profit/(loss) for the period		1,622.64	(756.28)
	Pre acquisition (profit)/loss for the period		-	372.04
XIV	<b>Other Comprehensive Income</b>			
A)	(i) Items that will not be reclassified to profit or loss		(431.50)	5,941.71
	(ii) Income tax relating to items that will not be reclassified to Profit and loss		40.10	1,599.21
	<b>Total Comprehensive Income for the period (XI-XIV) comprising profit / (loss) and other comprehensive income for the period</b>		<b>1,150.95</b>	<b>1,479.89</b>
	- Attributable to Share Holders		1,259.95	1,816.25
	- Attributable to Share Holders - Pre- acquisition		-	(372.04)
	- Attributable to Non controlling interests		(109.00)	35.67
XVI	<b>Earnings Per Share: (1x 4)</b>			
	Basic - Continuing Operations		1.55	(5.66)
	Diluted - Continuing Operations		1.55	(5.66)
	Basic - Discontinued Operations		-	1.02
	Diluted - Discontinued Operations		-	1.02
	Basic EPS		1.55	(5.64)
	Diluted EPS		1.55	(5.64)

The accompanying notes form an integral part of the financial statements ( Note No. 1 to 14 )  
As per our report of even date attached

for Venkatesh & Co.,  
Chartered Accountants  
FRN: 0046365

*Handwritten signature*  
**CA Hrishikesh D**  
Partner  
M No: 272855  
UDIN: 25272855BMLLAJ2918  
28th May 2025  
Chennai,



for and on behalf of the board

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

*Handwritten signature*  
**B Narandran**  
Director  
DIN:01159394

*Handwritten signature*  
**N Umasankar**  
Chief Financial Officer

*Handwritten signature*  
**Oberoi Jagjit M**  
Company Secretary

**Mercantile Varbanes Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1905PLC057309

**Consolidated statement of Cash Flow for the period Ended 31st March, 2025**

(Rs. In Lakhs)

Particulars	31-Mar-24	
Net Profit before Taxation	1,309.22	4,039.99
<b>Adjustment for :</b>		
Depreciation	93.32	98.93
Dividend Income	(39.94)	(90.55)
Adjustments as per IND AS 109	(2,106.74)	-
Interest Income	(1,287.02)	(289.45)
Non Controlling Interest	109.00	1,815.99
Profit on sale of Asset / Investments	(802.20)	(170.39)
Adjustment share of profit from former associate	-	(1,432.08)
Other Operating Income	(190.55)	(90.02)
<b>Cash Flow Before Working Capital changes</b>	<b>(2,674.91)</b>	<b>3,704.44</b>
<b>Adjustment for :</b>		
(Increase)/decrease in Inventories	(0.17)	-
Increase/(decrease) Other Current liabilities	100.06	(22.46)
Increase/(decrease) Current provisions	403.92	(4.12)
Increase/(decrease) Trade payables	18.06	47.62
Increase/(decrease) Other current financial liabilities	(119.22)	83.29
Deferred Tax of Net Profit	-	631.62
(Increase)/decrease in Other current tax assets	(28.61)	(71.46)
Goodwill	(3.18)	85.00
(Increase)/decrease in Trade Receivables	(331.54)	(359.13)
(Increase)/decrease in Other Current Assets	(72.86)	(26.04)
	<b>(2,911.22)</b>	<b>4,129.56</b>
<b>Less:</b>		
Tax Paid / (Refund)	(365.30)	(205.25)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>(3,280.60)</b>	<b>3,924.31</b>
<b>Cash Flow from Investing Activities:</b>		
Proceeds from redemption of Mutual Fund	-	7,596.24
Loans and advances	363.48	(1,335.40)
Addition to Fixed Assets	(495.83)	(86.47)
Asset Held for sale	41.95	-
Non Current Investments	(6,278.22)	1,472.32
Current Investments	1,536.96	(8,892.72)
Income from Investments	2,276.73	560.39
Other financial assets	721.79	2,408.15
<b>Net Cash flow used in Investing Activities(B)</b>	<b>(1,828.14)</b>	<b>1,723.20</b>
<b>Cash Flow from Financing Activities:</b>		
Long Term Liabilities	23.77	(57.06)
Unsecured Loans	-	(400.00)
<b>Net Cash used in Financing Activities (C)</b>	<b>23.77</b>	<b>(457.06)</b>
<b>Net Cash Flows during the year (A) + (B) + (C)</b>	<b>(5,084.97)</b>	<b>5,190.47</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents:</b>		
Opening Balance as at 01st April, 2024	5,807.11	616.04
Net Cash flow during the year ended 31st March, 2025	(3,084.97)	3,190.47
<b>Closing Balance as at 31st March, 2025</b>	<b>2,722.14</b>	<b>5,807.11</b>

1. The cash flow statement has been prepared in accordance with the requirements of Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

2. Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregating between cash flows.

3. Significant cash and cash equivalent balances held by the enterprise are available for use by the company.

for Venkatesh & Co.,  
Chartered Accountants  
FRN: 0046365

*Heishikesh D*  
CA Hrishikesh D  
Partner  
M No: 272865  
UDIN: 252728658MULLA32918  
28th May 2025  
Chennai.



for and on behalf of the board

*E N Rangaswami*

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

*B Narendran*  
**B Narendran**  
Director  
DIN: 01159394

*N. X*

**N Umasekar**  
Chief Financial Officer

*Oberoi Jangit M*  
**Oberoi Jangit M**  
Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Gundy, Chennai - 600 002  
 CIN: L45101TN1989PL0007828

**Consolidated Statement of Changes in Equity for the year ended 31st March, 2025**

(Rs. in Lakhs)

**1. Equity share capital**

Particulars	31-Mar-25	31-Mar-24
<b>Authorised Capital</b>		
11,51,90,000 Equity Shares of Rs.10/- each	11,509.00	11,509.00
1,00,00,000 Preference Shares of Rs.20/- each	1,500.00	1,500.00
<b>Total</b>	<b>13,009.00</b>	<b>13,009.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>		
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82	11,191.82
<b>Total</b>	<b>11,191.82</b>	<b>11,191.82</b>

**Number of Equity Shares at the beginning and end of the current and previous reporting periods**

Particulars	31-Mar-25		31-Mar-24	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the reporting period	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-
Changes in Equity Share Capital during the period	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>11,19,18,195</b>	<b>11,191.82</b>	<b>11,19,18,195</b>	<b>11,191.82</b>

**2. Other Equity**

Particulars	Reserves and surplus					Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total
	Capital reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Resvaluation Surplus			
<b>(1) Current reporting period</b>								
Balance as at 1 April 2024	1,198.14	12,252.47	375.00	1,040.45	181.00	4,700.82	(412.62)	23,326.01
Change (prior period adjustments)	-	-	-	(1,248.73)	-	-	-	(1,248.73)
Profit for the year	-	-	-	1,627.04	-	(471.89)	-	1,155.05
Share of profit from LLP	-	-	-	-	-	-	-	-
Pre Acquisition Profit	-	-	-	-	-	-	-	-
Non Controlling Interest	-	-	-	(281.22)	-	-	-	(281.22)
Other comprehensive income	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2025</b>	<b>1,198.14</b>	<b>12,252.47</b>	<b>375.00</b>	<b>4,871.15</b>	<b>181.00</b>	<b>4,228.93</b>	<b>(412.62)</b>	<b>21,885.40</b>

Particulars	Reserves and surplus					Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total
	Capital reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Resvaluation Surplus			
<b>(2) Previous reporting period</b>								
Balance as at 1 April 2023	1,198.14	12,252.47	375.00	1,006.77	(914.95)	1,402.70	(285.86)	19,738.84
Change (prior period adjustments)	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	(76.45)	-	-	-	(76.45)
Share of profit from LLP	-	-	-	(5.48)	-	-	-	(5.96)
Pre Acquisition Profit	-	-	-	372.04	-	-	-	372.04
Non Controlling Interest	-	-	-	(25.67)	-	-	-	(25.67)
Other comprehensive income	-	-	-	-	1,183.00	1,230.40	(125.99)	2,387.41
Any other changes	-	-	-	(1,833.98)	-	-	-	(1,833.98)
<b>Balance as at 31 March 2024</b>	<b>1,198.14</b>	<b>12,252.47</b>	<b>375.00</b>	<b>2,046.45</b>	<b>181.00</b>	<b>4,700.92</b>	<b>(412.61)</b>	<b>22,426.82</b>

for Venkatesh & Co.,  
 Chartered Accountants  
 FRN: 0046365

*Hrishikesh D*

CA Hrishikesh D  
 Partner  
 M No: 272865  
 UDIN: 25122865MLLA12918  
 28th May 2025  
 Chennai,



for and on behalf of the board

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

*M Narendran*  
**M Narendran**  
 Director  
 DIN: 01159304

*N. V.*  
**N Umashankar**  
 Chief Financial Officer

*Cherai Jagan M*  
**Cherai Jagan M**  
 Company Secretary

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032  
 CIN: L65101TN050591C037330

**Schedule of Property, Plant & Equipment and Companies Act, 2013 Depreciation for the Period ended 31st March, 2025**

(Rs. In Lakhs)

**2) Property, Plant & Equipment**

S No	Particulars	Gross Block			Depreciation				Net Block		
		As on 01-04-2024	Additions	Deletions/ Adjustments	As on 31-03-2025	As on 01-04-2024	For the period	Deductions / Adjustments	As on 31-03-2025	As on 31-03-2025	As at 31-03-2024
1	Freehold Land	7,324.01	476.76	-	7,800.86	-	-	-	-	7,800.86	7,324.01
2	Buildings	2,002.81	-	-	2,002.81	690.41	71.65	-	762.06	1,143.85	1,312.39
3	Computers	42.30	5.48	2.00	45.10	38.73	6.95	2.00	41.40	3.70	4.28
4	Airconditioners, etc.	124.41	29.50	-	191.13	68.95	5.23	-	79.18	64.95	51.68
5	Furniture and Fixtures	193.73	16.40	-	200.63	191.07	0.37	-	191.44	17.19	2.17
6	Office Equipments	28.13	5.60	-	33.81	27.35	2.70	-	30.05	2.76	0.66
7	Motor Vehicle	11.86	-	-	11.66	1.94	3.32	-	4.36	7.30	10.62
8	Plant & Machinery	0.28	-	-	0.38	0.36	-	-	0.36	0.02	0.02
9	Electrical Installation	5.87	-	-	5.87	5.58	-	-	5.58	0.29	0.28
	<b>Total</b>	<b>9,733.39</b>	<b>524.74</b>	<b>2.88</b>	<b>10,255.24</b>	<b>1,023.99</b>	<b>93.32</b>	<b>2.88</b>	<b>1,114.43</b>	<b>9,140.82</b>	<b>8,709.40</b>
	<b>Previous Year</b>	<b>8,167.48</b>	<b>1,632.84</b>	<b>96.00</b>	<b>9,793.89</b>	<b>924.36</b>	<b>99.63</b>	<b>-</b>	<b>1,023.99</b>	<b>8,709.40</b>	<b>7,272.59</b>

**2A) Investment Property**

S No	Particulars	Gross Block			Depreciation				Net Block		
		As on 01-04-2024	Additions	Deletion/ Adjustments	As on 31-03-2025	As on 01-04-2024	For the period	Deduction / Adjustments	As on 31-03-2025	As on 31-03-2025	As at 31-03-2024
1	Investment Property	49.87	-	49.87	-	20.96	-	20.96	-	-	28.91
	<b>Total</b>	<b>49.87</b>	<b>-</b>	<b>49.87</b>	<b>-</b>	<b>20.96</b>	<b>-</b>	<b>20.96</b>	<b>-</b>	<b>-</b>	<b>28.91</b>

**2B) Asset held for sale**

S No	Particulars	Gross Block			Depreciation				Net Block		
		As on 01-04-2024	Additions	Deletion/ Adjustments	As on 31-03-2025	As on 01-04-2024	For the period	Deduction / Adjustments	As on 31-03-2025	As on 31-03-2025	As at 31-03-2024
1	Building held for sale	73.16	-	73.16	-	31.21	-	31.21	-	-	41.95
	<b>Total</b>	<b>73.16</b>	<b>-</b>	<b>73.16</b>	<b>-</b>	<b>31.21</b>	<b>-</b>	<b>31.21</b>	<b>-</b>	<b>-</b>	<b>41.95</b>



## Mercantile Ventures Limited

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032  
CIN: L65191TN1985PLC037309

### Notes on accounts \_ Consolidated Balance Sheet (Assets) for the Period Ended 31st March, 2025

#### 3) Non - Current investments:

(in Lakhs)

S.No.	Name of the investee	Nature of relationship (Subsidiary / Associate / JV / Others)	Face Value (Rs.)	No. of Shares	As at 31st Mar 2025	No. of Shares	As at 31st Mar 2024
Investments in Equity instruments-fully paid up at fair value through Other Comprehensive Income							
<b>Quoted</b>							
1	Sical Logistics Ltd	Others	10	840	0.69	12,600	1.50
2	Skagen India Ltd	Others	10	9,89,510	608.94	9,89,510	584.01
3	Southern Petrochemical Industries Corporation Ltd	Others	10	8,53,810	690.91	8,53,810	599.97
4	Tamil Nadu Petroproducts Ltd	Others	10	2,01,000	138.71	2,01,000	156.96
5	Manali Petrochemicals	Others	5	51,87,310	2,914.24	24,97,810	1,403.77
6	TTK Prestige Ltd Shares	Others	1	1,000	5.95	1,000	6.71
7	Integrated Digital Info Services Ltd	Others	10	200	-	-	-
8	Sterilite Technologies Ltd	Others	2	-	-	-	-
9	Kumbhat Financial Services Ltd	Others	10	10,100	1.88	200	1.59
10	Tuticorin Alkali Chemicals and Fertilisers Ltd	Others	10	1,97,78,340	15,411.28	1,37,71,072	11,040.29
<b>Sub Total - (A)</b>					<b>19,772.60</b>		<b>13,794.80</b>
<b>Unquoted</b>							
1	The Express Carriers Limited	Others	10	1,00,000	1.00	1,00,000	1.00
2	Agrimarine Exports Ltd	Others	10	8,000	-	8,000	-
3	AM Foundation	Others	10	1,200	-	1,200	-
<b>Sub Total - (B)</b>					<b>1.00</b>		<b>1.00</b>
<b>Total (C) : (A) + (B)</b>					<b>19,773.60</b>		<b>13,795.80</b>
<b>Investments in Preference Shares</b>							
1	EDAC Engineering Ltd	Subsidiary	10	2,20,00,000	2,200.45	1,90,00,000	1,900.00
<b>Sub Total - (D)</b>					<b>2,200.45</b>		<b>1,900.00</b>
<b>Investment in capital of LLP- at cost</b>							
1	Chitharanjan Developers LLP *	Subsidiary			297.00		297.00
<b>Sub Total - (E)</b>					<b>297.00</b>		<b>297.00</b>
<b>Net Value of Investments (C)+(D) +( E)</b>					<b>22,271.05</b>		<b>15,992.80</b>

#### Details of Investment in LLP:

Names of partners	31-03-2025		31-03-2024	
	Capital	Share of Profit	Capital	Share of Profit
Mercantile Ventures Limited	297.00	99%	297.00	99%
V.Rajagopal	3.00	1%	3.00	1%
<b>Total</b>	<b>300.00</b>	<b>100%</b>	<b>300.00</b>	<b>100%</b>



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

Notes on accounts - Consolidated Balance Sheet (Assets) for the Period Ended 31st March, 2025

(Rs. In Lakhs)

4) Inventories		31-Mar-25	31-Mar-24
Particulars			
Finished Goods		0.39	0.22
<b>Total</b>		<b>0.39</b>	<b>0.22</b>
5) Current Investments		31-Mar-25	31-Mar-24
Particulars			
UTI Money Market Fund „Regular Plan_Growth“ (21363 units)		9.69	1,248.20
10% Redeemable Preference shares of rs10 each in Edac Engineering Ltd		-	300.45
<b>Total</b>		<b>9.69</b>	<b>1,548.65</b>
7) Cash & Cash Equivalents		31-Mar-25	31-Mar-24
Particulars			
Cash on Hand		0.40	0.80
Balances with banks			
-> In current accounts		533.00	677.73
<b>Total</b>		<b>533.40</b>	<b>678.53</b>
7A) Bank Balances other than (ii) above		31-Mar-25	31-Mar-24
Particulars			
Earmarked Fixed Deposits		188.74	5,128.58
<b>Total</b>		<b>188.74</b>	<b>5,128.58</b>
8) Loans		31-Mar-25	31-Mar-24
Particulars			
Loans and Advances-Related parties		112.88	93.36
Loans and Advances-Others		2,260.02	2,590.77
Inter Corporate Deposits (Net of Provisions)		717.60	649.17
<b>Total</b>		<b>3,090.50</b>	<b>3,341.10</b>
9) Other current financial assets		31-Mar-25	31-Mar-24
Particulars			
Unsecured, Considered good:			
Other Advances		453.48	1,290.36
Security Deposits		13.31	17.15
GST Input Credit & Cash Ledger Balance		-	0.76
Staff Salary Advance		0.39	0.24
<b>Total</b>		<b>467.18</b>	<b>1,303.51</b>
10) Current Tax assets ( Net )		31-Mar-25	31-Mar-24
Particulars			
Advance income tax		1,050.08	1,012.15
<b>Total</b>		<b>1,050.08</b>	<b>1,012.15</b>
11) Other Current Assets		31-Mar-25	31-Mar-24
Particulars			
Chitaranjan Developers LLP - Current Account		22.32	13.99
Balance with government authorities		324.32	216.33
Other Advances		3.87	45.20
<b>Total</b>		<b>350.51</b>	<b>275.48</b>



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

**Notes on accounts \_ Consolidated Balance Sheet (Assets) for the year Ended 31st March, 2025**

(Rs. In Lakhs)

6) Trade Receivables		31-Mar-25	31-Mar-24
Particulars			
<b>Unsecured, Considered Good:</b>			
Receivables outstanding for less than 6 months		1,649.96	1,258.21
Receivables outstanding for more than 6 months		-	58.22
		<b>1,649.96</b>	<b>1,316.43</b>
<b>Doubtful:</b>			
Receivables outstanding for less than 6 months		-	-
Receivables outstanding for more than 6 months		-	-
		<b>-</b>	<b>-</b>
<b>Total</b>		<b>1,649.96</b>	<b>1,316.43</b>

**Trade receivables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 Years	More than 3 Years	Total
Undisputed Trade receivables - Considered good	1,556.13	44.05	14.25	12.38	23.15	1,649.96
(Previous Year figures)	1,258.21	58.22	-	-	-	1,316.43
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
(Previous Year figures)	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(Previous Year figures)	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>1,556.13</b>	<b>44.05</b>	<b>14.25</b>	<b>12.38</b>	<b>23.15</b>	<b>1,649.96</b>
(Previous Year figures)	1,258.21	58.22	-	-	-	1,316.43



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

**Notes on accounts \_ Consolidated Balance Sheet (Equity & Liabilities) for the Period Ended 31st March, 2025**

(Rs. In Lakhs)

12) Equity Share Capital	31-Mar-25	31-Mar-24
Particulars		
<b>Authorised Capital</b>		
11,50,00,000 Equity Shares of Rs.10/- each	11,509.00	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00	1,500.00
<b>Total</b>	<b>13,009.00</b>	<b>13,009.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>		
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82	11,191.82
<b>Total</b>	<b>11,191.82</b>	<b>11,191.82</b>

