

Date: 30th May, 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

BSE Scrip Code: 538943

Subject - : Outcome of Board Meeting held on 30th May, 2023

Dear Sir / Madam,

This is to inform you that at the meeting of the board of directors held **today i.e. 30th May, 2023** at the registered office of the company, the following businesses were conducted and approved:

1. Pursuant to the Regulation 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2023, of the Company along with Auditors' report(s) thereon as recommended by Audit Committee.
2. Appointment of Mr. Nitin Gupta Practicing Company Secretary having C.P. No. 14087 as a Secretarial Auditor of the Company for financial year 2022-2023.
3. Appointment of Mr. Nitin Gupta Practicing Company Secretary having C.P. No. 14087 as a scrutinizer for conducting E-Voting and all compliances related to scrutinizer under Companies Act, 2013 at ensuing Annual General Meeting of the Company for financial year ended 31st March, 2023.

The aforesaid information is being made available on the Company's website at www.sonalmercantile.in

The meeting commenced at 02:00 p.m. and concluded at 10:15 p.m.

Kindly take the same on your records.

Thanking you,

For and on behalf of
Sonal Mercantile Limited


Akshay Khare
Company Secretary
Place: New Delhi



**INDEPENDENT AUDITOR'S REPORT**

To Board of Directors
Sonal Mercantile Limited
3rd Floor, Vardhman Grand Plaza,
365, Sector 3, Rohini,
New Delhi, Delhi-110085
CIN: L51221DL1985PLC022433

Report on audit of Standalone Financial Results**Opinion and Conclusion**

We have:

(a) audited the accompanying Standalone Financial Results for the year ended **March 31, 2023**

(b) reviewed the Standalone Financial Results for the quarter ended March 31, 2023 (refer para 10 of the 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Standalone Financial Results for the Quarter and Year Ended March 31, 2023" of **Sonal Mercantile Limited** being submitted by the company, pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('listing regulations').

Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us these Standalone Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the listing regulations; and
- (ii) give a true and fair view in conformity with recognition and measurement principles laid down in applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, of the net profit including other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the listing regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of Standalone Financial Results' section of our report. We are independent of the company in accordance with the code of ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and Rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with the requirements with these requirements and the Code of Ethics. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a basis for our opinion.



H.O.: E-115, 11th Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi-110001 (P) : 011-41511852-53 (E) : ajay@ajayrattanco.com

B.O.: 1113, 11th Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001

B.O.: House No. 14266, Street No. 2A, Ganesha Basti, Bathinda-151001, Punjab

(P) : 9023637000

(E) : varun@ajayrattanco.com

Other Branches at : Gurugram, Noida & Bhopal



Management's Responsibilities for the Statement

These Standalone Financial Results have been prepared on the basis of the annual financial statements. The company's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give a true and fair view of the net profit/(loss) and other comprehensive income and other financial information in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant issues thereunder and other accounting principles generally accepted in India and in compliance with the requirements of the listing regulations. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of accounting policies; making judgment and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and are free for material misstatement, whether due to fraud and error, which have been used for the purpose of preparation of Standalone Financial Results by the Board of Directors of the Company as aforesaid.

In preparing the Standalone Financial Results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Standalone Financial Results

(a) Audit of the Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results 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 not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from a fraud or error and consider material, if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to our basis of opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud involves collusions, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.
- Evaluate the appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by the Board of Directors.





AJAY RATTAN & CO.

CHARTERED ACCOUNTANTS

- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on our audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences 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 Standalone Financial Results including the disclosures and whether the standalone financial results represent the underlying transactions and events in the manner that achieves fair presentation.

We communicate with those charged with governance of the company regarding, among other matters, the planned scope of timing of the audit and significant audit findings, including 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 our independence, and wherever applicable, related safeguards.

Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023, in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

The Standalone Financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

Note 8 of the Standalone Financial Results explains the uncertainties and management's assessment of the financial impact due to the COVID-19 pandemic for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

For Ajay Rattan & Co.,
Chartered Accountants,
Firm Registration No. 012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BCYTAM4618



Place: New Delhi
Date: May 30, 2023

SONAL MERCANTILE LIMITED
CIN : L51221DL1985PLC022433

Registered Office : 365, Vardhman Plaza, III Floor, Sector-3, Rohini, Delhi 110085, Tel. 011-49091417
Website : www.sonalmercantile.in, E.mail id : sonalmercantile@yahoo.in

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023.