**Number of Equity Shares at the beginning and end of the current and previous reporting periods**

Particulars	31-Mar-25		31-Mar-24	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the reporting period	11,19,18,195	11,191.82	11,19,18,195	11,191.82
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-
Changes in Equity Share Capital during the period (*)	-	-	-	-
Balance at the end of the reporting period	<b>11,19,18,195</b>	<b>11,191.82</b>	<b>11,19,18,195</b>	<b>11,191.82</b>

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

Name of Shareholder	31-Mar-25		31-Mar-24	
	No. of shares	% of Holding	No. of shares	% of Holding
Trinity Auto Points Limited	2,09,56,000	18.72%	2,09,56,000	18.72%
South India Travels Private Limited	1,86,12,086	16.63%	1,86,09,156	16.63%
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%
Domolly Investments Limited	64,37,000	5.75%	64,37,000	5.75%
Sicagen India Limited	77,23,005	6.90%	77,23,005	6.90%

**Shareholding of Promoter as at 31/03/2025**

Name of the Promoter	No. of Shares	% of total shares	% Change during the year	Remarks
Mr AC Muthiah	13,068	0.01%	-	Promoter Group
Mr AL Vadivelu	8,144	0.01%	-	Promoter
Mr Ashwin C Muthiah	230	-	-	Promoter Group
Trinity Auto Points Private Ltd	2,09,56,000	18.72%	-	Promoter Group
South India Travels Private Ltd	1,86,12,086	16.63%	-	Promoter
Golden Star assets Consultants Private Ltd	1,43,96,000	12.86%	-	Promoter Group
Ranford Investments Ltd	78,07,955	6.98%	-	Promoter
Domolly Investments Ltd	64,37,000	5.75%	-	Promoter
Twinshield Consultants Private Ltd	52,81,899	4.72%	-	Promoter Group
Sicagen India Ltd	77,23,005	6.90%	-	Promoter
First Leasing Company of India Ltd	1,77,250	0.16%	-	Promoter
Navia Markets Ltd	11,500	0.01%	-	Promoter
	<b>8,14,24,237</b>	<b>72.75%</b>		



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L55191TN1985PLC037309

**Notes on accounts - Consolidated Balance Sheet (Equity & Liabilities) for the Period Ended 31st March, 2025**

(Rs. In Lakhs)

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985PLC037309

Notes on accounts \_ Consolidated Balance Sheet (Equity &amp; Liabilities) for the Period Ended 31st March, 2025

(Rs. In Lakhs)

14) Other financial liabilities		
Particulars	31-Mar-25	31-Mar-24
Rent Deposit	292.80	269.03
<b>Total</b>	<b>292.80</b>	<b>269.03</b>

15) Deferred Tax Liabilities		
Particulars	31-Mar-25	31-Mar-24
Deferred Tax Liabilities	2,414.65	3,074.68
<b>Total</b>	<b>2,414.65</b>	<b>3,074.68</b>

Trade Payables		
Particulars	31-Mar-25	31-Mar-24
total outstanding dues of micro enterprises and small enterprises; and	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises (#)	30.87	48.93
<b>Total</b>	<b>30.87</b>	<b>48.93</b>

\* Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There is no interest due and outstanding as on the reporting date.

**Trade payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	-	-	-	-
Others	30.87	-	-	-	30.87
(Previous Year)	48.93	-	-	-	48.93
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>30.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30.87</b>
(Previous Year)	48.93	-	-	-	48.93

17) Other Financial Liabilities		
Particulars	31-Mar-25	31-Mar-24
Other Payables	121.82	56.10
Advance from customers	1.67	0.39
Inter corporate deposits & advances	-	65.44
<b>Total</b>	<b>123.49</b>	<b>141.93</b>

18) Other Current Liabilities		
Particulars	31-Mar-25	31-Mar-24
Duties and Taxes	221.05	161.67
Others Payable	6.50	-
<b>Total</b>	<b>227.55</b>	<b>161.67</b>

19) Provisions		
Particulars	31-Mar-25	31-Mar-24
Provision for Tax	1,027.01	899.77
Provision for Employee Benefits	526.24	307.10
<b>Total</b>	<b>1,553.25</b>	<b>1,206.87</b>



**Mercantile Ventures Limited**

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Notes on accounts \_ Consolidated Balance Sheet (Equity & Liabilities) for the Period Ended 31st March, 2025

(Rs. in Lakhs)

13) a. Other Equity	Reserves and Surplus					Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total as on 31-03-2025
	Particulars	General Reserve	Securities Premium Reserve	General Reserves	Retained Earnings			
<b>(1) Current reporting period</b>								
Balance as at 1 April 2024	1,188.14	12,252.47	375.60	3,640.45	181.00	4,700.92	(412.62)	22,126.02
Change /prior period adjustments	-	-	-	(1,290.72)	-	-	-	(1,290.72)
Profit for the year	-	-	-	1,622.64	-	(471.69)	-	1,150.95
Share of profit from LLP	-	-	-	-	-	-	-	-
Pre Acquisition Profit	-	-	-	-	-	-	-	-
Minority Interest	-	-	-	(101.22)	-	-	-	(101.22)
Other comprehensive income	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-
<b>Balance at the End of the Current Reporting Period</b>	<b>1,188.14</b>	<b>12,252.47</b>	<b>375.60</b>	<b>4,071.15</b>	<b>181.06</b>	<b>4,229.23</b>	<b>(412.62)</b>	<b>21,885.03</b>

13) b. Other Equity	Reserves and Surplus					Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total as on 31-03-2024
	Particulars	General Reserve	Securities Premium Reserve	General Reserves	Retained Earnings			
<b>(2) Previous reporting period</b>								
Balance as at 1 April 2023	1,188.14	12,252.47	375.60	5,896.77	(954.96)	1,467.50	(285.68)	19,939.84
Change /prior period adjustments	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	(756.93)	-	-	-	(756.93)
Share of profit from LLP	-	-	-	(5.68)	-	-	-	(5.68)
Pre Acquisition Profit	-	-	-	372.04	-	-	-	372.04
Minority Interest	-	-	-	(35.67)	-	-	-	(35.67)
Other comprehensive income	-	-	-	-	1,135.02	3,233.42	(126.94)	4,242.50
Any other changes	-	-	-	(1,830.08)	-	-	-	(1,630.08)
<b>Balance at the End of the Previous Reporting Period</b>	<b>1,188.14</b>	<b>12,252.47</b>	<b>375.60</b>	<b>3,840.45</b>	<b>181.06</b>	<b>4,700.92</b>	<b>(412.62)</b>	<b>22,126.02</b>



**Mercantile Ventures Limited**

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**Notes forming part of Consolidated Statement of Profit & Loss for the Period Ended 31st March, 2025**

(Rs. In Lakhs)

<b>20) Revenue from Operations</b>		
Particulars	31-Mar-25	31-Mar-24
Sale of Services	3,509.25	3,061.47
Sale of Products	46.88	38.87
<b>Other Operating Revenues</b>		
1. Rent and Maintenance	759.84	553.17
2. Maintenance Charges	-	114.79
3. Manpower Supply services	2,902.56	2,270.67
<b>Total</b>	<b>7,218.53</b>	<b>6,038.97</b>
<b>21) Other Income</b>		
Particulars	31-Mar-25	31-Mar-24
Interest Income	294.30	289.45
Dividend Income	39.94	40.55
Non-Operating Income	150.55	69.68
Profit on Sale of Asset	802.20	170.39
<b>Total</b>	<b>1,286.99</b>	<b>570.07</b>
<b>22) Cost of Operations</b>		
Particulars	31-Mar-25	31-Mar-24
Cost of manpower	2,325.50	1,912.65
Cost of maintenance	95.42	62.66
Facility Management Service Expenses	316.46	204.66
Cost of Goods Sold	34.52	30.23
<b>Total</b>	<b>2,772.90</b>	<b>2,210.20</b>
<b>23) Employee Benefits Expense</b>		
Particulars	31-Mar-25	31-Mar-24
Salaries and wages	3,193.72	2,594.07
Contribution to Provident and other funds	314.30	274.72
Staff Welfare Expenses	31.94	131.45
<b>Total</b>	<b>3,539.96</b>	<b>3,000.24</b>
<b>24) Finance Costs</b>		
Particulars	31-Mar-25	31-Mar-24
Interest Expenses	-	4.43
Bank Charges	0.04	0.40
Unwinding Interest (IND AS Adjustment)	20.36	129.03
<b>Total</b>	<b>20.40</b>	<b>133.86</b>



**Mercantile Ventures Limited**

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Notes forming part of Consolidated Statement of Profit &amp; Loss for the Period Ended 31st March, 2025

(Rs. in Lakhs)

<b>23) Depreciation And Amortisation Expenses</b>		
Particulars	31-Mar-25	31-Mar-24
Depreciation	93.32	98.03
<b>Total</b>	<b>93.32</b>	<b>98.03</b>

<b>25) Other Expenses</b>		
Particulars	31-Mar-25	31-Mar-24
Auditors Remuneration		
--> Statutory Audit fee	13.00	14.10
--> Other Services	2.60	-
Advertisement Expenses	5.18	3.07
Bad Debts	0.63	0.51
Brokerage Charges	7.25	-
Contribution to CSR Activities	-	14.62
Director Sitting Fees	13.75	7.50
Director Remuneration fee	-	63.24
Expected credit loss on advances	352.39	353.74
Miscellaneous Expenditure	61.80	31.16
General Expenses	7.87	0.36
Professional and Consultancy Charges	27.03	40.66
Insurance	1.40	1.83
Interest on Income tax	-	-
Postage, Telephone & Courier charges	3.22	5.34
Printing and Stationery	7.44	7.87
Power and Fuel	19.97	21.16
Rent, Rates & Taxes	135.80	99.73
Repairs & Maintenance	85.44	125.98
Security Charges Puzhal	-	-
Telephone Expenses	2.41	-
Travelling and Conveyance	18.00	21.27
Write off of rental Income	2.54	-
<b>Total</b>	<b>769.72</b>	<b>814.04</b>

<b>26) Exceptional Items</b>		
Particulars	31-Mar-25	31-Mar-24
Exceptional Items	-	985.50
<b>Total</b>	<b>-</b>	<b>985.50</b>

This represents Professional and other payments of Rs 985.50 lakhs made during 2023-24 by an unlisted subsidiary to its former employees and Directors for past services rendered.



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**27 Deferred Tax Computation**

<b>Deferred Tax</b>	<b>As at 31-3-2025</b>	<b>As at 31-3-2024</b>
<b>Components of Deferred Tax</b>		
Deferred Tax Liabilities	3,313.67	3,657.90
Deferred tax Assets	899.02	583.22
<b>Deferred Tax Liabilities (Net)</b>	<b>2,414.65</b>	<b>3,074.68</b>

**28 Expenditure in foreign currency during the current period**

<b>Particulars</b>	<b>As at 31-3-2025</b>	<b>As at 31-3-2024</b>
Expenditure in foreign currency during the current period	NIL	USD 23,18,694

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

<b>Particulars</b>	<b>As at 31-3-2025</b>	<b>As at 31-3-2024</b>
Earnings in Foreign Exchange received during the current period	NIL	NIL



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

Name of the related party	Relationship
I3 Security Private Limited	Subsidiary Company
India Radiators Limited	Subsidiary Company
South India Travels Private Ltd	Promoter Company
Southern Petrochemical Industries Corporation Ltd	More than 10% Shareholding
Sicagen India Ltd	Promoter Company
Chitaranjan Developers LLP	Subsidiary Company
Walery Security Management Ltd(formerly known as National Trust Housing Finance Limited)	Subsidiary Company
AMI Holdings Private Limited	Companies with Common Directorship
Trinity Autopoints Limited	Promoter Group
B.Narendran	Director
A.L.Chandramouli	Director
Sashikala Srikanth	Director
M. S. Niranjan	Director
Rita Chandrasekar	Director
G.D.Sharma	Director
K.Gopalakrishnan	Director
Mr. E.N. Rangaswami, Whole-time Director	Whole Time Director

**(ii) Transactions with Related Parties:**

Rs in Lakhs

Name of the related party	FY 2024 - 25	FY 2023 - 24
<b>Chitaranjan Developers LLP:</b>		
Loans & Advances	5.63	6.01
Receipts in current account	-	180.50
<b>South India Travels Private Ltd</b>		
Purchase of shares	-	407.00
Interest on Inter Corporate Deposit paid to M/s. Walery Security Management Limited	2.96	
<b>Sicagen India Ltd</b>		
Lease Rent, Maintenance and Manpower Supply Services	141.04	182.57
<b>Southern Petrochemical Industries Corporation Ltd</b>		
Lease Rent, Maintenance and Manpower Supply Services	1,002.94	1,004.29
<b>Trinity Auto Points Limited</b>		
Interest on Inter Corporate Deposit paid to M/s. Walery Security Management Limited	35.00	-
<b>AMI Holdings Private Limited</b>		
Lease Rent, Maintenance and Manpower Supply Services	0.89	0.83
<b>Mr. E.N. Rangaswami,</b>		
Remuneration to Director	61.60	60.00
<b>Sitting fees to Directors</b>		
B.Narendran	2.75	1.50
G.D.Sharma	2.75	1.50
K.Gopalakrishnan	2.75	1.50
A.L.Chandramouli	2.75	1.50
Sashikala Srikanth	2.75	1.50
M. S. Niranjan	-	-
Rita Chandrasekar	-	-



## (iii) Balances of Related Parties:

Name of the related party	Rs in Lakhs	
	As at 31-3-2025	As at 31-3-2024
<b>Chitaranjan Developers LLP:</b>		
Investment in capital	297.00	297.00
Loans and advances	-	7.72
Current Account	22.32	13.95
<b>Southern Petrochemical Industries Corporation Ltd</b>		
Trade Receivables	299.75	211.02
<b>Sicagen India Ltd</b>		
Trade Receivables	25.41	21.97
<b>South India Travels Private Ltd</b>		
Advances		
Inter Corporate Deposit received from M/s. Walery Security Management Limited	335.00	335.00
Interest Accrued on Inter Corporate Deposit received from M/s. Walery Security Management Limited	75.00	-
	-	-
<b>Trinity Auto Points Limited</b>		
Inter Corporate Deposit received from M/s. Walery Security Management Limited	500.00	500.00
Interest Accrued on Inter Corporate Deposit received from M/s. Walery Security Management Limited	35.00	-



## Mercantile Ventures Limited

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

Particulars	As at 31 March 2025	As at 31 March 2024
<b>i) Contingent liabilities :</b>		
a) Claims against the company not acknowledged as debt;	Nil	Nil
b) Guarantees-charge created on company's asset for third party loan	30000.00	38500.00
c) Other money for which the company is contingently liable.	Nil	Nil
Disputed tax demand in respect of Assessment Year 2015-16 ( Rectification orders requested)	33.55	33.55
Disputed tax demand in respect of Assessment Year 2016-17 (appeal pending with CIT(A))	14.81	14.81
Disputed tax demand in respect of Assessment Year 2017-18	15.17	15.17
Appeal being filed in the Madras High Court		
<b>ii) Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
b) Uncalled liability on shares and other investments partly paid;	Nil	Nil
c) Other commitments (specify nature)	Nil	Nil

### 32 Corporate Social Responsibility

Particulars	2024-25	2023-24
i) Amount required to be spent by the company during the year	-	13.90
ii) Amount of expenditure incurred #		
FY 2021-22	1.76	
FY 2022-23	1.26	
FY 2023-24	3.10	
iii) Shortfall at the end of the year	10.80	13.90
iv) Total of previous years shortfall	10.80	3.02
v) Reason for shortfall	The entire amount of 13.90 lakhs transferred to CSR unspent account with a scheduled bank	The entire amount of 13.90 lakhs transferred to CSR unspent account with a scheduled bank
	Construction of new toilets for students of Government Higher Secondary School in Chennai	Construction of new toilets for students of Government Higher Secondary School in Chennai
vi) Nature of CSR activities		
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

# spent during 2024-25



**Mercantile Ventures Limited**

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**33 Analytical Ratios:**

Analytical Ratios	2024-25	2023-24	Remarks	variance	Reasons for variance exceeding 25%:
(a) Current Ratio	3.79	9.39	Current assets/current liabilities	-59.61%	Redemption of Current Investment and Fixed Deposits for Investing in Non-current Investments.
(b) Debt Equity Ratio	NA	NA			
(c) Debt Service Coverage Ratio	NA	NA			
(d) Return on Equity	4.92%	-2.27%	Net profit after tax/shareholder funds*100	-316.40%	Due to reversal of Deferred Tax and Exceptional expenditure incurred in 2023-24
(e) Inventory Turnover Ratio	NA	NA			
(f) Trade Receivables Turnover Ratio	4.87	5.31	Revenue from operation/average receivables	-8.39%	
(g) Trade Payables Turnover Ratio	NA	NA			
(h) Net Capital Turnover Ratio	1.34	0.46	Revenue from operations/( Current assets-Current liabilities)	189.41%	Increase in Manpower Turnover and Redemption of Current Investment
(i) Net Profit Ratio	0.23	-0.13	Net Profit/Revenue from operations	-279.89%	Due to reversal of Deferred Tax and Exceptional expenditure incurred in 2023-24
(j) Return on capital employed	4.38%	-1.59%	Net Profit/Total assets-current liabilities)	-320.81%	Due to reversal of Deferred Tax and Exceptional expenditure incurred in 2023-24
(k) Return on Investment	4.17%	-1.51%	Net Profit/Total assets	-318.45%	Due to reversal of Deferred Tax and Exceptional expenditure incurred in 2023-24



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

**Reconciliation of the projected benefit obligations**

Rs in Lakhs

Particulars	As at	
	31 March 2025	31 March 2024
<b>Change in present value of obligation:</b>		
Present value of Obligations at the beginning of the year	97.41	67.36
Current Service cost	36.28	23.62
Interest cost	7.06	4.89
Actuarial gain/(loss) on obligations	1.97	1.54
Benefits settled	-9.46	-
<b>Present value of Obligations as at the end of the year</b>	<b>133.26</b>	<b>97.41</b>
<b>Change in plan assets:</b>		
Plans assets at the beginning of the year, at fair value	142.06	96.39
Expected return on plan assets	11.17	8.37
Contributions	44.56	37.30
Benefits settled	-9.46	-
<b>Plans assets at year end, at fair value</b>	<b>188.33</b>	<b>142.06</b>
<b>Amounts to be recognised in Balance Sheet</b>		
Present value of obligations as at the end of year	<b>133.26</b>	<b>97.41</b>
Fair value of plan assets as at the end of the year	<b>188.33</b>	<b>142.06</b>
Funded status	<b>55.07</b>	<b>44.65</b>
Net assety/liability recognised in balance sheet	<b>55.07</b>	<b>44.65</b>

**Expense recognised in the statement of profit and loss and other comprehensive income:**

Rs in Lakhs

Particulars	As at	
	31 March 2025	31 March 2024
<b>Gratuity cost for the year</b>		
<b>Included in profit and loss:</b>		
- Service cost	36.28	23.62
- Past service cost		
- Interest cost	7.06	4.89
<b>Net gratuity cost</b>	<b>43.34</b>	<b>28.51</b>
<b>Defined benefit obligation</b>		
<b>Assumptions</b>		
Discount rate	7.25%	7.25%
Salary escalation	5.00%	5.00%
Retirement age	58 years	58 years
Mortality table	LIC(2006-08) Ultimate	LIC(2006-08) Ultimate



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**35 Segment reporting**

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

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

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Segment Revenue:</b>		
a) Rent and Maintenance of immovable properties	759.81	718.68
b) Manpower Services	2,902.58	2,270.67
c) Security Services	3,556.14	3,049.62
<b>Others</b>		
d) Investment activity	1,286.98	570.07
e) Unallocated Income	-	-
<b>Income from Operations</b>	<b>8,505.51</b>	<b>6,609.04</b>
<b>Segment Profit for each segments</b>		
a) Rent and Maintenance of immovable properties	408.47	358.73
b) Manpower Services	219.56	153.36
c) Security Services	138.02	147.88
d) Investment activity	1,286.99	570.08
<b>Total</b>	<b>2,053.04</b>	<b>1,230.05</b>
Finance Cost	20.40	133.86
Other net unallocable (income) expenses	723.43	1,729.92
<b>Profit before tax</b>	<b>1,309.21</b>	<b>(633.73)</b>
Tax expenses	(317.32)	142.65
<b>Profit after tax</b>	<b>1,626.53</b>	<b>(776.38)</b>
Share of profit from LLP	4.98	5.68
Share of profit from associate	-	-
Non Controlling Interest	(109.00)	35.67
Profit/(Loss) for the period from discontinued operations	-	(19.45)
Pre Acquisition profit	-	(372.04)
<b>Profit after tax</b>	<b>1,730.55</b>	<b>(426.24)</b>
<b>Segment Assets and Liabilities</b>		
<b>Segment Assets</b>		
a) Rent and Maintenance of immovable properties	7,692.26	7,158.74
b) Manpower Services	472.32	490.96
c) Investment activity	25,838.42	22,186.06
d) Security Services	874.80	653.17
e) Unallocated Income	4,181.10	9,192.18
<b>Total</b>	<b>39,058.90</b>	<b>39,681.11</b>
<b>Segment Liabilities</b>		
a) Rent and Maintenance of immovable properties	325.53	341.16
b) Manpower Services	229.90	191.76
c) Security Services	420.46	387.43
d) Unallocated	5,006.16	5442.92
<b>Total Liabilities</b>	<b>5982.05</b>	<b>6363.27</b>

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

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



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**36 Relationship with struck off companies as at 31/03/2025:**

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
Hartagon Investments Ltd	1,55,000	13.85%
Everset Investments Ltd	55,000	4.91%
Mercant Ltd	39,700	4.10%
Probal Ltd	12,648	0.73%
Addyo Financial Services P Ltd	8,400	0.49%
Conjeevaram Credits P Ltd	3,400	0.22%
Cowcoody Financials and Investments Ltd	1,600	0.12%
Synergy Finance and Leasing P LTD	1,200	0.13%
Vitaldev Investments P Ltd	1,200	0.12%
Nagendhar Finance & Leasing P Ltd	800	0.06%
Guru Trade Credits Private Ltd	700	0.05%
Bijani Investments and Leasing Private Ltd	300	0.00%
Sartegy Investments & Consult P Ltd	300	0.02%
Tetanus Investment & Finance Ltd	300	0.04%
Transcorp Financial Services Ltd	300	0.04%
Arvet Finance Private Ltd	450	0.01%
Bolhan Investments P Ltd	400	0.04%
Mahadev Finance & Investments P Ltd	350	0.02%
Richfield Investments and Finance Limited	325	0.32%
Pandhwarth Finance Ltd	300	0.03%
Kandahil Investments Promotion Ltd	250	0.01%
Mercery Software	250	0.02%
ACM Finance P Ltd	200	0.02%
Alga Investments P Ltd	200	0.01%
Empire Finance Company Limited	200	0.00%
Instar Inv & Financial Consultanc	200	0.02%
SuryaVixar Private Limited	200	0.02%
Eraman Financing Agencies P Ltd	150	0.01%
Benevolent Housing & Allied Industries	125	0.01%
Anbika Estate Private Ltd	124	0.01%
Mohanaso Investments P Ltd	100	0.00%
Prakruthi Finance Services Ltd	100	0.01%
Raxjani Investments P Ltd	100	0.01%
Sagodhan Housing Investments Ltd	100	0.01%
Sri Subbi Vineyok Shares Ltd	100	0.01%
Unique Business Private Ltd	100	0.01%
Kathan & Sons (Nonresce) P Ltd	98	0.01%
Navarata Investments P Ltd	74	0.00%
Alagu Investments P Ltd	50	0.00%
Sazmar Properties & Investments Ltd	50	0.00%
South India Invest & Fin Corp Ltd	50	0.00%
Sundharana Private Ltd	50	0.00%
New Ambani Investments P Ltd	25	0.00%
Madan Stock & Share Limited	24	0.00%
Madan Finance Private Limited	13	0.00%
Pushkar Financial Services Ltd	8	0.00%
CRF Old lot share Private Limited	6	0.00%
ST Christophers Trang Collage	4	0.00%
Ahizani Shares & Securities Private Limited	1	0.00%
<b>TOTAL</b>	<b>2,86,865</b>	<b>25.11%</b>



**Mercantile Ventures Limited**Regd. Office: No.88, Mount Road, Gundy, Chennai - 600 032  
CIN: L65191TN1985PLC037309**37 Additional Regulatory Information Required under Division II to Schedule II of the Companies Act 2013**

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

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



**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032  
CIN: L65191TN1985PLC037309

**Form AOC-I(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

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 2025

**Part "A:" Subsidiaries**

Particulars	(Rs. in Lakhs)			
	13 Security Private Limited	India Radiators Ltd	Walery Security Management Ltd(formerly National Trust Housing Finance Ltd)	Chitaranjan Developers LLP
Reporting period for the subsidiary concerned,( if different from the holding company's reporting period)	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
Share capital	390.78	90.00	1500.00	300.00
Other Equity	575.54	127.02	6,655.31	(20.20)
Total assets	1517.64	1828.34	6637.61	280.05
Total Liabilities( Excluding Share Capital & Reserves)	551.32	1865.36	482.30	0.25
Investments	1.00	-	7,638.31	277.01
Turnover	3608.98	6.32	-	0.33
Profit before taxation	85.60	(104.89)	996.28	(5.03)
Provision for taxation	25.03	(19.97)	117.37	-
Profit after taxation	59.57	(84.92)	878.91	(5.03)
Other Comprehensive Income	-	-	(1,172.62)	-
Total Comprehensive Income(Net of Tax)	59.57	(84.92)	(293.70)	(5.03)
Proposed Dividend	Nil	Nil	Nil	Nil
% of shareholding	100.00	97.25 **	80.60%	99.00

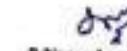
**Notes:**

- \* "Partners" Current account
- \*\*It includes 1.71% of Equity shares and 95.58% of Voting rights through preference shares pursuant to section 47(2) of the companies Act 2013
- The investments have been stated at fair value.
- Names of subsidiaries, associates or joint ventures which are yet to commence business - Nil
- Names of subsidiaries, associates or joint ventures which have been liquidated or sold during the year - Nil

For and on behalf of the board

  
E N Rangaswami  
Whole-time Director  
DIN: 06463753

  
N Umashankar  
Chief Financial Officer

  
B Narendran  
Director  
DIN: 01159394

  
Oberoi Jangit M  
Company Secretary

Place : Chennai  
Date : 28th May 2025

**Mercantile Ventures Limited**

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032

CIN: L65191TN1985FLC037309

**Additional information pertaining to subsidiary companies as at 31 March 2025**

(Rs. in Lakhs)

Name of the entity in the Group	Net Assets, i.e. 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	76.58	25331.69	92.60	694.15	(1.59)	16.93	61.52	711.08
<b>Indian Subsidiaries:</b>								
U3 Security Private Limited	2.92	966.31	3.66	59.57	0.00	-	5.15	59.57
Wakery Security Management Limited	24.66	8,155.31	43.52	708.41	200.37	(945.13)	(20.48)	(236.72)
India Radiators Limited	(0.11)	(37.93)	(2.02)	(32.90)	-	-	(2.85)	(32.90)
Elimination	-	-	4.91	79.90	(145.01)	684.00	66.09	763.90
<b>Non-controlling interests in all subsidiaries</b>	<b>(4.05)</b>	<b>(1,339.44)</b>	<b>7.28</b>	<b>118.49</b>	<b>48.23</b>	<b>(227.49)</b>	<b>(9.43)</b>	<b>(109.00)</b>
<b>Total</b>	<b>100.00</b>	<b>33076.85</b>	<b>100.00</b>	<b>1627.62</b>	<b>100.00</b>	<b>(471.69)</b>	<b>100.00</b>	<b>1,155.93</b>
Chitharanjan Developers LLP-Indian Subsidiary	#	(20.20)		(5.03)		-		(5.03)

# Partners' current accounts





**Limited Review Report on Quarterly Unaudited Standalone Financial Results for the quarter ended 30<sup>th</sup> September, 2025 of Mercantile Ventures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Review Report to the Board of Directors,  
Mercantile Ventures Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **Mercantile Ventures Limited** ('the Company') for the quarter and period ended **30<sup>th</sup> September 2025**. This statement, is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013. Our Responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **Venkatesh & Co**

Chartered Accountants

FRN : 004636S

**HRISHI** Digitally signed  
by HRISHIKESH  
**KESH** Date: 2025.10.27  
15:14:06 +05'30'

**CA Hrishikesh.D**

Partner

M No : 272865

UDIN: **25272865BMLLCS5229**

Chennai, 27<sup>th</sup> October 2025

# Mercantile Ventures Limited

CIN: L65191TN1985PLC037309

## Statement of Unaudited Standalone Financial results for the Quarter and Half year ended 30/09/2025

(Rs. In Lakhs)

S. No.	Particulars	Standalone					
		Unaudited					Audited
		Quarter ended 30/09/2025	Quarter ended 30/06/2025	Quarter ended 30/09/2024	HYE 30/09/2025	HYE 30/09/2024	Year Ended 31/03/2025
1	<b>Income</b>						
	Income from Operations	1,122.70	1,019.64	903.83	2,142.34	1,749.76	3,656.07
	Other Income	0.10	1.44	(26.20)	1.54	34.15	232.19
	<b>Total income</b>	<b>1,122.80</b>	<b>1,021.08</b>	<b>877.63</b>	<b>2,143.88</b>	<b>1,783.91</b>	<b>3,888.26</b>
2	<b>Expenses</b>						
	Cost of services	885.58	788.33	690.53	1,673.91	1,331.50	2,778.44
	Employee benefit expense	35.29	33.94	30.72	69.23	74.37	137.54
	Finance costs	-	5.45	5.82	5.45	11.60	20.36
	Depreciation and amortisation expense	19.92	19.82	21.38	39.74	42.76	84.00
	Other expenses	157.61	187.76	139.92	345.37	294.91	614.17
	<b>Total Expenses</b>	<b>1,098.41</b>	<b>1,035.29</b>	<b>888.37</b>	<b>2,133.70</b>	<b>1,755.14</b>	<b>3,634.51</b>
3	<b>Profit / (Loss) from operations before exceptional items (1-2)</b>	<b>24.39</b>	<b>(14.21)</b>	<b>(10.74)</b>	<b>10.18</b>	<b>28.77</b>	<b>253.75</b>
4	Exceptional Items-Expenditure/(Income)	-	-	-	-	-	-
5	<b>Profit/(Loss) from ordinary activities before tax (3 + 4)</b>	<b>24.39</b>	<b>(14.21)</b>	<b>(10.74)</b>	<b>10.18</b>	<b>28.77</b>	<b>253.75</b>
6	Tax Expense - Current Tax	39.47	31.37	9.26	70.83	31.92	176.82
	- Deferred Tax	2.53	(4.25)	(11.96)	(1.71)	(24.68)	(617.22)
7	<b>Net Profit from Ordinary Activities after Tax (5-6)</b>	<b>(17.61)</b>	<b>(41.33)</b>	<b>(8.03)</b>	<b>(58.94)</b>	<b>21.54</b>	<b>694.15</b>
8	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
9	<b>Net Profit/(Loss) for the period (7+8)</b>	<b>(17.61)</b>	<b>(41.33)</b>	<b>(8.03)</b>	<b>(58.94)</b>	<b>21.54</b>	<b>694.15</b>
10	Share of profit/(loss) from LLP/Partnership Firms	(1.35)	(1.28)	(1.19)	(2.64)	(2.77)	(4.98)
11	<b>Net Profit/(Loss) for the period (9+10)</b>	<b>(18.96)</b>	<b>(42.61)</b>	<b>(9.22)</b>	<b>(61.57)</b>	<b>18.77</b>	<b>689.16</b>
12	Other Comprehensive Income (Net of Tax)	(1,260.89)	851.44	361.23	(409.45)	2,096.62	16.93
13	<b>Total Comprehensive Income for the Period (11+12)</b>	<b>(1,279.85)</b>	<b>808.83</b>	<b>352.01</b>	<b>(471.02)</b>	<b>2,115.38</b>	<b>706.09</b>
14	Paid-up equity share capital (Face value of Rs.10/- each)	11,191.82	11,191.82	11,191.82	11,191.82	11,191.82	11,191.82
15	Earnings per Share (in Rs)						
	Basic and diluted (not annualised for the quarters)	(0.02)	(0.04)	(0.01)	(0.05)	0.02	0.62

By order of the Board  
For Mercantile Ventures Limited



  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

Place: Chennai  
Date: 27.10.2025

Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032.  
T: +91 (44) 40432205, Email : admin@mercantileventures.co.in, Website: www.mercantileventures.co.in

# Mercantile Ventures Limited

CIN: L65191TN1985PLC037309

## Statement of segment wise Unaudited Standalone Financial results for the Quarter and Half Year ended 30/09/2025

(Rs. in lakhs)

Particulars	Unaudited					Audited
	Quarter ended 30/09/2025	Quarter ended 30/06/2025	Quarter ended 30/09/2024	HYE 30/09/2025	HYE 30/09/2024	Year Ended 31/03/2025
<b>1.Segment Revenue</b>						
a)Rent and Maintenance of immovable properties	193.29	194.25	190.14	387.54	374.84	753.49
b) Manpower Services	929.41	825.39	713.69	1754.80	1374.92	2902.58
c)Income from investment activities	0.10	1.44	(26.20)	1.54	34.15	232.19
d) Unallocable Income	-	-	-	-	-	-
<b>Income from operations</b>	<b>1122.80</b>	<b>1021.08</b>	<b>877.63</b>	<b>2143.88</b>	<b>1783.91</b>	<b>3888.26</b>
<b>2.Segment Results:</b>						
Profit before tax and interest						
For each segment						
a) Rent and Maintenance of immovable properties	88.05	69.54	94.77	157.59	163.82	362.09
b) Manpower Services	71.45	63.41	47.32	134.86	89.99	219.56
c)Investment activity	0.10	1.44	(26.20)	1.54	34.15	232.19
<b>Total</b>	<b>159.60</b>	<b>134.39</b>	<b>115.89</b>	<b>293.99</b>	<b>287.96</b>	<b>813.84</b>
Finance cost	-	5.45	5.82	5.45	11.60	20.36
Other net unallocable (income)/expenses	135.20	143.15	120.81	278.36	247.59	539.73
<b>Profit before tax</b>	<b>24.39</b>	<b>(14.21)</b>	<b>(10.74)</b>	<b>10.18</b>	<b>28.77</b>	<b>253.75</b>
Tax expense	42.00	27.12	(2.70)	69.12	7.24	(440.40)
<b>Profit after tax</b>	<b>(17.61)</b>	<b>(41.33)</b>	<b>(8.03)</b>	<b>(58.94)</b>	<b>21.54</b>	<b>694.15</b>
<b>3.Segment Assets</b>						
a) Rent and Maintenance of immovable properties	7451.04	7447.79	7556.90	7451.04	7556.90	7620.50
b) Manpower Services	455.94	533.03	568.57	455.94	568.57	472.32
c)Investment activity	26013.05	27680.33	29689.76	26013.05	29689.76	26358.12
c)Unallocated	1255.05	1162.33	1146.53	1255.05	1146.53	1210.27
<b>Total assets</b>	<b>35175.08</b>	<b>36823.48</b>	<b>38961.76</b>	<b>35175.08</b>	<b>38961.76</b>	<b>35661.21</b>
a) Rent and Maintenance of immovable properties	398.09	427.66	407.34	398.09	407.34	325.53
b) Manpower Services	210.84	167.67	182.10	210.84	182.10	229.90
c)Unallocated	2210.12	2592.25	3425.89	2210.12	3425.89	2278.73
<b>Total Liabilities</b>	<b>2819.04</b>	<b>3187.58</b>	<b>4015.33</b>	<b>2819.04</b>	<b>4015.33</b>	<b>2834.15</b>

By order of the Board  
For Mercantile Ventures Limited



E N Rangaswami  
Whole Time Director  
DIN: 06463753

Place: Chennai  
Date: 27.10.2025



Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032.

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# Mercantile Ventures Limited

CIN: L65191TN1985PLC037309

Note No.01:

## Standalone Balance Sheet as at 30 September 2025

(Rs. in lakhs)

	Particulars	As at 30 Sep 2025	As at 31 March 2025
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment and Intangible Assets		
	(i) Property, plant and Equipment	7290.14	7324.09
	(ii) Capital work-in progress	-	-
	(ii) Intangible Assets	-	-
	(b) Financial assets - Investments	22988.62	23414.30
	(c) Deferred tax assets (Net)		
		<b>30278.76</b>	<b>30738.39</b>
(2)	<b>Current assets</b>		
	(a) Financial Assets		
	(i) Investments	256.22	4.10
	(ii) Trade receivables	616.84	768.73
	(iii) Cash and cash equivalents	132.04	77.20
	(iv) Bank balance other than iii) above	-	100.74
	(v) Loans	2285.31	2372.90
	(vi) Other current financial assets	482.90	566.82
	(b) Current Tax Assets	1098.43	1008.05
	(c) Other Current Assets	24.58	24.28
		<b>4896.32</b>	<b>4922.82</b>
	<b>Total Assets</b>	<b>35175.08</b>	<b>35661.21</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity Share Capital	11191.82	11191.82
	(b) Other Equity	21164.22	21635.24
		<b>32356.04</b>	<b>32827.06</b>
	<b>LIABILITIES</b>		
(1)	<b>Non-current Liabilities</b>		
	Financial Liabilities		
	(i) Other financial liabilities	266.69	292.80
	(ii) Deferred tax liabilities (Net)	1082.08	1221.52
		<b>1348.77</b>	<b>1514.31</b>
(2)	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Unsecured Loans	-	-
	(ii) Trade payables	9.36	28.71
	(iii) Other financial liabilities	27.79	10.06
	(iv) Other Current liabilities	305.08	223.86
	(b) Provisions	1128.04	1057.21
		<b>1470.27</b>	<b>1319.84</b>
	<b>Total Equity and Liabilities</b>	<b>35,175.08</b>	<b>35,661.21</b>

By order of the Board  
For Mercantile Ventures Limited

  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

Place: Chennai  
Date: 27.10.2025



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# Mercantile Ventures Limited

CIN: L65191TN1985PLC037309

**Note No.02:**

**Standalone Cash Flow Statement for the Quarter and Half year ended 30/09/2025**

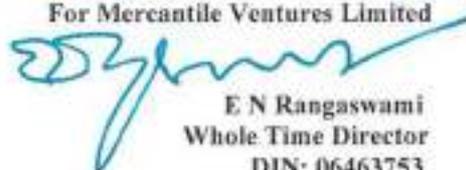
(Rs. in lakhs)

	Particulars		Period ended 30 Sep 2025	Year ended 31 March 2025
<b>A</b>	<b>Cash Flow from Operating Activities</b>			
	Profit for the year before tax and after Exceptional items OCI, share of loss		(539.63)	271.39
				(710.10)
	Adjustments for:			
	Depreciation	39.74		84.00
	Dividend Income	(0.08)		(39.95)
	Interest Income	(0.05)		(6.59)
	Profit on sale of investments	1.43		(35.50)
	Guarantee Commission	-	41.04	(149.75)
	<b>Operating Profit before Working Capital changes</b>		<b>(498.59)</b>	<b>(586.49)</b>
	Adjustments for:			
	Other Financial Liabilities	(26.11)		23.77
	Current liabilities & Provisions	150.43		9.14
	Trade Receivables	151.89		(111.79)
	Current tax assets	(90.38)		68.07
	Other current assets	(0.30)	185.53	(9.57)
			(313.06)	(606.88)
	Tax paid		(70.83)	(176.82)
	<b>Net Cash from Operating activities (A)</b>		<b>(383.90)</b>	<b>(783.70)</b>
<b>B</b>	<b>Cash Flow from Investing activities</b>			
	Proceeds from sale of shares/investments	(1.43)		35.50
	Addition to Fixed assets	(5.77)		(517.09)
	Non Current Investments	425.68		(389.49)
	Current Investments	(252.12)		201.39
	Income from Investments	0.13		196.29
	Other Current Financial Assets	83.92		809.37
	Loans and Advances	87.59	338.00	319.03
	<b>Cash Flow from investing activities (B)</b>		<b>338.00</b>	<b>655.00</b>
<b>C</b>	<b>Cash Flow from Financing activities</b>			
	Unsecured Loans		-	-
	Net Cash used in Financing Activities (C)		-	-
	<b>Net Cash Flows during the year (A) + (B) + (C)</b>		<b>(45.89)</b>	<b>(128.69)</b>
	Cash & Cash Equivalents at the beginning of the period		177.94	306.63
	Cash & Cash Equivalents at the end of the period		132.04	177.94

Notes:

3. The above results were reviewed by the Audit committee and approved by the Board of Directors at their respective meetings, held on 27th October 2025 and has been subjected to limited review by the statutory auditors of the company.
4. The figures for the corresponding previous periods have been regrouped/ reclassified wherever considered necessary.