(₹ in Lakhs)

Particulars	Three Months Period Ended			Year Ended	
	31.03.2023 (Audited)	31.12.2022 Unaudited	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
I Income					
(a) Revenue From Operations:					
Interest Income	896.65	637.38	574.62	2,638.81	2,084.46
Sale of shares	-	-	(6.61)	-	-
Total Revenue from Operations	896.65	637.38	568.01	2,638.81	2,084.46
(b) Other Income	-	-	6.61	7.92	6.61
Total Income	896.65	637.38	574.62	2,646.73	2,091.07
II EXPENSES					
Impairment of Financial Instrument	41.63	-	8.56	41.63	8.56
Finance costs	470.08	376.75	235.64	1,503.27	1,206.11
Employee benefits expenses	5.91	5.78	13.87	25.07	39.52
Depreciation and amortisation expenses	2.36	1.70	-	4.06	0.01
Other expenses	10.08	5.91	4.82	21.09	18.37
Total expenses	530.06	390.14	262.89	1,595.11	1,272.57
III Profit/(loss) before tax	366.59	247.24	311.73	1,051.62	818.50
IV Less :- Tax expense:					
(1) Current tax	(82.25)	(62.23)	(81.56)	(266.77)	209.11
(2) Deferred tax	(0.17)	0.17	1.36	(0.00)	0.29
Total tax expense	(82.42)	(62.06)	(80.20)	(266.77)	209.40
V Profit (Loss) after tax	284.18	185.18	231.53	784.86	609.10
VI Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-
VII Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)	284.18	185.18	231.53	784.86	609.10
VIII Paid up equity share capital (Face value Rs. 10/- per share)	1,473.85	1,473.85	1,473.85	1,473.85	1,473.85
IX Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	2,067.82	2,067.82	1,458.72	2,852.68	1,458.72
XIX Earnings per equity share (for continuing operation):					
(1) Basic	1.93	1.26	1.57	5.33	4.13
(2) Diluted	1.93	1.26	1.57	5.33	4.13

See accompanying notes to the financial results

Notes :

- These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards Amendment) Rules, 2016 and other recognised accounting practices and policies to the extent applicable.
- (1) The above audited financial results for the quarter and year ended on March 31, 2023 have been reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on May 30, 2023.
- (2) The statutory auditors have carried out audit of the above results for the quarter ended March 31, 2023.
- (3) Figures for the previous period have been regrouped wherever considered necessary so as to confirm to the classification of the current period.
- (4)

For and on behalf of board of directors of
SONAL MERCANTILE LIMITED

Vikram Goyal
WHOLE TIME DIRECTOR
DIN:00381115

Date: 30/05/2023
Place: New Delhi



SONAL MERCANTILE LIMITED
CIN : L51221DL1985PLC022433

Registered Office : 365, Vardhman Plaza, III Floor, Sector-3, Rohini, Delhi 110085, Tel. 011-49091417
Website : www.sonalmercantile.in, E.mail id : sonalmercantile@yahoo.in

STANDALONE AUDITED STATEMENT OF ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023.

(₹ in Lakhs)

PARTICULARS	As at (Current Year End) 31/03/2023	As at (Previous Year End) 31/03/2022
ASSETS		
Financial Assets		
Cash & Cash Equivalents	10.58	2.28
Trade Receivables	-	-
Loans	35,392.54	20,139.06
Investments	633.51	782.80
Other Financial Assets	0.45	0.45
Non-Financial Assets		
Current Tax Assets (Net)	3.73	3.69
Deferred Tax Assets (Net)	1.36	1.36
Property, plant & equipment	17.61	0.03
Other Non-Financial Assets	135.35	138.50
Total Assets	36,195.14	21,068.17
EQUITY AND LIABILITIES		
Financial Liabilities		
Trade Payables	-	-
Borrowings	30,359.59	15,861.14
Other Financial Liabilities	1,271.38	1,321.33
Non-Financial Liabilities		
Current Tax Liabilities (Net)	-	-
Other Non Financial Liabilities	237.65	344.03
Equity		
Equity Share Capital	1,473.85	1,473.85
Other Equity	2,852.68	2,067.82
Total Equity	4,326.53	3,541.67
Total Equity and Liabilities	36,195.14	21,068.17

For and on behalf of board of directors of
SONAL MERCANTILE LIMITED


Vikram Goyal
WHOLE TIME DIRECTOR
DIN:00381115



Date: 30/05/2023
Place: New Delhi

SONAL MERCANTILE LIMITED
CIN : L51221DL1985PLC022433

Registered Office : 365, Vardhman Plaza, III Floor, Sector-3, Rohini, Delhi 110085, Tel. 011-49091417