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

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

Place: Chennai  
Date: 27.10.2025



Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032.

T: +91 (44) 40432205, Email : admin@mercantileventures.co.in, Website: www.mercantileventures.co.in

**Limited Review Report on Unaudited Consolidated Financial Results for the quarter ended 30<sup>th</sup> September, 2025 of Mercantile Ventures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of directors  
Mercantile Ventures Limited**

We have reviewed the accompanying Statement of Consolidated Financial Results of Mercantile Ventures Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income / loss of its associates for the quarter ended **30<sup>th</sup> September 2025** and for the period from **1<sup>st</sup> April 2025 to 30<sup>th</sup> September 2025** ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended **30<sup>th</sup> September 2025** and corresponding period from **1<sup>st</sup> April 2025 to 30<sup>th</sup> September 2025** as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to audit/review.

This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review of such consolidated financial statements.

We conducted our review of the statement in accordance with the Standard on Review Engagement (**SRE**) **2410**, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

The Statement includes the results of the following entities:

<b>Name of the Entity</b>	<b>Relationship</b>
I3 Security Private Limited	Subsidiary
India Radiators Limited	Subsidiary
Walery Security Management Limited	Subsidiary
Chitaranjan Developers LLP	Subsidiary

Based on our review conducted and procedures performed as stated in paragraph above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement expect:

We draw your attention to the following qualification to the audit conclusion of the financial statements of M/s Walery Security Management Limited, Subsidiary of the Holding company (M/s Mercantile Ventures Limited) issued by an independent firm of Chartered Accountants (R.G.N Price & Co) vide report dated 05<sup>th</sup> November 2024 reproduced by us as under:

The company holds, 10%/9% 2.20 crores nos. redeemable cumulative preference shares of nominal value Rs.10 per share aggregating to Rs.22 crores of a company, purchase at par, in respect of which dividends remain unpaid since FY 2019-20.

In the absence of valuation reports in support of the fair-market value of these investments, we are unable to assess either the arm's length nature of this acquisition or the carrying value of these investment in terms of the principles outlined in IND AS 109 financial Instruments and IND AS 113 – Fair Value



Measurement and its consequential impact on the results of the company for the quarter and half year ended September 30, 2025.

Further, during the previous year ended March 31,2025, the issuer company has raised a request for roll over for further five year and the same has been agreed upon by the company.

This Statement includes the interim financial information of **M/s Walery Security Management Limited (Subsidiary)** whose Financial Information has not been reviewed/audited by us, which reflects a total revenue of ₹ 19.29 lakhs, total net profit after tax of ₹ 3.57 lakhs and total Assets of ₹ 8,198.74 Lakhs, Other Comprehensive Income (net of taxes) of (Rs. 344.88 Lakhs) and **M/s India Radiators Limited (Subsidiary)** whose financial Information has not been reviewed/audited by us, which reflects a total revenue of ₹ 3.29 lakhs, total net profit after tax of ₹ (104.29) lakhs and total Assets of ₹ 1,829.88 Lakhs, Other Comprehensive Income of ₹ Nil for the period ended 30<sup>th</sup> September 2025 as considered in the Statement.

This financial information has been reviewed by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, is based solely on the reports of the Management and the procedures performed by us as stated in paragraph mentioned above.

for **Venkatesh & Co**

Chartered Accountants

FRN : 004636S

**HRISHI** Digitally signed  
by HRISHIKESH  
**KESH** Date: 2025.10.27  
15:14:54 +05'30'

**CA Hrishikesh.D**

Partner

M No : 272865

UDIN: **25272865BMLLCT7690**

Chennai, 27<sup>th</sup> October 2025

**Mercantile Ventures Limited**  
CIN: L65191TN1985PLC037309

**Statement of Unaudited Consolidated Financial results  
for the Quarter and Half year ended 30/09/2025**

(Rs. in Lakhs)

S. No.	Particulars	Consolidated					Year Ended 31/03/2025
		Unaudited				Audited	
		Quarter ended 30/09/2025	Quarter ended 30/06/2025	Quarter ended 30/09/2024	HYE 30/09/2025	HYE 30/09/2024	
1	Income						
	Income from Operations	2351.27	2107.55	1784.34	4458.82	3458.80	7218.53
	Other Income	11.43	13.05	104.30	24.48	928.35	1286.99
	<b>Total income</b>	<b>2362.70</b>	<b>2120.60</b>	<b>1888.64</b>	<b>4483.30</b>	<b>4387.15</b>	<b>8505.52</b>
2	Expenses						
	Cost of services	887.63	782.61	694.19	1670.24	1332.73	2772.90
	Employee benefit expense	1186.61	1091.75	849.07	2278.36	1687.29	3539.96
	Finance costs	0.01	5.45	25.78	5.46	50.99	20.40
	Depreciation and amortisation expense	21.45	21.28	23.77	42.73	47.24	93.32
	Other expenses	221.33	262.69	173.73	484.02	374.95	769.74
	<b>Total Expenses</b>	<b>2317.04</b>	<b>2163.78</b>	<b>1766.54</b>	<b>4480.81</b>	<b>3493.20</b>	<b>7196.32</b>
3	<b>Profit / (Loss) from operations before exceptional items (1-2)</b>	<b>45.66</b>	<b>(43.18)</b>	<b>122.10</b>	<b>2.49</b>	<b>893.95</b>	<b>1309.20</b>
4	Exceptional Items Expenditure/(Income)	-	-	-	-	-	-
5	<b>Profit/(Loss) from ordinary activities before tax (3 + 4)</b>	<b>45.66</b>	<b>(43.18)</b>	<b>122.10</b>	<b>2.49</b>	<b>893.95</b>	<b>1309.20</b>
6	Tax Expense - Current Tax	54.12	35.03	49.16	89.15	176.94	368.75
	- Deferred Tax	(3.76)	(9.14)	(17.52)	(12.89)	(49.97)	(686.08)
7	<b>Net Profit from Ordinary Activities after Tax (5-6)</b>	<b>(4.69)</b>	<b>(69.07)</b>	<b>90.47</b>	<b>(73.76)</b>	<b>766.98</b>	<b>1626.53</b>
8	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
9	<b>Net Profit/(Loss) for the period (7+8)</b>	<b>(4.69)</b>	<b>(69.07)</b>	<b>90.47</b>	<b>(73.76)</b>	<b>766.98</b>	<b>1626.53</b>
10	Share of profit/(loss) from LLP/ Partnership Firms	(1.35)	(1.28)	(1.19)	(2.64)	(2.77)	(4.98)
11	Share of profit/(loss) from associate	-	-	-	-	-	-
12	<b>Net Profit/(Loss) for the period (10+11)</b>	<b>(6.04)</b>	<b>(70.35)</b>	<b>89.28</b>	<b>(76.40)</b>	<b>764.21</b>	<b>1621.55</b>
13	Minority Interest	(146.68)	16.58	14.67	(130.10)	127.39	(109.00)
	Pre-Acquisition profit	-	-	(6.83)	-	(6.83)	-
14	<b>Net Profit/(Loss) for the period (12+13)</b>	<b>140.64</b>	<b>(86.93)</b>	<b>81.44</b>	<b>53.71</b>	<b>643.65</b>	<b>1730.55</b>
15	Discontinued operation						
	Net Profit/(Loss) for the period from discontinued operations	-	-	-	-	1.43	1.43
	Tax expenses for the period from discontinued operations	-	-	-	-	0.36	0.36
	Net Profit/(Loss) for the period from discontinued operations	-	-	-	-	1.07	1.07
	Net Profit/(Loss) for the period	140.64	(86.93)	81.44	53.71	644.72	1731.62
16	Other Comprehensive Income (Net of Tax)	(1892.05)	1099.54	368.01	(792.51)	2118.36	(471.69)
17	<b>Total Comprehensive Income for the Period (11+12)</b>	<b>(1751.41)</b>	<b>1012.61</b>	<b>449.45</b>	<b>(738.81)</b>	<b>2763.08</b>	<b>1259.93</b>
18	Paid-up equity share capital (Face value of Rs.10/- each)	11191.82	11191.82	11191.82	11191.82	11191.82	11191.82
19	Earnings per Share (in Rs) Basic and diluted (not annualised for the quarters)	0.13	(0.08)	0.07	0.10	0.57	1.55

By order of the Board  
For Mercantile Ventures Limited



  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

Place: Chennai  
Date: 27.10.2025

**Mercantile Ventures Limited**  
CIN: L65191TN1985PLC037309

**Statement of segment wise Unaudited Consolidated Financial results  
for the Quarter and Half year ended 30/09/2025**

(Rs. In Lakhs)

Particulars	Unaudited				Audited	
	Quarter ended 30/09/2025	Quarter ended 30/06/2025	Quarter ended 30/09/2024	HYE 30/09/2025	HYE 30/09/2024	Year Ended 31/03/2025
<b>1. Segment Revenue</b>						
a) Rent and Maintenance of immovable properties	194.87	195.85	191.72	390.70	378.00	759.81
b) Manpower Services	929.41	825.39	713.69	1754.80	1374.92	2902.58
c) Security Services	1226.99	1086.33	878.93	2313.32	1705.88	3556.14
Others	-	-	-	-	-	-
d) Investment Activities	11.43	13.05	104.30	24.48	928.35	1286.99
e) Unallocated Income	-	-	-	-	-	-
Income from operations	2362.70	2120.60	1888.64	4483.30	4387.15	8505.52
<b>2. Segment Results:</b>						
Profit before tax and interest For each segment						
a) Rent and Maintenance of immovable properties	100.61	82.52	106.61	183.13	186.79	408.47
b) Manpower Services	71.45	63.41	47.32	134.86	89.99	219.56
c) Security Services	67.59	27.79	51.35	95.38	81.33	138.02
d) Investment Activities	11.43	13.05	104.30	24.48	928.35	1286.99
<b>Total</b>	<b>251.08</b>	<b>186.77</b>	<b>309.58</b>	<b>437.85</b>	<b>1286.46</b>	<b>2053.04</b>
Finance cost	-	5.45	25.78	5.45	50.99	20.40
Other net unallocable (income)/expenses	205.42	224.49	161.70	429.91	341.52	723.43
<b>Profit before tax</b>	<b>45.66</b>	<b>(43.17)</b>	<b>122.10</b>	<b>2.49</b>	<b>893.95</b>	<b>1309.21</b>
Tax expense	50.37	25.89	31.63	76.26	126.97	(317.32)
<b>Profit after tax</b>	<b>(4.69)</b>	<b>(69.07)</b>	<b>90.47</b>	<b>(73.76)</b>	<b>766.98</b>	<b>1626.53</b>
Share of profit from LLP	(1.36)	(1.28)	(1.19)	(2.64)	(2.77)	(4.98)
Share of profit from associate	-	-	-	-	-	-
Minority interest	(146.68)	16.58	14.67	(130.10)	127.39	(109.00)
Pre Acquisition Profit	-	-	(6.83)	-	(6.83)	-
Profit/(Loss) for the period from discontinued operations after tax	-	-	-	-	1.07	1.07
<b>Profit after tax</b>	<b>140.64</b>	<b>(86.93)</b>	<b>81.44</b>	<b>53.70</b>	<b>644.72</b>	<b>1731.62</b>
<b>3. Segment Assets</b>						
a) Rent and Maintenance of immovable properties	7523.54	7520.67	7625.94	7523.54	7625.94	7692.26
b) Manpower Services	455.94	531.03	568.57	455.94	568.57	472.32
c) Investment Activities	24977.96	27387.85	24454.82	24977.96	24454.82	25838.42
d) Security Services	1060.64	1030.69	754.36	1060.64	754.36	874.80
d) Unallocated	4107.00	4070.10	10033.87	4107.00	10033.87	4181.10
<b>Total assets</b>	<b>38125.07</b>	<b>40542.34</b>	<b>43437.55</b>	<b>38125.07</b>	<b>43437.55</b>	<b>39058.90</b>
<b>4. Segment Liabilities</b>						
a) Rent and Maintenance of immovable properties	398.09	427.67	407.34	398.09	407.34	325.53
b) Manpower Services	210.84	167.67	182.10	210.84	182.10	229.90
c) Security Services	145.03	134.31	84.89	145.03	84.89	420.46
d) Unallocated	5030.09	5723.23	6682.29	5033.09	6682.29	5006.16
<b>Total Liabilities</b>	<b>5787.05</b>	<b>6452.88</b>	<b>7356.62</b>	<b>5787.05</b>	<b>7356.62</b>	<b>5982.05</b>

Place: Chennai  
Date: 27.10.2025



By order of the Board  
For Mercantile Ventures Limited

  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

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**Mercantile Ventures Limited**  
CIN: L65191TN1985PLC037309

Note No.01:

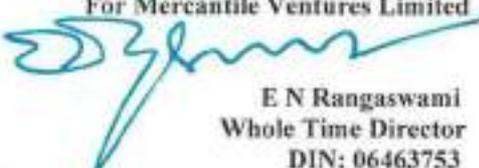
Consolidated Balance sheet as at 30 Sep 2025

(Rs. In Lakhs)

Particulars	As at 30 Sep 2025	As at 31 Mar 2025
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, Plant and Equipment	9104.83	9140.82
(b) Capital work-in progress	-	-
(c) Goodwill on consolidation	306.58	306.58
(d) Minority Interest	-	-
<b>Financial assets</b>	-	-
(a) Investments	21577.91	22271.05
(b) Deferred tax assets (Net)	3.26	-
	<b>30992.58</b>	<b>31718.45</b>
<b>(2) Current assets</b>		
Inventories	0.28	0.39
<b>(a) Financial Assets</b>		
(i) Investments	257.96	9.69
(ii) Trade receivables	1686.66	1649.96
(iii) Cash and cash equivalents	534.95	722.14
(iv) Other current financial assets	2397.32	467.18
(v) Loans and Advances	758.46	3090.50
<b>(b) Current Tax Assets</b>	1098.43	1050.08
<b>(c) Other Current Assets</b>	398.43	350.51
<b>Asset held for sale</b>	-	-
	<b>7132.49</b>	<b>7340.45</b>
<b>Total Assets</b>	<b>38125.07</b>	<b>39058.90</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital	11191.82	11191.82
(b) Other Equity	21146.20	21885.03
	<b>32346.02</b>	<b>33076.85</b>
<b>LIABILITIES</b>		
<b>(1) Non-current Liabilities</b>		
Minority Interest	1209.34	1339.44
(i) Other financial liabilities	266.69	292.80
Deferred tax liabilities (Net)	2196.90	2414.65
Other non-current liabilities	-	-
	<b>3672.93</b>	<b>4046.89</b>
<b>(2) Current Liabilities</b>		
<b>(a) Financial Liabilities</b>		
(i) Trade payables	11.77	30.87
(ii) Other financial liabilities	217.87	123.49
<b>(b) Other Current liabilities</b>	260.16	227.55
<b>(c) Provisions</b>	1624.32	1553.25
	<b>2114.12</b>	<b>1938.16</b>
<b>Total Equity and Liabilities</b>	<b>38125.07</b>	<b>39058.90</b>

Place: Chennai  
Date: 27.10.2025



By order of the Board  
For Mercantile Ventures Limited  
  
E N Rangaswami  
Whole Time Director  
DIN: 06463753

**Mercantile Ventures Limited**  
CIN: L65191TN1985PLC037309

Note No.02:

**Consolidated Cash Flow Statement for the period ended 30 September 2025**

(Rs. In Lakhs)

Particulars		Period ended 30 Sep 2025		Year ended 31 March 2025
<b>A</b>	<b>Cash Flow from Operating Activities</b>			
	Profit for the year before tax and after Exceptional items OCI, share of loss from LLP		(1000.77)	942.96
	Deferred Tax Adjustments	(217.75)		(2020.89)
	Adjustments for:			
	Depreciation	42.73		93.32
	Dividend Income	(0.08)		(39.95)
	Interest Income	22.60		(911.76)
	Minority Interest	130.10		(120.72)
	Adjustment to Minority Interest			(150.03)
	Profit on sale of investments	1.43		-
	Fair value changes in financial instruments			
	Deletion of Fixed Assets			
	Guarantee Commission			(149.75)
	Share of profit of associate		(20.97)	(3299.77)
	Operating Profit before Working Capital changes		(1021.75)	
	Adjustments for:			
	Other Current liabilities	32.60		(18.44)
	Current provisions	71.07		(22.36)
	Long Term Liabilities	(26.11)		23.77
	Trade payables	(19.10)		18.06
	Other current financial liabilities	94.38		65.88
	Other current assets	(45.28)		(75.03)
	Goodwill	-		(3.19)
	Trade Receivables	(36.69)		(333.53)
	Other Current tax Assets	48.35	119.22	166.25
			(902.53)	(2535.41)
	Tax paid		(89.15)	(369.38)
	<b>Net Cash from Operating activities (A)</b>		<b>(991.68)</b>	<b>(2904.79)</b>
	<b>Cash Flow from Investing activities</b>			
	Proceeds from redemption of Mutual Fund	204.00		2185.00
	Purchase of MF	(42.84)		-
	Loans and advances	2332.04		250.60
	Addition to Fixed Assets	(6.74)		70.83
	Current investments	693.13		(6278.25)
	Income from Investments	(59.05)		(496.01)
	(Purchase)/sale of other investments	(186.02)		-
	Other financial assets	(1930.03)		1251.49
	Bank Balances not considered as cash and cash equivalents	(200.00)		(2180.18)
	<b>Cash Flow from investing activities (B)</b>		<b>804.49</b>	<b>(2180.18)</b>
	<b>Cash Flow from Financing activities</b>			
	Change in unsecured Loans		-	-
	<b>Net Cash used in Financing Activities (C)</b>		<b>-</b>	<b>-</b>
	<b>Net Cash Flows during the year (A) + (B) + (C)</b>		<b>(187.18)</b>	<b>(5084.97)</b>
	Cash & Cash Equivalents at the beginning of the period		722.14	5807.11
	Cash & Cash Equivalents at the end of the period <sup>#</sup>		534.96	722.14

# Includes balance of Fixed Deposit with bank

**Notes:**

03. The above results were reviewed by the Audit committee and approved by the board of directors at their respective meetings, held on 27<sup>th</sup> October 2025 and has been subjected to limited review by the statutory auditors of the company.
04. The figures for the corresponding previous periods have been regrouped/ reclassified wherever considered necessary.

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

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

Place: Chennai  
Date: 27.10.2025



Regd. Office: No.88, Mount Road, Guindy, Chennai - 600 032.

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Statement of Unaudited Financial Results for the quarter and half year ended 30/09/2025

(Rs. in Lakhs)

Sl.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Half Year Ended	Half Year Ended	Year ended
		30/09/2025	30/06/2025	30/09/2024	30/09/2025	30/09/2024	31/03/2025
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	a)Income from Operations	1.58	1.58	1.58	3.16	3.16	6.32
	b)Other Income	0.11	0.02	0.07	0.13	0.13	0.25
	<b>Total income</b>	<b>1.69</b>	<b>1.60</b>	<b>1.65</b>	<b>3.29</b>	<b>3.29</b>	<b>6.57</b>
2	<b>Expenses</b>						
	a) Employee benefit expense	-	-	-	-	-	-
	b)Finance costs	21.38	20.79	19.96	42.17	39.37	79.90
	c) Depreciation and amortisation expense	-	-	-	-	-	-
	d) Other expenses	31.50	44.46	2.67	75.96	7.39	31.56
	<b>Total Expenses</b>	<b>52.88</b>	<b>65.25</b>	<b>22.63</b>	<b>118.13</b>	<b>46.76</b>	<b>111.46</b>
3	2)	(51.19)	(63.65)	(20.98)	(114.84)	(43.47)	(104.89)
4	Exceptional Items-Expenditure/(Income)	-	-	-	-	-	-
5	Profit/(Loss) from ordinary activities before tax (3 + 4)	(51.19)	(63.65)	(20.98)	(114.84)	(43.47)	(104.89)
	Profit/(Loss) from Discontinued operations	-	-	-	-	-	-
	Profit/(loss) for the period before tax	(51.19)	(63.65)	(20.98)	(114.84)	(43.47)	(104.89)
6	Tax Expense - Current Tax	-	-	-	-	-	-
	- Deferred Tax (Net)	(5.35)	(5.20)	(4.99)	(10.55)	(9.84)	(19.97)
7	Net Profit from Ordinary Activities after Tax (5-6)	(45.84)	(58.45)	(15.99)	(104.29)	(33.63)	(84.92)
8	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
9	Net Profit/(Loss) for the period (7+8)	(45.84)	(58.45)	(15.99)	(104.29)	(33.63)	(84.92)
10	Other Comprehensive Income	-	-	-	-	-	-
11	Total Comprehensive Income for the Period(9+10)	(45.84)	(58.45)	(15.99)	(104.29)	(33.63)	(84.92)
12	Paid-up equity share capital (Face value of Rs.10/- each)	90.00	90.00	90.00	90.00	90.00	90.00
13	Reserves( excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the Previous year	-	-	-	-	-	(127.02)
14	Earnings per Share (in Rs) before and after extra-ordinary items -not annualised						
	Basic	(5.09)	(6.49)	(1.78)	(11.59)	(3.74)	(9.44)
	Diluted	(5.09)	(6.49)	(1.78)	(11.59)	(3.74)	(9.44)



Note 1: Statement of Assets and Liabilities as at 30th Sep, 2025

(Rs in lakhs)

Particulars	As at 30-09-2025	As at 31-03-2025
<b>ASSETS</b>		
<b>Non- Current Assets</b>		
Property Plant and Equipment	1802.35	1802.35
<b>Financial Assets</b>		
(i) Investments	-	-
(ii) Loans and advances	-	-
Deferred Tax Assets(net)	-	-
Other Non- current assets	-	-
	<b>1,802.35</b>	<b>1,802.35</b>
<b>Current Assets</b>		
<b>Financial Assets</b>		
(i) Investments	-	-
(ii) Trade Receivables	21.56	20.82
(iii) Cash and Cash equivalents	1.94	2.80
(iv) Loans and advances	-	0.00
Other Current Assets	4.03	2.37
	<b>27.53</b>	<b>25.99</b>
<b>Total Assets</b>	<b>1829.88</b>	<b>1828.34</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	90.00	90.00
Other Equity	(231.31)	(127.02)
	<b>(141.31)</b>	<b>(37.02)</b>
<b>Liabilities</b>		
<b>Non- Current Liabilities</b>		
<b>Financial Liabilities</b>		
(i) Borrowings	-	-
(ii) Other financial liabilities	1,247.27	1,205.10
Deferred tax liabilities (Net)	533.84	544.39
Other Non-current liabilities	-	-
	<b>1,781.11</b>	<b>1,749.49</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
(i) Trade Payables	-	2.16
(ii) Other Financial Liabilities	190.08	113.43
Other current Liabilities	-	0.28
Provisions	-	-
	<b>190.08</b>	<b>115.87</b>
<b>Total Equity &amp; Liabilities</b>	<b>1829.88</b>	<b>1828.34</b>



Note 2: Cash flow statement for the Quarter and Half year ended 30 Sep, 2025

(Rs in lakhs)

Particulars		Period Ended 30 Sep 2025	Year ended 31 March 2025
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Profit for the year before Exceptional items and Tax	(114.84)	(104.89)
	<b>Adjustments for:</b>		
	Depreciation	-	-
	<b>Operating Profit before Working Capital changes</b>	(114.84)	(104.89)
	<b>Adjustments for:</b>		
	Decrease(increase)in loans and advances	-	-
	Decrease(increase)in other current assets	(2.40)	(5.59)
	Increase/(decrease ) in non current financial Liabilities	42.17	79.90
	Increase/(decrease ) in other Current financial Liabilities	76.65	27.44
	Increase/(decrease ) in other Current Liabilities	(2.44)	2.31
	<b>Net Cash from Operating activities (A)</b>	(0.86)	(0.83)
<b>B</b>	<b>Cash Flow from Investing activities</b>		
	Proceeds from sale of Fixed Assets	-	-
	<b>Net Cash from Investing activities (B)</b>	-	-
<b>C</b>	<b>Cash Flow from Financing activities</b>		
	Increase in Long term liabilities	-	-
	<b>Net Cash used in Financing Activities (C)</b>	-	-
	<b>Net Cash Flows during the year (A) + (B) + (C)</b>	(0.86)	(0.83)
	<b>Cash &amp; Cash Equivalents (Opening Balance) as at 01-04-2025</b>	2.80	3.63
	<b>Cash &amp; Cash Equivalents (Closing Balance) as at 30-09-2025</b>	1.94	2.80

Notes:

3	The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on 24th October 2025 and have been subjected to a limited review by the Statutory Auditors of the Company.
4	The figures for the corresponding previous periods have been regrouped / reclassified wherever considered necessary.

By Order of the Board  
For India Radiators Limited



E N Rangaswami  
Whole-time Director  
DIN No. 06463753



Place : Chennai  
Date : 24-10-2025

**Limited Review Report on Quarterly Financial Results of India Radiators Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Review Report to the Board of Directors,  
India Radiators Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **India radiators Limited** ('the Company') for the quarter and period ended September 30<sup>th</sup>, 2025. This statement, is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013. Our Responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For *DPV & Associates*

Chartered Accountants

FRN: 011688S

**KASI**

**RAJAN**

**VAIRA**

**MUTTHU**

Digitally signed

by KASI RAJAN

VAIRA MUTTHU

Date:

2025.10.24

15:15:03 +05'30'

**CA Vaira Mutthu K**

M No: 218791

Partner

UDIN: **25218791BMILSQ1927**

Chennai., 24<sup>th</sup> October 2025

**Shareholding Pattern of Mercantile Ventures Limited as per Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31<sup>st</sup> March 2025**

Holding of specified securities ( Statement Showing Shareholding Pattern )

- 1 Name of Listed Entity : MERCANTILE VENTURES LIMITED
- 2 Scrip Code / Name of Scrip / Class of Security - 538942 / null / EQUITY
- 3 Share Holding Pattern under: Reg. 31(1)(b) for the Quarter ending 31-MAR-2025
- 4 Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

Particulars	Yes*	No*
1 Whether the Listed Entity has issued any partly paid up shares?		NO
2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		NO
3 Whether the Listed Entity has any shares against which depository receipts are issued?		NO
4 Whether the Listed Entity has any shares in locked-in?		NO
5 Whether any shares held by promoters are pledge or otherwise encumbered?		NO

- 5 The tabular format for disclosure of holding of specified securities is as follows:-



**MERCANTILE VENTURES LIMITED**

Table I - Summary Statement holding of specified securities

Category (I)	Category of Shareholder (II)	Nos. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorisation of shares (XV)		
								No of Voting Rights			Total as a % of (A+B+C)			No.(a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares held (b)		Shareholding (No. of shares) under		
								Class eg: X	Class eg: Y	Total									Subcategory (I)	Subcategory (II)	Subcategory (III)
A	PROMOTER & PROMOTER GROUP	12	81424237	0	0	81424237	72.75	81424237	0	81424237	72.75	0	0	0	0	81248987	0	0	0		
B	PUBLIC	30807	30493958	0	0	30493958	27.25	30493958	0	30493958	27.25	0	0	0	0	21541946	0	0	0		
C	NON PROMOTER- NON PUBLIC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
C1	Custodian/DR Holder	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
C2	SHARES HELD BY EMPLOYEE TRUSTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
	Total	30819	111918195	0	0	111918195	100	111918195	0	111918195	100	0	0	0	0	102808933	0	0	0		



**MERCANTILE VENTURES LIMITED**

Table E - Statement showing shareholding pattern of the Promoter and Promoter Group

Category Name of the Shareholders (I)	Promoter OR promoter Group entity (except promoter)	PAN (II)	Nos. of Sharehold or (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlyin g Depositor y Receipts (VI)	Total nos. shares held (VII = IV + V + VI)	Sharehold ing % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of A+B+C2	Number of Shares locked in (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting rights			No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)	
									Class X	Class Y	Total								
1 INDIAN			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a Individuals/Hindu undivided Family			2	21213	0	21213	0.02	21213	0	21213	0.02	0	0	0	0	0	0	0	21213
Names:																			
A C MUTHIAN	Prom.Grp.			13068	0	13068	0.01	13068	0	13068	0.01	0	0	0	0	0	0	0	13068
AL VADIVELLI	Promoter			8144	0	8144	0.01	8144	0	8144	0.01	0	0	0	0	0	0	0	8144
b Central Government/ State governments(s)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c Financial institutions/ Banks			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d ANY OTHER			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Names:																			
Bodles Corporate			7	67157840	0	67157840	60.01	67157840	0	67157840	60.01	0	0	0	0	0	0	0	60080590
TRINITY AUTO POINTS LTD	Prom.Grp.			20956000	0	20956000	18.72	20956000	0	20956000	18.72	0	0	0	0	0	0	0	20956000
SOUTH INDIA TRAVELS PVT LTD	Promoter			18612086	0	18612086	16.63	18612086	0	18612086	16.63	0	0	0	0	0	0	0	18612086
GOLDEN STAR ASSETS CONSULTANTS PVT LTD	Prom.Grp.			14396000	0	14396000	12.86	14396000	0	14396000	12.86	0	0	0	0	0	0	0	14396000
SKAGEN INDIA LIMITED	Promoter			7723005	0	7723005	6.9	7723005	0	7723005	6.9	0	0	0	0	0	0	0	7723005
TWINSHIELD CONSULTANTS PRIVATE LIMITED	Prom.Grp.			5281899	0	5281899	4.72	5281899	0	5281899	4.72	0	0	0	0	0	0	0	5281899
FRST LEASING CO OF INDIA LTD	Promoter			177250	0	177250	0.16	177250	0	177250	0.16	0	0	0	0	0	0	0	0
NAYYA MARKETS LIMITED	Promoter			11600	0	11600	0.01	11600	0	11600	0.01	0	0	0	0	0	0	0	11600
Sub Total (A)(1)			9	67179002	0	67179002	0	67179002	0	67179002	0	0	0	0	0	0	0	0	67021802
2 FOREIGN			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a Individuals (Non-Resident Individuals/Foreign Individuals)			1	230	0	230	0	230	0	230	0	0	0	0	0	0	0	0	230
Names:																			
ASHWIN C MUTHIAN	Prom.Grp.			230	0	230	0	230	0	230	0	0	0	0	0	0	0	0	230
b Government			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c Institutions			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d Foreign Portfolio Investor			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
f ANY OTHER			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Names:																			
Bodles Corporate			2	14244955	0	14244955	12.75	14244955	0	14244955	12.75	0	0	0	0	0	0	0	14244955
HANFORD INVESTMENTS LTD	Promoter			7807903	0	7807903	6.90	7807903	0	7807903	6.90	0	0	0	0	0	0	0	7807903
DARWOLF INVESTMENTS LTD	Promoter			6437000	0	6437000	5.75	6437000	0	6437000	5.75	0	0	0	0	0	0	0	6437000
Sub Total (A)(2)			3	14245185	0	14245185	0	14245185	0	14245185	0	0	0	0	0	0	0	0	14245185
Total Shareholding of Promoter and Promoter Group (A)-(A)(1)-(A)(2)			12	81424237	0	81424237	72.75	81424237	0	81424237	72.75	0	0	0	0	0	0	0	81246987

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/inclined suspense account, voting rights which are frozen etc.







## MERCANTILE VENTURES LIMITED

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category & Name of the Shareholders (I)	PAN (II)	Nos. of Shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding % calculated as per SCRR, 1957 As a % of [(A+B+C2) (VIII)]	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV) (Not applicable)	
								No of Voting Rights			Total as a % of Total Voting rights			No.(a) (Not applicable)	As a % of total Shares held (b)	No.(a) (Not applicable)	As a % of total Shares held (Not applicable) (b)		
								Class X	Class Y	Total									
1	Custodian - ADRs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	Custodian - GDRs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	Custodian - Public		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	Custodian - SDRs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	Custodian/DR Holder		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	SHARES HELD BY EMPLOYEE TRUSTS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Promoter- Non Public Shareholding (C2) = (C1)+(C2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



**MERCANTILE VENTURES LIMITED**

Table V - Significant beneficial owners

Sr. No.	Details of the SBO					Details of the registered owner					Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*					Date of creation / acquisition of significant beneficial interest
	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality Applicable in case of any other (if selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of any other (if selected))	Whether by virtue of:					
											Shares	Voting rights	Right on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence	
1	ASHWIN C MUTHIAN			Singapore		Darnolly Investments Limited			Singapore		8.00		No	No	15-05-2013	
2	ASHWIN C MUTHIAN			Singapore		Ranford Investments Limited			Singapore		7.00		No	No	15-05-2013	
3	ASHWIN C MUTHIAN			Singapore		Ashwin C Muthian			Singapore		0.00		No	No	17-04-1997	
4	ASHWIN C MUTHIAN			Singapore		Twinshield Consultants Private Limited			India		5.00		No	No	10-04-2023	
5	MUTHIAN AC			India		MUTHIAN A CHIEF			India		0.00		No	No	17-04-1997	
6	MUTHIAN AC			India		Trinity Auto Points Limited			India		19.00		No	No	15-03-2013	



## MERCANTILE VENTURES LIMITED

Table VI - Statement showing foreign ownership limits

Particular	Approved limits (%)	Limits utilized (%)
As on shareholding date	100.00	12.75
As on the end of previous 1st quarter	100.00	12.75
As on the end of previous 2nd quarter	100.00	12.75
As on the end of previous 3rd quarter	100.00	12.75
As on the end of previous 4th quarter	100.00	12.75

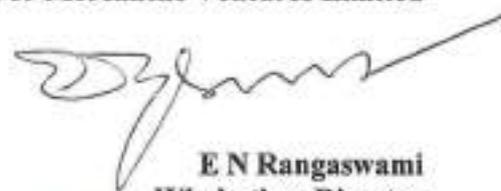


**ANNEXURE - 11**

**Details of the Ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Transferee Company**

Name of the statute	Nature of dues	Amount (in Lakhs)	Assessment Year	Forum where dispute is pending
Income Tax Act 1961	Income Tax	6.20	2014-15	AO
Income Tax Act 1961	Income Tax	39.10	2015-16	CIT(A)
Income Tax Act 1961	Income Tax	25.91	2016-17	CIT(A)
Income Tax Act 1961	Income Tax	18.96	2017-18	ITAT
Income Tax Act 1961	Income Tax	83.84	2018-19	CIT(A)

**For Mercantile Ventures Limited**



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





### Certificate

To

The Board of Directors

**Mercantile Ventures Limited**

P88, Mount Road Guindy, Chennai,

Chennai, Tamil Nadu,

India, 600032

This is to certify that we, Venkatesh & Co, Chartered Accountants, Statutory Auditors of M/s Mercantile Ventures Limited (CIN: L65191TN1985PLC037309), have been requested by the management of the Company to certify the details of Assets, Liabilities, Revenue and Net Worth of the Company, pre-merger and post-merger, as at 31st December 2024.