Website : www.sonalmmercantile.in, E.mail id : sonalmmercantile@yahoo.in

STANDALONE AUDITED CASH FLOW STATEMENT FOR THE QUARTER AND YEAR ENDED ON 31 MARCH 2023

PARTICULARS	(₹ in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net profit/ (loss) before tax and after exceptional items	1,051.62	818.50
Adjustments for non- cash/ other items: -		
(Gain)/ Loss on sale of Investments	(7.92)	-
Depreciation on property, plant & equipment	4.06	0.01
Operating Profit before working capital changes	1,047.77	818.51
Working capital adjustments: -		
(Increase)/ decrease in other financial assets		(0.20)
(Increase)/ decrease in other non financial assets	3.15	22.55
(Increase)/ decrease in other current assets		-
(Increase)/ decrease in loans	(15,253.48)	(1,827.78)
Increase/ (decrease) in short term borrowing	14,498.44	-
Increase/ (decrease) in other financial liabilities	(49.95)	(973.21)
Increase/ (decrease) in other non financial liabilities	(106.38)	(5.34)
Increase/ (decrease) in other current liabilities		4.30
Cash generated from operations	139.54	(1,961.17)
Direct taxes paid	(266.81)	(144.87)
Net cash flow from operating activities (A)	(127.27)	(2,106.03)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Sale/ (Purchase) of property, plant & equipment	(21.64)	-
Sale/ (Purchase) of investments	157.20	(1.01)
Net cash flow from investing activities (B)	135.56	(1.01)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Interest on borrowing	-	-
Net proceeds from borrowings		2,108.30
Net cash flow from financing activities (C)	-	2,108.30
Net cash flow during the year (A + B + C)	8.29	1.26
Add: Opening cash and cash equivalents	2.28	1.02
Closing cash and cash equivalents	10.57	2.28
Components of cash and cash equivalents		
Cash in hand	2.20	1.20
Balances with banks		
in current accounts	8.38	1.08
Total cash and cash equivalents	10.58	2.28

For and on behalf of board of directors of
SONAL MERCANTILE LIMITED


Vikram Goyal
WHOLE TIME DIRECTOR
DIN:00381115



Date: 30/05/2023
Place: New Delhi



INDEPENDENT AUDITOR'S REPORT

To Board of Directors
Sonai Mercantile Limited
3rd Floor, Vardhman Grand Plaza,
365, Sector 3, Rohini,
New Delhi, Delhi-110085
CIN: L51221DL1985PLC022433

Report on audit of Consolidated Financial Results

Opinion and Conclusion

We have :

- (a) audited the accompanying Consolidated Financial Results for the year ended **March 31, 2023**
(b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2023 (refer para 10 of the 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Consolidated Financial Results for the Quarter and Year Ended March 31, 2023" of **Sonai Mercantile Limited** ("the Company") and its associate, being submitted by the company, pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('listing regulations').

Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us and based on the separate financial statement of the associate, referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2023:

Includes the financial results of the associate viz. M/s Rudraveerya Developers Private Limited:

- (i) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the listing regulations; and
(ii) give a true and fair view in conformity with recognition and measurement principles laid down in applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, of the net profit including other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2023

With respect to the Consolidated Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the listing regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.





AJAY RATTAN & CO.

CHARTERED ACCOUNTANTS

Basis for Opinion on the Consolidated Financial Results for the quarter ended March 31, 2023

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

Management's Responsibilities for the Statement

These Consolidated Financial Results have been prepared on the basis of the annual financial statements. The company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the net profit/(loss) and consolidated other comprehensive income and other financial information in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant issues thereunder and other accounting principles generally accepted in India and in compliance with the requirements of the listing regulations. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of accounting policies; making judgment and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and are free for material misstatement, whether due to fraud and error, which have been used for the purpose of preparation of Consolidated Financial Results by the Board of Directors of the Company as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the Company and its associate are responsible for assessing the ability of the Company to continue as going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company and its associate.

Auditor's Responsibilities for the Audit of Consolidated Financial Results

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results 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 not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from a fraud or error and consider material, if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.





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

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to our basis of opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud involves collusions, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and operating effectiveness of such controls.
- Evaluate the appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on our audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences 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 Consolidated Financial Results including the disclosures and whether the Consolidated financial results represent the underlying transactions and events in the manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient and appropriate evidence regarding Annual Standalone Financial Results of the entities within the company and its associate to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit of the financial information of audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatement in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledge user of the Annual Consolidated Financial Results 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 Annual Consolidated Financial Results.





AJAY RATTAN & CO.