The details provided herein are based on the limited review of books of accounts of the Company and other relevant information and explanations furnished to us by the management. The information is presented in the following annexures:

- ❖ Annexure 1: Details of Assets
- ❖ Annexure 2: Details of Liabilities
- ❖ Annexure 3: Details of Revenue
- ❖ Annexure 4: Net Worth of the Company (Pre-Merger and Post-Merger)

This Certificate is issued at the request of the Mercantile Ventures Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of merger of the company with India Radiators Limited via Proposed Scheme of Amalgamation dated April 08, 2025, for onward submission to the Bombay Stock Exchange for that purpose only.

for **Venkatesh & Co.,**

Chartered Accountants

FRN: 004636S

**HRISHIKESH**

Digitally signed by  
 HRISHIKESH  
 Date: 2025.06.04 17:49:58  
 +05'30'

**CA Hrishikesh D**

Partner

M No : 272865

UDIN:- 25272865BMLKZV6782

Place: Chennai

Date: 04<sup>th</sup> June, 2025

**Annexure 1:**

**Details of Assets of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

**(Rupees in Lakhs)**

Details of Assets	Pre Merger as on 31.12.2024	Post Merger as on 31.12.2024
<b>Particulars</b>		
<b>A) Non-Current Assets</b>		
a) Property, Plant and Equipment and Intangible assets		
--- (i) Property, Plant and Equipment	7,328.34	9,130.70
--- (ii) Capital work-in progress	-	-
--- (iii) Intangible Assets	-	-
b) Financial Assets	-	-
--- (i) Investments	26,060.49	24,843.11
c) Deferred Tax Asset (Net)	-	-
<b>Total Non Current Assets</b>	<b>33,388.83</b>	<b>33,973.81</b>
<b>B) Current Assets</b>		
a) Financial Assets		
--- (i) Investments	714.89	714.89
--- (ii) Trade Receivables	639.10	658.59
--- (iii) Cash and cash equivalents	66.57	68.73
--- (iv) Bank balance other than iii) above	108.39	108.39
--- (v) Loans	2,432.42	2,339.96
--- (vi) Other financial assets	1,346.03	1,346.03
b) Current Tax Assets (Net)	976.60	976.60
c) Other current assets	15.92	18.23
<b>Total Current Assets</b>	<b>6,299.92</b>	<b>6,231.42</b>
<b>Total Assets</b>	<b>39,688.75</b>	<b>40,205.23</b>

**Annexure 2:**

**Details of Liabilities of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

Details of Liabilities	Pre Merger as on 31.12.2024	Post Merger as on 31.12.2024
<b>Particulars</b>		
<b>(a) Non-Current Liabilities</b>		
(a) Financial Liabilities		
--- (i) Other financial liabilities	286.59	286.59
(b) Deferred Tax Liabilities (Net)	2,705.59	3,255.03
<b>Total Non Current Liabilities</b>	<b>2,992.18</b>	<b>3,541.61</b>
<b>(b) Current Liabilities</b>		
a) Financial Liabilities	-	-
--- (i) Trade Payables	-	-
--- (ii) Other financial liabilities	86.30	179.25
b) Other current liabilities	175.42	82.96
c) Provisions	913.96	913.96
<b>Total Current Liabilities</b>	<b>1,175.68</b>	<b>1,176.17</b>
<b>Total Liabilities</b>	<b>4,167.86</b>	<b>4,717.78</b>

**Annexure 3:**

**Details of Revenue of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

Details of Revenue	Pre Merger as on 31.12.2024	Post Merger as on 31.12.2024
<b>Particulars</b>		
Revenue from Operations	2,678.78	2,683.52
Other Income	61.75	61.92
<b>Total Income</b>	<b>2,740.53</b>	<b>2,745.44</b>

**Annexure 4:**

**Net Worth of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

<b>Particulars</b>	<b>Pre Merger as on 31.12.2024</b>	<b>Post Merger as on 31.12.2024</b>
Equity Share Capital	11,191.82	11,207.14
<b>Free Reserves</b>		
Securities Premium	12,250.20	12,250.20
General Reserves	10,780.99	9,165.86
Surplus in the statement of Profit and loss account	2,211.08	2,162.24
<b>Total</b>	<b>25,242.27</b>	<b>23,578.30</b>
<b>Net worth</b>	<b>36,434.09</b>	<b>34,785.44</b>

**Certificate**

To  
The Board of Directors,  
**India Radiators Ltd.,**  
No. 88, Mount Road Guindy,  
Chennai, 600032

This is to certify that we, DPV and Associates, Chartered Accountants, Statutory Auditors of M/s India Radiators Limited (CIN: L27209TN1949PLC000963), have been requested by the management of the Company to certify the details of Assets, Liabilities, Revenue and Net Worth of the Company, pre-merger and post-merger, as at 31st December, 2024.

The details provided herein are based on the limited review of books of accounts of the Company and other relevant information and explanations furnished to us by the management. The information is presented in the following annexures:

- ❖ Annexure 1: Details of Assets
- ❖ Annexure 2: Details of Liabilities
- ❖ Annexure 3: Details of Revenue
- ❖ Annexure 4: Net Worth of the Company (Pre-Merger and Post-Merger)

**Write-up of the company:-**

As per the written representation from the Company, India Radiators Ltd was formed in the year 1949. The Company subsequently formed a collaboration with BEHR of Germany for the manufacture of automotive radiators in India and started delivering radiators initially to Tata Engineering and Locomotive Company, now known as Tata Motors Ltd. The Company pioneered the manufacture of automotive radiators in India and was a major supplier of radiators for automotive trucks, tractors, rail engines, and defense equipment like battle tanks. Due to improvements in technology and materials engineering, and the influx of foreign companies, the radiator industry underwent major changes in the 1990s, and severe competition affected the prospects of India Radiators Ltd, which started incurring losses and became sick. The Company identified Mercantile Ventures Limited, an investor, to bail it out from its liabilities to secured creditors and restore its operations.

This Certificate is issued at the request of the India Radiators Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of merger of the company with Mercantile Ventures Limited via Proposed Scheme of Amalgamation dated April 08, 2025, for onward submission to the Bombay Stock Exchange for that purpose only.

for **DPV & Associates**

Chartered Accountants

F.R.No.011688S

**KASI RAJAN**  
**VAIRA**  
**MUTTHU**

Digitally signed  
by KASI RAJAN  
VAIRA MUTTHU  
Date: 2025.06.04  
17:45:55 +05'30'

**CA Vairamuthu K**

Partner

M.No. 218791

UDIN: 25218791BMILOD1076

Place: Chennai

Date: 04<sup>th</sup> June, 2025

**Annexure 1:**

**Details of Assets of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

**(Rupees in Lakhs)**

Details of Assets	Pre Merger as on 31.12.2024	Post Merger as on 31.12.2024
<b>Particulars</b>		
<b>Non- Current Assets</b>		
Property Plant and Equipment	1,802.35	-
Financial Assets	-	-
(i) Investments	-	-
(ii) Loans and advances	-	-
Deferred Tax Assets(net)	-	-
Other Non- current assets	-	-
<b>Total Non- Current Assets</b>	<b>1,802.35</b>	<b>-</b>
<b>Current Assets</b>		
Financial Assets	-	-
(i) Investments	-	-
(ii) Trade receivables	19.49	-
(iii) Cash and Cash equivalents	2.16	-
(iii) Loans and advances	-	-
Other Current Assets	2.32	-
<b>Total Current Assets</b>	<b>23.97</b>	<b>-</b>
<b>Total Assets</b>	<b>1,826.32</b>	<b>-</b>

**Annexure 2:**

**Details of Liabilities of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

**(Rupees in Lakhs)**

Details of Liabilities	Pre Merger as on 31.12.2024	Post Merger as on 31.12.2024
<b>Particulars</b>		
<b>Non- Current Liabilities</b>		
Financial Liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	1,184.89	-
Deferred tax liabilities (Net)	549.43	-
Other Non-current liabilities	-	-
<b>Total Non- Current Liabilities</b>	<b>1,734.32</b>	-
<b>Current Liabilities</b>	-	-
Financial Liabilities	-	-
(i) Trade Payables	-	-
(ii) Other Financial Liabilities	92.95	-
Other current Liabilities	-	-
<b>Total Current Liabilities</b>	<b>92.95</b>	-
<b>Total Liabilities</b>	<b>1,827.27</b>	-

**Annexure 3:**

**Details of Revenue of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

**(Rupees in Lakhs)**

<b>Details of Revenue</b>	<b>Pre Merger as on 31.12.2024</b>	<b>Post Merger as on 31.12.2024</b>
<b>Particulars</b>		
Revenue from operations	4.74	-
Other income	0.17	-
<b>Total Income</b>	<b>4.91</b>	<b>-</b>

**Annexure 4:**

**Net Worth of the company, pre and post-merger, as on 31<sup>st</sup> December, 2024**

**(Rupees in Lakhs)**

<b>Particulars</b>	<b>Pre Merger as on 31.12.2024</b>	<b>Post Merger as on 31.12.2024</b>
Equity Share Capital	90.00	-
<b>Free Reserves</b>		
Securities Premium	-	-
General Reserves	-1,615.13	-
Surplus in the statement of Profit and loss account	-48.85	-
<b>Total</b>		
<b>Net worth</b>	<b>-1573.98</b>	<b>-</b>

**CA**  
INDIA **DPV & Associates**  
Chartered Accountants

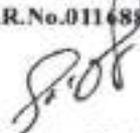
'Sri Ranga' | Third floor | No. 151 | Mambalam High Road |  
T. Nagar | Chennai - 600017 | India  
Phone - Front Office: +91 - 93635 24397  
E Mail: cakvm@dpvs.in

To,

The Board of Directors,  
**India Radiators Ltd.,**  
NO 88, Mount Road Guindy,  
Chennai, 600032

1. We, **DPV & Associates**, Chartered Accountants, are the statutory auditors of India Radiators Limited (the "Company" or "the Transferor Company").
2. In respect of the proposed Scheme of Arrangement between the Transferor Company and Mercantile Ventures ("the Transferee Company") and their respective shareholders under sections 230 to 232 of the Companies Act, 2013 and SEBI master circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 approved by the Board of Directors in their meeting held on April 08, 2025 (hereinafter referred to as "Proposed Scheme"), we have been requested by the management of the Company to report that the accounting treatment mentioned in the proposed Scheme is in conformity with the applicable accounting standards and Other Generally Accepted Accounting Principles.
3. The Company is a Transferor Company in the proposed Scheme and upon the Scheme becoming effective, the Company shall stand dissolved without being wound up. Accordingly, a report confirming the accounting treatment in the books of the Transferor Company in respect of its arrangement with the Transferee Company is not required as referred in clause 10 of the proposed scheme (Annexure A).
4. We hereby provide our consent for onward filing of this letter with the jurisdictional bench of the National Company Law Tribunal or any other concerned statutory or regulatory authority, if and as required.

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



CA Vaira Muthu K  
Partner  
M.No.218791  
UDIN: 25218791BMILNN5981  
Place:- Chennai  
Date: 08<sup>th</sup> April, 2025



**Annexure A**

**Extract of clause 10 given in the proposed scheme**

Since the Transferor company shall stand dissolved without being wound up upon the scheme becoming effective and all such assets and liabilities of the Transferor Company shall be transferred to the Transferee Company in terms of the Scheme, no accounting treatment is prescribed under this Scheme with regard to the Transferor Company.



Independent Auditor's Report on the accounting treatment in the proposed scheme of amalgamation under Sections 230 to 232 of the Companies Act, 2013, relevant rules thereunder and SEBI Master circular SEBI/HO/CFD/POD-2/P/CIR/2023/93

The Board of Directors  
**Mercantile Ventures Limited**  
88, Mount Road Guindy, Chennai, Chennai, Tamil Nadu,  
India, 600032

1. This Report is issued in accordance with the terms of our service scope letter dated 02<sup>nd</sup> April, 2025 and master engagement agreement dated 03<sup>rd</sup> April, 2025 with the Mercantile Ventures Limited (hereinafter the "Company" or "Transferee Company") pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the BSE Limited (BSE), National Company Law Tribunal (NCLT) and other regulatory authorities in connection with the scheme of amalgamation as mentioned in paragraph below.
2. We, Venkatesh & Co, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the management of the Company, to examine the accounting treatment given in clause 10 of Part II of the attached Proposed Scheme of Amalgamation dated April 08, 2025 (the "Proposed Scheme" or "Proposed Scheme of Amalgamation") between the Transferee Company, India Radiators Limited ("Transferor Company") and their respective shareholders and creditors, in terms of the provisions of sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ("the Act") and SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 ("SEBI Master Circular"), for compliance with the applicable accounting standards prescribed under section 133 of the Companies Act, 2013, relevant rules thereunder and other generally accepted accounting principles in India (collectively referred to as "applicable accounting standards"). The accounting treatment as prescribed in the proposed scheme has been included in Annexure which has been initiated by us for identification purpose only.

#### • Management's Responsibility

3. The preparation of the Proposed Scheme is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The proposed Scheme has been approved by the Board of Directors.
4. The management of the Company is also responsible for ensuring that the Company complies with the relevant laws and regulations, including the applicable accounting standards as aforesaid and circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also provides relevant information to the NCLT.

#### Auditors Responsibility

5. Pursuant to the requirements of Section 230 to 232 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and SEBI Master Circular, our responsibility is to provide reasonable assurance in the form of an opinion on whether

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"SRI RANGA", New No.151, Mambalam High Road, T. Nagar, Chennai - 600 017.  
Telefax : 2814 4763 / 64 / 65 / 66 Email : audit@venkateshandco.com



the proposed accounting treatment as contained in the Annexure is in compliance with the applicable accounting standards read with MCA circular.

6. We audited the standalone financial statements of the company as of and for the financial year ended March 31, 2024, on which we issued unmodified audit opinion vide our reports dated May 23, 2024. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act 2013, and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain the reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Annexure in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 10, quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or propriety nature of the Scheme and other compliances thereof. Nothing contained in this report, nor anything said or done in the course of, or in connection with the services that are subject to this report, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following in relation to the Annexure:
  - A. Obtained and read the draft Scheme and the proposed accounting treatment specified therein.
  - B. Obtained copy of resolution passed by the Board of Directors of the Company dated April 08, 2025 approving the Scheme.
  - C. Examined whether the proposed accounting treatment as per clause 10 of Part II of the Scheme is in compliance with the Applicable Accounting Standards.
  - D. Performed necessary inquiries with the management and obtained necessary representations from the management.

#### Opinion

11. Based on our examination and according to the information and explanations given to us, read with paragraph 10 above, in our opinion, the proposed accounting as contained in the Annexure, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable accounting standards notified by the Central Government under section 133 of the Act read with relevant rules thereunder and other Generally Accepted Accounting Principles and MCA circular.



"SRI RANGA", New No.151, Mambalam High Road, T. Nagar, Chennai - 600 017.  
Telefax : 2814 4763 / 64 / 65 / 66 Email : audit@venkateshbandeo.com



**Restriction on Use**

12. This report has been issued at the request of the Company and is addressed to and provided to the Board of Directors pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the BSE and other regulatory authority in connection with the Scheme, and should not be used for any other person our purpose or distributed to anyone or referred to in any document without our prior written consent. Our examination relates to the matters specified in this report and does not extend to the Company as a whole. Accordingly, we don't accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or to whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Venkatesh & Co.,  
Chartered Accountants  
FRN : 004636S



CA Hrishikesh D  
Partner  
M No : 272865  
UDIN:- 25272865BMLKYS8151  
Place: Chennai  
Date: 08<sup>th</sup> April, 2025





**ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY FOR THE MERGER OF INDIA RADIATORS LIMITED ("TRANSFEROR COMPANY") WITH MERCANTILE VENTURES LIMITED ("TRANSFEREE COMPANY")**

13.1 Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the Arrangement of the Transferor Company, in its books of accounts, on the date determined under Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") notified under Section 13 of the Act and in accordance with Appendix C of Ind AS 103 - Business Combinations, other Ind AS and relevant clarifications issued by the Institute of Chartered Accountants of India, such that:

- a) The Transferee Company shall record the assets and liabilities (except investment in subsidiary) of the Transferor Company at its respective carrying values as appearing in the consolidated financial statements of the Transferor Company;
- b) Transferee Company shall record all the investment in subsidiary companies vested in it pursuant to this part of the Scheme at an amount equal to the carrying amount of assets less liabilities less non-controlling interest (if any) and less reserves of the respective subsidiary company as appearing in the consolidated financial statements of the Transferor Company;
- c) The identity of reserves shall be preserved and shall be recorded in the financial statements of the Transferee Company in the same form as appearing in the consolidated financial statements of the Transferor Company;
- d) To the extent there are inter-company loans, advances and any other balances whatsoever between the Transferor Company and Transferee Company, the same shall stand canceled without any further act or deed, upon the Scheme becoming operative. The corresponding assets and liabilities in the books of account shall be reduced accordingly;
- e) In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies;
- f) Transferee Company shall credit its share capital account with the aggregate face value of the equity shares issued by it to the non-controlling shareholders of Transferor Company pursuant to Clause 14 of the Scheme.
- g) The surplus, if any arising after taking the effect of clause (a), clause (b), clause (c), clause (e) and after adjusting the impact of clause (d), shall be transferred to capital reserve in the financial statements of the Transferee Company. The deficit, if any arising after taking the effect of clause (a), clause (b), clause (c), clause (e) and after adjusting the impact of clause (d) and adjustment of previously existing credit balance in capital reserve, if any, shall be debited to retained earnings in the financial statements of the Transferee Company;
- h) Comparative financial information in the financial statements of the Transferee Company shall be restated as stated above, as if the merger had occurred from the beginning of the comparative period. However, if control was acquired after earliest period presented, the prior period information shall be restated only from such date.

13.2 Notwithstanding the accounting treatment specified in Clause 17.1 and its sub clauses, if any amendments made to Ind AS are notified prior to the approval of the Scheme which affect the accounting treatment specified in Clause 17.1, the Transferee Company shall make necessary adjustments, as required, to comply with the revised Ind AS.

13.3 Any matter not dealt with herein above shall be dealt with in accordance with the requirement of applicable Ind AS and generally accepted accounting principles applicable to the Transferee Company.



"SRI RANGA", New No.151, Mambalam High Road, T.Nagar, Chennai - 600 017.  
Telefax : 2814 4763/64/65/66 Email : venkateshandco@gmail.com





**VENKATESH & CO**  
Chartered Accountants

13.4 Since the Transferor company shall stand dissolved without being wound up upon the scheme becoming effective and all such assets and liabilities of the Transferor Company shall be transferred to the Transferee Company in terms of the Scheme, no accounting treatment is prescribed under this Scheme with regard to the Transferor Company.

**For Venkatesh & Co.,**  
**Chartered Accountants.,**  
**FRN: 0046365**

*Hrishikesh D*

**CA Hrishikesh D**  
**Partner**  
**M No 272865**  
**UDIN: 25272865BMLKYS8151**  
**Chennai, 8<sup>th</sup> April, 2025**



**Annexure No. 15**

**Additional documents submitted with BSE as per the BSE Checklist along with the application filed under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for obtaining Observation Letter.**

S.No.	Particulars	Applicability (Yes/No)	Annexure No.
1	In cases of Demerger, apportionment of losses of the listed company among the companies involved in the scheme.	Not Applicable	
2	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Yes.	Attached in Annexure 12 Uploaded on BSE Listing center.
3	Any type of arrangement or agreement between the demerged company / resulting company / merged / amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	Not Applicable	
4	In the cases of capital reduction/ reorganization of capital of the Company, Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	Not Applicable	
5	In the cases of capital reduction/ reorganization of capital of the Company, Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Not Applicable	
6	In the cases of capital reduction/ reorganization of capital of the Company, Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Not Applicable	
7	In the cases of capital reduction/ reorganization of capital of the Company, the built up of the accumulated losses over the years, certified by CA.	Not Applicable	
8	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Yes	Attached in Annexure 15(A) Uploaded on BSE Listing center.

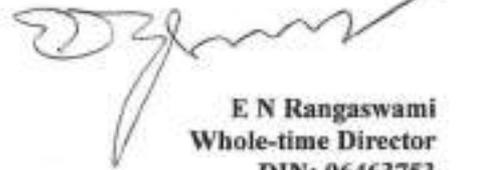


9	In case of Composite Scheme, details of shareholding of companies involved in the scheme at each stage.	Not Applicable	
10	Whether the Board of unlisted Company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof.	Not Applicable	
11	List of comparable companies considered for comparable companies' multiple method, if the same method is used in valuation.	Yes.	Attached in Annexure 15(B) Uploaded on BSE Listing center.
12	Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.	Not Applicable	
13	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme for the period of recent 8 years.	Not Applicable	
14	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Not Applicable	
15	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Yes.	Attached in Annexure 15(C) Uploaded on BSE Listing center.
16	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Not Applicable	
17	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Yes.	Attached in Annexure 15(D) Uploaded on BSE Listing center.
18	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	Not Applicable	
19	Comments of the Company on the Accounting treatment specified in the scheme to conform whether it is in compliance with the Accounting Standards/Indian Accounting Standards.	Yes.	Attached in Annexure 15(E) Uploaded on BSE Listing center.
20	If the Income Approach method used in the Valuation, Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.	Not Applicable	



21	Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards.	Yes.	Attached in Annexure 15(F) Uploaded on BSE Listing center.
22	Confirmation that the scheme is in compliance with the applicable securities laws.	Yes.	Attached in Annexure 15(G) Uploaded on BSE Listing center.
23	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Yes.	Attached in Annexure 15(H) Uploaded on BSE Listing center.

For Mercantile Ventures Limited



E N Rangaswami  
Whole-time Director  
DIN: 06463753





## ANNEXURE V

### Format for Auditor's Certificate

To

The Board of Directors  
**Mercantile Ventures Limited**  
 P88, Mount Road Guindy, Chennai,  
 Chennai, Tamil Nadu,  
 India, 600032

We, the statutory auditors of **Mercantile Ventures Limited**, (hereinafter referred to as “the Company”), have examined the proposed accounting treatment specified in **clause 10** of the Draft Scheme of Amalgamation between **India Radiators Limited & Mercantile Ventures Limited** in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013 ~~and/or the accounting treatment in respect of .....~~ *(specify the financial statement item(s))* as prescribed by ~~.....~~ *(name of the regulator) vide its Notification* ~~.....~~ *(details of the Notification)* which prevail over the accounting treatment for the same as prescribed under the aforesaid Accounting Standards (wherever applicable), except the following:

.....

This Certificate is issued at the request of the **Mercantile Ventures Limited** (*name of the Company*) pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the **Bombay Stock Exchange**. This Certificate should not be used for any other purpose without our prior written consent.

for **Venkatesh & Co.,**  
Chartered Accountants  
FRN: 004636S

**HRISHIKESH** Digitally signed by HRISHIKESH  
Date: 2025.06.04 18:07:05  
+05'30'

**CA Hrishikesh D**  
Partner  
M No : 272865

Place: Chennai  
Date: 04<sup>th</sup> June, 2025



T : +91 (44) 40432205  
E : admin@mercantileventures.co.in  
W : www.mercantileventures.co.in

Date: 25.04.2025

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street  
Mumbai-400001

Dear Sir/Madam,

**Sub:** List of comparable companies considered for comparable companies' multiple method

**Ref:** Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures Limited ("Transferee Company" or "Company") and their respective shareholders and creditors ("Scheme").

**REALTY INDUSTRY LISTED COMPANIES**

28-Mar-25

		AJMERA	ELDECO	GEECEE	PROZONE	ALEMBIC	SV GLOBAL	VIPUL	Sector
		REALTY	HOUSING	VENTURES	REALTY	LTD	MILLS	LTD	Average
Stock Symbols		AJMERA	ELDEHSG	GEECEE	PROZONER	ALEMBIC LTD	SV GLOBAL	VIPUL LTD	
Headquarters		Mumbai	Lucknow	Mumbai	Mumbai	Vadodhara	Chennai	Delhi	
Current Market Price - BSE	Rs	900	750	367	30	98	106	10	
Face Value	Rs	10.00	2.00	10.00	2.00	2.00	5.00	1.00	
Outstanding Shares	Cr	3.94	0.98	2.09	15.26	25.68	1.81	14.10	
Market Capitalization Value	Rs.Cr	3,543	737	767	464	2,329	192	143	
Enterprise Value	Rs.Cr	4,217	727	692	819	2,534	190	440	
Sales - Revenue - Mar 24	Rs.Cr	708	122	97	202	212	6	438	
EBITDA - Mar 24	Rs.Cr	209	49	45	72	112	2	317	
Net Profit - Mar 24	Rs.Cr	104	34	37	3	93	1	234	
Shareholder's Equity - Mar24	Rs.Cr	866	371	645	509	2,186	65	352	
Total Debt - Mar24	Rs.Cr	811	107	2	462	27	8	346	
Cash in Hand - Mar24	Rs.Cr	117	117	77	106	2	11	49	
EBITDA margin	%	30%	40%	47%	36%	53%	35%	72%	45%
Net Margin	%	15%	28%	39%	1%	44%	10%	53%	27%
Market Multiples									Average
BM : M.Cap / Revenue Multiple	X	5.01	6.03	7.93	2.29	11.92	31.61	0.33	9.30
P/E : M.CAP / Net Profit	X	34.09	21.79	20.60	162.67	27.23	310.46	0.61	82.49
EV / EBITDA	X	20.27	14.84	15.24	11.31	22.88	89.57	1.39	25.07
P/B.V : M.CAP / Book Value	X	4.09	1.99	1.19	0.91	1.16	2.94	0.41	1.81

Thanking You,

Yours Faithfully  
For Mercantile Ventures Limited

E N Rangaswami  
Wholtime Director  
DIN: 06463753  
Place: Chennai



**Mercantile Ventures Limited**

(CIN-L65191TN1985PLC037309)

Registered Office : 88 Mount Road, Guindy, Chennai - 600 032 India

DATED: 31<sup>st</sup> MARCH, 2025

REPORT NO. ICAIRVO/25032

UDIN NO. 25226853BMOHYU2441

<b>KALYANAM BHASKAR</b> Registered Valuer Registration No. IBBI/RV/06/2020/12959 PAN ADOPK5944L  201, Rangaprasad Enclave, Vinayak Nagar, Gachibowli, Hyderabad- 500032	<b>V.G.HAREESH</b> Registered Valuer Registration No. IBBI/RV/03/2021/14465 PAN ADGPH8001F  2-18-19/4, DRR Nilayam, 102, 1 <sup>ST</sup> Floor, Prashant Nagar, Uppal Hyderabad - 500039
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To:

<b>The Audit Committee/  The Board of Directors,  Mercantile Ventures Limited</b>  88, Mount Road Guindy, Chennai - 600032 Tamilnadu State	<b>The Audit Committee/  The Board of Directors,  India Radiators Limited</b>  88, Mount Road Guindy, Chennai - 600032 Tamilnadu State
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**Re:** Recommendation of Fair Equity Share Exchange ratio for the proposed amalgamation of India Radiators Limited ('IRL/' 'Transferor Company') with Mercantile Ventures Limited ('MVL/' 'Transferee Company');

Dear Sir / Madam,

We refer to the respective engagement letters of Registered Valuers – **Kalyanam Bhaskar** ('RVKB') and **V.G.Hareesh** ('RVVGH') whereby RVKB and RVVGH are appointed by Mercantile Ventures Limited and India Radiators Limited respectively, to assist in the recommendation of a Fair Equity Share Exchange Ratio ('Equity Share Exchange Ratio') in connection with the proposed Transaction defined hereinafter:

This Report providing a recommendation of the Equity Share Exchange Ratio for the proposed Transaction ('Equity Share Exchange Ratio Report' or 'Valuation Report' or 'Report') with 31<sup>st</sup> March 2025 as the **Valuation Date** is our deliverable for the current engagement. For the purpose of this valuation, the valuation is based on 'Going Concern' premise and we have done the valuation exercise on the principle of Arm's Length Basis

We have arrived at the Pre-Money Valuation and fair price per equity share of the company, using International Valuation Standards, ICAI Valuation Standards and applying globally accepted valuation approaches and pricing methodologies.

We have taken into consideration the Company's Financials, Investments, Financial Assets, Business & Revenue Model and Information provided by you in the Management Representation.

The Equity Shares Fair Valuation derived by us is:

	MVL	IRL
Equity -Valuation	Rs. 375,49,12,624	Rs. 83,88,000
Outstanding Shares	11,19,18,195	9,00,000
Fair Value Per Share	Rs. 33.55	9.32
Equity Share Exchange Ratio (Rounded)	1.00 : 3.60	
"10 (Ten) Equity Shares of MVL of INR 10/- each fully paid up for 36 (Thirty-Six) Equity Shares of IRL of INR 10/- each fully paid up"		

This Valuation Report is subject to the scope, assumptions, exclusions, caveats, limitations disclaimers detailed hereinafter. The Report must be read in totality, and not in parts in conjunction with relevant information and documents referred to therein.

Regards,



continued....  
Page 1 of 12

## A. BACKGROUND

Mercantile Ventures Limited ('MVL') and India Radiators Limited ('IRL') are hereinafter jointly referred to as 'you' or 'Clients' or 'Companies'. RVKB and RVVGH are hereinafter jointly referred to as 'Valuers' or 'we' or 'us' in this Report.

The Share Entitlement Ratio for this Report refers to the number of equity shares of MVL which would be issued to the equity shareholders of IRL pursuant to the proposed amalgamation of IRL with and into MVL.

This Report providing a recommendation of the Equity Share Exchange Ratio for the proposed Transaction ('Equity Share Exchange Ratio Report' or 'Valuation Report' or 'Report') with 31<sup>st</sup> March 2025 as the **Valuation Date** is our deliverable for the current engagement. For the purpose of this valuation, the valuation is based on 'Going Concern' premise.

### SCOPE AND PURPOSE OF THIS REPORT

Mercantile Ventures Limited is a listed public limited company incorporated under the laws of India and having its registered office at 88, Mount Road, Guindy, Chennai – 600032. The CIN of MVL is L65191TN1985PLC037309. MVL is a Chennai based 40-year-old company engaged in the business of Leasing of immovable properties and Manpower supply services.

The equity shares of MVL are listed on BSE Limited ('BSE').

India Radiators Limited is a listed public limited company incorporated under the laws of India and having its registered office at No.88, Mount Road, Guindy, Chennai– 600032. The CIN of IRL is L27209TN1949PLC000963. IRL is engaged in the business of providing. IRL is a Chennai based Auto-Ancillary Company, engaged in the business of manufacturing automobile parts and components. The Company wherein offers a range of radiators, heat exchangers, and related products. Since couple of years the main operations of the IRL discontinued and its plant is shutdown. Currently IRL mainly deals in leasing of properties and has a land bank of around 7 Acres at Puzhalli, Chennai.

The equity shares of IRL are listed on BSE Limited ('BSE').

We understand that the managements of MVL and IRL ('Managements') are evaluating a Scheme of Arrangement ('Scheme') under the provisions of Sections 230 to 232, and other relevant provisions of the Companies Act, 2013, including the rules and regulations issued thereunder, as may be applicable, for the proposed amalgamation of IRL with and into MVL ('Proposed Transaction').

In this connection, the Board of Directors of the Clients (the 'BOD') require a Registered Valuer Report as per section 232 read with section 247 of the Companies Act, 2013 and accordingly the BOD of MVL and IRL have appointed RVKB and RVVGH respectively for recommending the Equity Share Exchange Ratio for the Proposed Transaction for the consideration of the Board of Directors (including audit committees, if applicable) of the Clients in accordance with the applicable Securities and Exchange Board of India ('SEBI'), the relevant stock exchanges', and relevant laws, rules and regulations. To the extent mandatorily required under applicable laws of India, this Report maybe produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Transaction.

We understand that the appointed date for the Proposed Transaction as per the draft scheme shall be opening business hours of 1<sup>st</sup> January 2025 or such other later date as may be fixed or approved by the National Company Law Tribunal at Chennai or such other competent authority.

The scope of our services is to conduct a valuation of equity shares of the Companies on a relative basis and recommend the Equity Share Exchange Ratio for the Proposed Transaction.

The Valuers have independently performed their analysis on the valuation of the Companies and have arrived at different value per share of Companies. However, to arrive at the consensus on the Equity Share Exchange Ratio for the Proposed Transaction, appropriate minor adjustments/rounding off have been done by the Valuers.



## B. INFORMATION & REPRESENTATION

We have been provided with the financials of the Companies as discussed below. Further, we have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. We have been informed that all material information impacting the Companies has been disclosed to us.

We have been also informed by the Management that:

- a) In the event that either of the Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares before the Proposed Transaction becomes effective, the issue of shares pursuant to the Equity Share Exchange Ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.
- b) till the Proposed Transaction becomes effective, neither Company would declare any substantial dividends having materially different yields as compared to past few years.

We have relied on the above while arriving at our recommendation of the Equity Share Exchange Ratio for the Proposed Transaction.

This Report is our deliverable for the above engagement. This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein.

### SOURCES OF INFORMATION / MAJOR FACTORS THAT WERE TAKEN INTO ACCOUNT DURING THE VALUATION

In connection with this exercise, we have used the following information received from the Management(s) of the Companies and that gathered from the public domain:

- Considered the draft Scheme of Arrangement ("Scheme") for the Proposed Transaction;
- Considered the audited Consolidated Financial Statements of MVL and IRL for the last 4 years ending 31<sup>st</sup> March 2024;
- Considered the consolidated - Limited Reviewed Financials of MVL and IRL for the period ending 31<sup>st</sup> December, 2024;
- Shareholding Pattern & Number of equity shares of the Companies as on the Valuation Date and the number of shares on a fully diluted basis as at the date of this Report; and
- Other relevant information and documents for the purpose of this engagement provided through emails or during discussion.

In addition, we have obtained information from public sources/proprietary databases including quarterly results:

During discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended Equity Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

### PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information, and clarifications regarding past financials performance of the Companies and their subsidiaries, as applicable;
- Considered data available in public domain related to the Companies, their subsidiaries, and their peers;
- Discussions (physical/over call) with the Management to
  - Understand the business, key value drivers, historical financial performance and projected financial performance of the Companies;
- Undertook Industry Analysis
  - Researched publicly available market data including economic factors and industry trends that may impact the valuation;
  - Analyzed key trends and valuation multiples of comparable companies using proprietary databases subscribed by us on our network firms.



- Selected internationally accepted valuation methodology/(is) as considered appropriate by us, in accordance with the ICAI Valuation Standards/International Valuation standards published by the International Valuation Standards Council.
- Arrived at valuation of Companies in order to conclude our analysis on Equity Share Exchange Ratio for the Proposed Transaction.

### C. LIMITATIONS - DISCLAIMER

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our network firms.

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the Valuation Date. Due to possible changes in market forces and circumstances, this Report can only be regarded as relevant as at the Valuation Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Clients are the only authorized users of this Report and use of the Report is restricted for the purpose indicated in the respective engagement letters. This restriction does not preclude the Clients from providing a copy of the Report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Clients' existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date; (iii) and are based on the limited reviewed financials of the Companies as at 31<sup>st</sup> December 2024 (as applicable) and other information provided by the Management (iv) other information obtained by us from time to time. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between 31<sup>st</sup> December 2024 and the Report date and that no material changes have occurred in their respective operations of the Companies. Further.

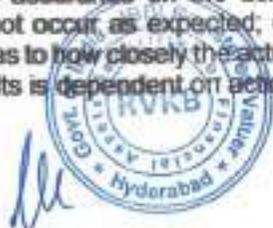
An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents.

The Clients/owners and its Management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owners/Clients, their Management and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the Report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Companies, their directors, employee or agents.

Valuers are not aware of any contingency, commitment or material issue which could materially affect the Companies' economic environment and future performance and therefore, the equity value of the Companies.

We do not provide assurance on the achievability of the results forecast by the Management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of Management.



The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies, if any provided to us.

This Report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

It has been assumed that the required and relevant policies and practices have been adopted by the Companies and would be continued in the future.

The fee for the engagement is not contingent upon the results reported.

The actual Equity Share Exchange ratio may be higher or lower than our recommendation depending upon the circumstances of the transaction, the nature of the business. The knowledge, negotiating ability and motivation of the buyers and sellers will also affect the exchange ratio achieved. Accordingly, our recommended Equity Share Exchange Ratio will not necessarily be the Equity Share Exchange ratio at which actual transaction will take place.

We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

This Report and the information contained herein is absolutely confidential. The Report will be used by the Clients only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation analysis and our Report cannot be used or relied by the Clients for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person/ party based on this Report. Any person/ party intending to provide finance/ invest in the shares/ businesses of the companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Clients) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us.

It is clarified that reference to this Report in any document and/ or filing with aforementioned tribunal/ judicial/ regulatory authorities/ government authorities/ stock exchanges/ courts/ shareholders/ professional advisors/ merchant bankers, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuers of any responsibility or liability to any person/ party other than the Boards of Directors of the Clients.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Transaction, without our prior written consent.

This Report is subject to the laws of India.

Though the Valuers are issuing a joint report, notwithstanding the issuance of this joint report, it is clarified that RVKB / RVVGH are not responsible for the acts or omissions of RVKB / RVVGH in connection with this engagement. Further, we will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions or advice given by any other person.

#### D. DISCLOSURES

- The Valuers are not affiliated to the Clients in any manner whatsoever.
- We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation. Valuers' fee is not contingent on an action or event resulting from the analyses, opinions or conclusions in this Report.



- Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.

## E. SHAREHOLDING PATTERN

### MVL

As at the Report Date, the Capital Structure of Mercantile Ventures Limited is as follows.

Particulars	Amount Rs in Lakhs
<b>Authorized Capital</b>	
11,50,90,000 Equity Shares of Rs.10/- each	11,509.00
1,50,00,000 Preference Shares of Rs.10/- each	1,500.00
Total	<b>13,009.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>	
11,19,18,195 Equity Shares of Rs.10/- each fully paid up	11,191.82
<b>Total</b>	<b>11,191.82</b>

As per the Draft Scheme of arrangement.