CHARTERED ACCOUNTANTS

We communicate with those charged with governance of the company regarding, among other matters, the planned scope of timing of the audit and significant audit findings, including 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 wherever applicable, related safeguards.

Review of the Consolidated Financial Results for the quarter ended March 31, 2023

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2023, in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

The Consolidated Financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

We have not audited the financial statements of the associate viz. M/s Rudraveerya Developers Private Limited included in the consolidated financial results, whose financial information reflects total net asset of Rs. 60835.00 lakhs as at March 31, 2023, total net profit after tax of Rs. 784.85 lakhs, total comprehensive income of Rs. 1014.87 lakhs and net cash flows of Rs. 8.30 lakhs for the year ended on that date, as considered in the Annual Consolidated Financial Results. The financial statements of the component are unaudited and have been furnished to us by the management, and our opinion and conclusion on the statement, so far it relates to the amount and disclosure included in respect of this associate, is based solely on such unaudited financial statements/ financial information.

Note 8 of the Consolidated Financial Results explains the uncertainties and management's assessment of the financial impact due to the COVID-19 pandemic for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

For Ajay Rattan & Co.,
Chartered Accountants,
Firm Registration No. 012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAN8821



Place: New Delhi
Date: May 30, 2023

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2023.

(₹ in Lakhs)

	Particulars	Three Months Period Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
I	Income					
	Revenue From Operations:					
	Interest income	896.65	637.38	574.62	2,638.81	2,084.46
	Sale of shares			(6.61)		
	Other Income			6.61	7.92	6.61
	Total Income	896.65	637.38	574.62	2,646.73	2,091.07
II	EXPENSES					
	Impairment of financial instrument	41.63	-	8.56	41.63	8.56
	Finance cost	470.08	376.75	235.64	1,503.26	1,206.11
	Employee benefits expenses	5.91	5.78	13.87	25.07	39.52
	Depreciation and amortisation expenses	2.36	1.70		4.06	0.01
	Other expenses	10.08	5.91	4.82	21.09	18.37
	Total expenses	530.06	390.14	262.89	1,595.10	1,272.57
	Profit/(loss) before tax	366.59	247.24	311.73	1,051.62	818.50
III	Tax expense:					
	(1) Current tax	(82.25)	62.23	(81.56)	(266.77)	209.11
	(2) Deferred tax	0.17	(0.17)	1.36	-	0.29
	Total tax expense	(82.08)	62.06	(80.20)	(266.77)	209.40
IV	Profit/(loss)	284.52	185.18	231.53	784.85	609.10
	Share of Profit of Associate	168.06	292.14	329.33	1,014.87	1,093.34
V	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	-	-	-		-
	(ii) Income tax relating to items that will not be re-classified to profit or loss	-	-	-		-
	B (i) Items that will be reclassified to profit or loss	-	-	-		-
	(ii) Income tax relating to items that will be reclassified to profit or loss of associate (Net)	-	-	-		-
	items that will not be reclassified to profit and loss from share of associate (Net)	2,387.38		1,411.55	2,387.38	1,411.55
	Total other comprehensive income			1,411.55	2,387.38	1,411.55
VI	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)	2,839.95	477.32	1,972.41	4,187.10	3,113.99
VII	Paid up equity share capital (Face value Rs. 10/- per share)	1,473.85	1,473.85	1,473.85	1,473.85	1,473.85
VIII	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	23,305.42	23,305.42	20,191.42	23,305.42	20,191.42
IX	Earnings per equity share (for continuing operation):					
	(1) Basic	19.27	3.24	3.81	32.42	11.55
	(2) Diluted	19.27	3.24	3.81	32.42	11.55
	See accompanying notes to the financial results					

Notes :

- (1) These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- (2) The above audited financial results for the quarter ended on March 31, 2023 have been reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on May 30, 2023.
- (3) The statutory auditors have carried out audit of the above results for the quarter ended March 31, 2023.
- (4) Figures for the previous period have been regrouped wherever considered necessary so as to confirm to the classification of the current period.

For and on behalf of board of directors of
Sonal Mercantile Limited

Vikram Goyal
DIRECTOR
DIN:00381115

Date: 30/05/2023
Place: New Delhi



SONAL MERCANTILE LIMITED

CIN : L51221DL1985PLC022433

Registered Office : 365, Vardhman Plaza, III Floor, Sector-3, Rohini, Delhi 110085, Tel. 011-49091417

Website : www.sonalmercantile.in, E.mail id : sonalmercantile@yahoo.in

AUDITED STATEMENT OF ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED 31.03.2023.