### IRL

As at the Report Date, the Capital Structure of India Radiators Limited is as follows

Particulars	Amount Rs in Lakhs
<b>Authorized Capital</b>	
10,00,000 Equity Shares of Rs.10/- each	100.00
2,00,00,000 Preference Shares of Rs.10/- each	2000.00
Total	<b>2100.00</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>	
9,00,000 Equity Shares of Rs.10/- each fully paid up	90.00
1,94,82,700 Redeemable Preference Shares of Rs.10/- each fully paid up	1948.27
<b>Total</b>	<b>2,038.27</b>

As per the Draft Scheme of Arrangement



## F. FINANCIAL HISTORY

## Mercantile Ventures Limited

Rs. Lakhs

FOR FY ENDING MARCH	2020-21	2021-22	2022-23	2023-24	2024-25
	Audited	Audited	Audited	Audited	9 Months
REVENUE	3,729.99	3,703.75	4,714.90	6,038.97	5,292.37
OTHER INCOME	694.55	1,631.55	659.27	570.07	1,091.44
<b>TOTAL INCOME</b>	<b>4,424.54</b>	<b>5,335.30</b>	<b>5,374.17</b>	<b>6,609.04</b>	<b>6,383.81</b>
COST OF MATERIALS CONSUMED	899.10	875.63	1,364.69	2,210.20	2,041.22
EMPLOYEE SALARIES	2,009.43	2,156.34	2,565.14	3,000.24	2,575.14
GENERAL & ADMIN	379.77	451.24	451.06	814.04	545.88
OPERATING PROFIT	1,136.24	1,852.09	993.28	584.56	1,221.57
DEPRECIATION	101.39	99.01	98.15	98.93	68.50
FINANCE COST	99.30	108.01	104.48	133.86	17.58
EXCEPTIONAL ITEMS	-	-	91.96	985.50	-
PROFIT BEFORE TAX	935.55	1,645.07	882.61	(633.73)	1,135.49
TAX	297.13	496.68	208.44	142.65	208.35
PROFIT/LOSS FROM DISCONTINUED OPERATIONS	-	-	-	19.45	1.07
SHARE OF PROFIT FROM ASSOCIATE	28.35	279.26	172.52	-	-
PROFIT/LOSS FORM LLP/PPF	271.93	211.80	815.60	(5.68)	(4.03)
<b>NET PROFIT</b>	<b>938.70</b>	<b>1,639.45</b>	<b>1,662.29</b>	<b>(762.61)</b>	<b>924.19</b>
SHARE CAPITAL	11,191.82	11,191.82	11,191.82	11,191.82	11,191.82
NETWORTH	30,306.33	33,819.70	31,131.66	33,317.84	36,387.79
TOTAL LIABILITIES*	436.74	418.31	786.04	459.87	467.87
Operating Margin	26%	35%	18%	9%	19%
Net Margin	14%	22%	13%	-12%	15%
E.P.S	0.84	1.46	1.49	(0.68)	0.83
Book Value	27.08	30.22	27.82	29.77	32.51

\*Total Liabilities includes Trade Payables, Other financial liabilities (both Current and Non-Current)

## India Radiators Limited

Rs. Lakhs

FOR FY ENDING MARCH	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Audited	Audited	Audited	Audited	Audited	9 Months
REVENUE	0.68	0.77	4.51	6.32	6.32	4.74
OTHER INCOME	195.75	1.87	927.20	39.68	0.34	0.17
EMPLOYEE SALARIES	11.87	6.11	4.18	4.45	1.69	-
GENERAL & ADMIN	40.06	36.51	61.53	11.11	9.56	8.99
OPERATING PROFIT	144.50	(39.98)	866.00	30.44	(4.59)	(4.08)
DEPRECIATION	3.06	1.36	-	-	-	-
FINANCE COST	91.33	147.52	154.17	71.64	74.80	59.68
PROFIT BEFORE TAX	50.11	(188.86)	711.83	(41.20)	(79.39)	(63.76)
TAX	(144.95)	5.65	222.18	(17.32)	(23.63)	(14.92)
PROFIT FROM DISCONTINUED OPERATIONS	(665.10)	-	-	91.96	-	-
<b>NET PROFIT AFTER TAX</b>	<b>(470.04)</b>	<b>(194.51)</b>	<b>489.65</b>	<b>68.08</b>	<b>(55.76)</b>	<b>(48.84)</b>
SHARE CAPITAL	90.00	90.00	90.00	90.00	90.00	90.00
NETWORTH	(719.00)	(913.00)	(423.88)	(355.80)	47.90	(0.96)
REDEEMABLE CONV PREF SHARES	860.06	938.60	980.77	1,050.41	1,125.21	1,184.89
ICD / LIABILITIES	691.48	801.19	46.04	72.92	85.99	92.95
Operating Margin	74%	-1515%	93%	66%	-69%	-83%
Net Margin	99%	-7373%	53%	-52%	-837%	-995%
E.P.S	(52.23)	(21.61)	54.41	7.56	(6.20)	(5.43)
Book Value	(79.89)	(101.44)	(47.10)	(39.53)	5.32	(0.10)



## G. VALUATION APPROACH

1. We have used International Valuation Standards as well as ICAI Valuation Standards.
2. We have framed our Valuation Basis and Approach, considering both the companies as a going concern entity, and have done the valuation exercise on the principle of Arm's Length Basis.
3. Since MVL & IRL are public limited companies and frequently traded / untraded companies, we have used all the valuation approaches and given rationale weightages for these approaches.
4. While using MARKET APPROACH using SEBI PRICING METHOD, we have taken A. Average of the volume weighted average price (VWAP) of the equity shares of MVL quoted in the BSE during 90 days preceding the relevant date i.e. 31<sup>st</sup> March 2025 and B. Average of the volume weighted average price (VWAP) of the equity shares of MVL quoted on BSE during 10 days preceding the relevant date i.e. 31<sup>st</sup> March 2025.
5. We have used all three approaches and methodologies for arriving at Fair Valuation
  - a. Cost Approach – Book Value – NAV Method.
  - b. Market Approach – Comparable Price / Book Value Multiples.
  - c. Market Approach – Market Price Method.

## RATIO BASIS OF EQUITY SHARE EXCHANGE RATIO

The Scheme contemplates amalgamation of IRL with and into MVL. Arriving at the Equity Share Exchange Ratio for the Proposed Transaction would require determining the value of equity shares of the Companies on a relative basis. These values are to be determined independently, but on a relative basis for the Companies, without considering the effect of the Proposed Transaction(s).

The valuation approach adopted by RVKB and RVVGH is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as Annexures).

The determination of a Equity Share Exchange Ratio / Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single Equity Share Exchange Ratio/ equity value estimate. While we have provided our recommendation of the Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Share Exchange Ratio. The final responsibility for the determination of the Equity Share Exchange Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

We have independently applied approaches/methods discussed in the Annexures, as considered appropriate, and arrived at the value per share of the Companies. To arrive at the consensus on the Equity Share Exchange Ratio for the Proposed Transaction, suitable minor adjustments / rounding off have been done.

As per the scheme, the equity shares/ Preference Shares of the Transferor Company held by the Transferee Company, if any, on the Effective Date, such equity/ preference shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed and consequentially there shall be no allotment of New Equity/ Preference Shares for such shareholding and to that extent the Transferee Company is required to issue less number of shares. As regards the preference shares of the Transferor Company held by the Transferee Company or vice versa on the Effective Date such shares shall stand cancelled and the Transferee Company shall have no claims in respect of arrears of dividend.



MVL holds 1,94,82,700 (One Crore Ninety-Four Lakh Eighty-Two Thousand Seven Hundred) Redeemable Preference Shares of Rs. 10/- each, fully paid-up, in IRL. Accordingly, upon the effectiveness of the merger, the aforesaid Redeemable Preference Shares shall stand cancelled.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following Equity Share Exchange Ratio for the proposed amalgamation of IRL with and into MVL:

*Equity Share Exchange Ratio:*

**"10 (Ten) equity shares of MVL of INR 10/- each fully paid up for 36 (Thirty-Six) equity shares of IRL of INR 10/- each fully paid up"**

Our Valuation report and Equity Share Exchange Ratio is based on the equity share capital structure of the MVL Limited and IRL Limited as mentioned earlier in this report. Any variation in the equity capital of the Companies may have material impact on the Equity Share Exchange Ratio.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.

<p>Respectfully submitted,</p> <p><b>KALYANAM BHASKAR</b> Registered Valuer Registration No. IBBI/RV/06/2020/12959 PAN - ADOPK5944L</p>   <p><b>KALYANAM BHASKAR</b> REGISTERED VALUER</p>	<p>Respectfully submitted,</p> <p><b>V.G.HAREESH</b> Registered Valuer Registration No. IBBI/RV/03/2021/14465 PAN - ADGPH8001F</p>   <p><b>V.G.HAREESH</b> REGISTERED VALUER</p>
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*V.G. Hareesh*  
**VG HAREESH**  
REGISTERED VALUER  
IBBI/RV/03/2021/14465  
ICSI RVO/COP/SFA0620/239



### Annexure 1A - Approach to Valuation – RVKB & RVVGH

We have considered International Valuation Standards<sup>2</sup> in carrying out our valuation analysis and delivering our valuation conclusion. There are several commonly used and accepted valuation approaches for determining the value of equity shares of a company, which have been considered in the present case, to the extent relevant and applicable:

#### 1. Cost Approach - Net Asset Value method

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in cases where the firm is to be liquidated i.e., it does not meet the 'going concern' criteria or in case where the assets base dominates earnings capability. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies/ business would continue as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power is of importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance.

Cost Approach – NAV Method	Period	MVL	IRL
EQUITY SHARE CAPITAL	31-Dec-24	11,191.82	90,00,000
ADD : FREE RESERVES	31-Dec-24	25,196.07	-90,96,000
NETWORTH – SH's EQUITY		36,387.89	-96,000
Outstanding Equity Shares as on date	shares	11,19,18,195	9,00,000
NAV-BOOK Value Per Share	Rs.	32.51	-0.10

#### 2. Market Approach:

Under this approach, value of a company is assessed basis its market price (i.e. if its shares are quoted on a stock exchange) or basis multiples derived using comparable (i.e., similar) listed companies or transactions in similar companies. Following are the methods under Market Approach:

##### A. Market Price (MP) Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper indicator of the fair value of the share especially where the market values are fluctuating in a volatile capital market or when the shares are thinly traded. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Market Approach – SEBI Pricing		MVL	IRL
A. 90 TRADING DAYS	VWAVP	21.89	*
B. 10 TRADING DAYS	VWAVP	19.76	*
C. LAST TRADED PRICE	27-Nov-24		9.32
HIGHER OF THE ABOVE	Rs.	21.89	9.32

\*IRL shares are not frequently traded in the last 90 trading days. So we have considered their 90/10 day prices and considered only the last traded price.



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## B Comparable Companies' Multiple (CCM) method

Under this method, value of a business / company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. The market price, as a ratio of the comparable company's attribute such as sales, capital employed, earnings, networth etc. is used to derive an appropriate multiple. This multiple is then applied to the attribute of the asset being valued to indicate the value of the subject asset. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

### INDIAN REALTY SECTOR VALUATIONS

REALTY INDUSTRY LISTED COMPANIES										28-Mar-21
		AMERA REALTY	ELDECO HOUSING	GEEDEE VENTURES	PROZONE REALTY	ALEMBIC LTD	S V GLOBAL MILLS	VRUL LTD	Sector Average	
Stock Symbol Headquarters		Mumbai	Ludhiana	Mumbai	Mumbai	Vadodra	Chennai	Delhi		
Current Market Price - BSE	Rs.	900	750	307	30	96	100	10		
Face Value	Rs.	10.00	2.00	10.00	2.00	2.00	5.00	1.00		
Outstanding Shares	Cr	3.94	0.50	2.30	15.25	25.00	1.81	14.10		
Market Capitalization Value	Rs.Cr	3,543	737	767	404	2,529	192	143		
Enterprise Value	Rs.Cr	4,237	727	592	819	2,554	190	440		
Sales - Revenue - Mar 24	Rs.Cr	708	122	97	202	217	6	430		
EBITDA - Mar 24	Rs.Cr	200	40	45	72	112	2	317		
Net Profit - Mar 24	Rs.Cr	106	34	37	3	93	1	234		
Shareholder's Equity - Mar24	Rs.Cr	898	371	645	509	2,189	65	352		
Total Debt - Mar24	Rs.Cr	811	107	2	462	27	8	340		
Cash in Hand - Mar24	Rs.Cr	117	117	77	100	3	11	40		
EBITDA margin	%	30%	40%	47%	36%	53%	30%	72%	45%	
Net Margin	%	15%	20%	39%	1%	44%	16%	53%	27%	
Market Multiples									Average	
RM : M.Cap / Revenue	X	5.01	6.03	7.93	2.29	11.92	31.81	0.33	8.30	
P/E : M.Cap / Net Profit	X	34.09	21.79	20.80	162.67	27.23	310.40	0.61	82.48	
EV / EBITDA	X	20.27	14.94	15.24	11.31	22.88	89.57	1.30	25.97	
P/BV : M.Cap / Book Value	X	4.09	1.09	1.19	0.91	1.16	2.94	0.41	1.81	

\*\*Since there are not much manpower supply sector companies are not listed and regularly traded in Indian Stock Exchanges, we didn't consider manpower supply companies for market peer group valuation

\*\* As both MVL and IRL are operating in Realty Sector, we have mainly compared with peer realty companies for arriving at Price/Book Value Multiples in our Market Approach.

Market Approach - PRICE / BOOK Value Multiples		MVL	IRL
Networth – Book Value Per Share	Rs.	32.51	-0.10
INDUSTRY P-Bv Multiples	X	1.81	1.81
Fair Valuation	Rs.	58.94	-0.19

### BASIS OF EQUITY SHARE EXCHANGE RATIO FOR AMALGAMATION

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g., present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. The determination of a fair value of equity shares / business undertaking/ preference shares / Equity Share Exchange Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single fair value estimate / Equity Share Exchange Ratio. The fair value estimates / Equity Share Exchange Ratio rendered in this Report only represent our recommendation based upon information till the Valuation Date, furnished by the Management (or its representatives) and other sources, others may place a different value. The final responsibility for the determination of the Equity Share Exchange Ratio at which the proposed amalgamation of IRL with and into MVL shall take place will be with the Board of Directors of the Clients who should take into account other factors such as their own assessment of the Proposed Scheme and input of other advisors.



Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature. The valuation approaches/ methods used, and the values arrived at using such approaches/ methods by us have been discussed below.

The Equity Share Exchange Ratio has been arrived at on the basis of equity valuation (on a per share basis) of MVL and IRL on a relative basis, based on the various methodologies explained herein earlier and other factors considered relevant, having regard to information base, key underlying assumptions, and limitations. Though different values have been arrived at under each of the above methodologies, it is finally necessary to arrive at a single value for the Proposed Transaction. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology. In the current analysis, the proposed amalgamation of IRL with and into MVL is proceeded with the assumption that IRL would amalgamate with and into MVL as going concern and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Hence, while we have calculated the values of the equity shares of MVL and IRL under the Asset Approach, we have considered it appropriate not to give any weightage to the same in arriving at the Share Exchange Ratio.

For our analysis under Market Approach, we have considered the Market Price Method to arrive at the fair value of the equity shares of MVL and IRL. For determining the market price, the volume weighted share price over an appropriate period has been considered in this case. Further, we have also considered the CCM Method (Price / Book Value multiple ('P/B.V') under Market Approach in our analysis ( Peer Group Valuation Multiples )

CTM Method has not been used due to lack of comparable transactions in this space. Further, the transaction multiples may include acquirer specific considerations, synergy benefits, control premium and minority adjustments.

For our final analysis and recommendation, we have considered the values arrived under the Income Approach and Market Approach, as discussed above, to arrive at the value of the equity shares of MVL and IRL for the purpose of the Proposed Transaction.

We have considered appropriate weights to the values arrived at under different methods under Income and Market Approaches.

In view of the above, and on consideration of the relevant factors and circumstances as discussed and outlined hereinabove, the table below summarises our workings for valuation of equity shares of MVL and IRL and the Equity Share Exchange Ratio as derived by us.

## FINAL VALUATION

The computation of Equity Share Exchange Ratio for the Proposed Transaction of amalgamation of IRL with and into MVL computed by RVKB & RVVGH is tabulated below:

Valuation Approach	MVL		IRL	
	Value per Share of MVL (INR)	Weight	Value per Share of IRL (INR)	Weight
Cost/Asset Approach	32.51	40%	-0.10	0%
<b>Market Approach</b>				
Market Price method (i) (Higher of 10 trading days or 90 trading days volume weighted average price as of 28 <sup>th</sup> March 2025)	21.89	40%	9.32	100%
P/B.V Multiples method (ii)	58.94	20%	-0.19	0%
<b>Relative Value per Share (Weighted Average of (i),(ii) and (iii))</b>	<b>33.55</b>		<b>9.32</b>	
<b>Equity Share Exchange Ratio (Rounded)</b>	<b>1.00 : 3.60</b>			
<b>*10 (Ten) equity shares of MVL of INR 10/- each fully paid up for 36 (Thirty Six) equity shares of IRL of INR 10/- each fully paid up*</b>				





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 E : admin@mercantileventures.co.in  
 W : www.mercantileventures.co.in

Date: 25.04.2025

To,  
 The General Manager  
 Department of Corporate Services  
 BSE Limited  
 P.J. Towers, Dalal Street  
 Mumbai-400001

Dear Sir/Madam,

**Sub: Scheme beneficial to public shareholders of the Listed entity**

**Ref: Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures ("Transferee Company" or "Company") and their respective shareholders and creditors ("Scheme").**

With a view to rationalize and consolidate the business activities, the Board of Directors of the Transferor Company and the Transferee Company have decided to amalgamate the Transferor Company with the Transferee Company in order to ensure better management of the Company as a single entity. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the proposed amalgamation of the Transferor Company with the Transferee Company will be for the benefit of both the Transferor Company and the Transferee Company in the following manner:

- a) By this amalgamation, it is expected that the administrative and operational costs will be considerably reduced and the Transferee Company will be able to operate and run the business/operations more effectively and economically resulting in better turnover and profits.
- b) It is expected that the proposed Scheme of Amalgamation will benefit the Transferee Company in the usual economies of a centralized and a large company including elimination of duplication of work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency and will bring in synergies for the Transferee Company post amalgamation. It will help the Transferee Company to use the combined managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of the business, thereby it will make available to the Transferee Company, the benefit of technical and marketing expertise of both the companies.
- c) The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
- d) The Transferee Company will have the benefit of the combined assets, cash flows and man-power of both the companies. These combined resources will enhance its capability to expand and improve its efficiency of operations.

As per clause 8 of the Scheme of Amalgamation, Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot Equity Shares to shareholders, administrators, legal representatives, determined as on Record Date, whose name is recorded in the register of members of Transferor Company in the following proportion:



Page 1 of 2

**Mercantile Ventures Limited**

(CIN-L65191TN1985PLC037309)

Registered Office : 88 Mount Road, Guindy, Chennai - 600 032 India



*10 (Ten) equity shares of the transferee Company with the face value of INR 10/- each fully paid up for every 36 (Thirty-Six) equity shares of the transferor Company with a face value of INR 10/- each fully paid up.*

Such Equity shares will be listed on the BSE Limited and shall rank pari passu with the existing listed equity shares of the Transferee Company.

As per Clause 13 of the Scheme of Amalgamation, Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

Thanking You,

Yours Faithfully  
For **Mercantile Ventures Limited**

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



Date: 25.04.2025

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street  
Mumbai-400001

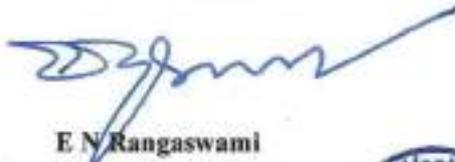
Dear Sir/Madam

**Sub: Comments of the Company on the Accounting treatment specified in the scheme.**  
**Ref: Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures Limited ("Transferee Company" or "Company") and their respective shareholders and creditors ("Scheme").**

The Company hereby confirms that the Accounting treatment specified in the scheme is in compliance with the Indian Accounting Standards

Thanking You,

Yours Faithfully  
For Mercantile Ventures Limited



E N Rangaswami  
Whole-time Director  
DIN: 06463753  
Place: Chennai





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W : www.mercantileventures.co.in

Date: 25.04.2025

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street  
Mumbai-400001

Dear Sir/Madam,

**Sub: Confirmation.**

**Ref: Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures ("Transferee Company" or "Company") and their respective shareholders and creditors ("Scheme").**

The Company hereby confirms that the valuation done in the Scheme is in accordance with the applicable valuation standards.

Thanking You,

Yours Faithfully  
For **Mercantile Ventures Limited**

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





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Date: 25.04.2025

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street  
Mumbai-400001

Dear Sir/Madam,

**Sub: Confirmation.**

**Ref: Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures ("Transferee Company" or "Company") and their respective shareholders and creditors ("Scheme").**

The Company hereby confirms that the scheme is in compliance with the applicable securities laws.

Thanking You,

Yours Faithfully  
For **Mercantile Ventures Limited**

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



Date: 25.04.2025

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street  
Mumbai-400001

Dear Sir/Madam,

Sub: Confirmation.

Ref: Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of Amalgamation of India Radiators Limited ("Transferor Company") with and into Mercantile Ventures ("Transferee Company" or "Company") and their respective shareholders and creditors ("Scheme").

The Company hereby confirms that the arrangement proposed in the scheme is yet to be executed.

Thanking You,

Yours Faithfully  
For **Mercantile Ventures Limited**



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