(₹ in Lakhs)

PARTICULARS	As at (Current Year End) 31/03/2023	As at (Previous Year End) 31/03/2022
ASSETS		
Financial Assets		
Cash & Cash Equivalents	10.58	2.28
Trade Receivables	-	-
Loans	35,392.54	20,139.06
Investments	25,273.37	22,020.40
Other Financial Assets	0.45	0.45
Capital Work in progress		-
Goodwill		-
Other Intangible Assets		-
Intangible Assets under development		-
Non-Financial Assets		
Current Tax Assets (Net)	3.73	3.69
Deferred Tax Assets (Net)	1.36	1.36
Property, plant & equipment	17.61	0.03
Other Non-Financial Assets	135.35	138.50
Total Assets	60,835.00	42,305.77
EQUITY AND LIABILITIES		
Financial Liabilities		
Trade Payables		-
Financial Liabilities		
Borrowings	30,359.60	15,861.14
Other Financial Liabilities	1,271.38	1,321.33
Deferred Tax Liabilities (Net)		-
Total Non-Current Liabilities		-
Non-Financial Liabilities		
Current Tax Liabilities (Net)		-
Total Liabilities		-
Other Non Financial Liabilities	237.65	344.03
Equity		
Equity Share Capital	1,473.85	1,473.85
Other Equity	27,492.52	23,305.42
Total Equity	28,966.37	24,779.27
Total Equity and Liabilities	60,835.00	42,305.77

For and on behalf of board of directors of
Sonal Mercantile Limited

Vikram Gupta
WHOLE TIME DIRECTOR
DIN:00381115

Date: 30/05/2023
Place: New Delhi



SONAL MERCANTILE LIMITED

CIN : L51221DL1985PLC022433

Registered Office : 365, Vardhman Plaza, III Floor, Sector-3, Rohini, Delhi 110085, Tel. 011-49091417

Website : www.sonalmercantile.in, E.mail id : sonalmercantile@yahoo.in

CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER AND YEAR ENDED ON 31.03.2023.

(₹ in Lakhs)

	For the year ended 31st March 2023	For the year ended 31st March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and after exceptional items	1,051.62	818.50
Adjustments for non-cash/ other items: -		
(Gain)/ Loss on sale of Investments	(7.92)	-
Depreciation on property, plant & equipment	4.06	0.01
Operating Profit before working capital changes	1,047.77	818.51
Working capital adjustments: -		
(Increase)/ decrease in other financial assets	-	(0.20)
(Increase)/ decrease in other non financial assets	3.15	22.55
(Increase)/ decrease in loans	(15,253.48)	(1,827.78)
Increase/ (decrease) in short term borrowing	14,498.46	-
Increase/ (decrease) in other financial liabilities	(49.95)	(973.21)
Increase/ (decrease) in other non-financial liabilities	(106.38)	(5.34)
Increase/ (decrease) in other current liabilities	-	1.30
Cash generated from operations	139.55	(1,961.17)
Direct taxes paid	(266.81)	(144.87)
Net cash flow from operating activities (A)	(127.26)	(2,106.03)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/ (Purchase) of property, plant & equipment	(21.64)	-
Sale/ (Purchase) of investments	157.20	(1.01)
Net cash flow from investing activities (B)	135.56	(1.01)
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from borrowings	-	2,108.30
Net cash flow from financing activities (C)	-	2,108.30
Net cash flow during the year (A + B + C)	8.31	1.26
Add: Opening cash and cash equivalents	2.28	1.02
Closing cash and cash equivalents	10.59	2.28
Components of cash and cash equivalents		
Cash in hand	2.20	1.20
Balances with banks		
in current accounts	8.38	1.08
Total cash and cash equivalents	10.58	2.28

For and on behalf of board of directors of
Sonal Mercantile Limited

Vikram Goyal
WHOLE TIME DIRECTOR
DIN:00381115

Date: 30/05/2023
Place: New Delhi



Date: 30.05.2023

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

BSE Scrip Code – 538943

Sub: Declaration in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, We, the Board of Directors of Sonal Mercantile Limited ("the Company") hereby declare that M/s. Ajay Rattan & Co. Chartered Accountants (Firm Reg No. 012063N), the Statutory Auditors of the Company have issued a Report with **unmodified opinion** on the Standalone & Consolidated Audited Financial Results of the Company for the quarter and year ended **31.03.2023**.

Kindly take this declaration in your record.

Thanking you,

**For and on behalf of
Sonal Mercantile Limited**



Vikram Goyal
Whole Time Director
DIN: 00381115
Place : New Delhi

