



**V. N. PUROHIT & CO.**

CHARTERED ACCOUNTANTS

214, New Delhi House, 2nd Floor,  
27, Barakhamba Road,  
New Delhi – 110 001  
Phone : 011-43596011  
Email: [vnodelhi@vnpaudit.com](mailto:vnodelhi@vnpaudit.com)  
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## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of 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

1. We have audited the accompanying standalone financial results of **Sonal Mercantile Limited** (hereinafter referred to as "the company") for the year ended March 31, 2021 and the standalone statement of assets and liabilities and standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('listing regulations').
2. 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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; 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, 2021, and the standalone statement of assets and liabilities and standalone statement of cash flows as at and for the year ended on that date.

#### Basis for Opinion

3. 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.

**V.N. PUROHIT & CO.**  
Chartered Accountants

**Board of Directors' Responsibilities for the Standalone Financial Results**

4. These standalone financial results have been prepared on the basis of the annual standalone 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 and other comprehensive income and other financial information of the company and the standalone statement of assets and liabilities and standalone statement of cash flows in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant issues thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of 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 standalone financial statements that give true and fair view and are free for material misstatement, whether due to fraud and error.
5. 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.
6. 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**

7. 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.
8. 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 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.

## **V.N. PUROHIT & CO.**

**Chartered Accountants**

- 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 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 financial results including the disclosures and whether the standalone financial results represent the underlying transactions and events in the manner that achieves fair presentation.
9. 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.

### **Other Matters**

10. The standalone financial results include the results for the quarter ended March 31, 2021 and March 31, 2020 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 respective financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

**FOR V. N PUROHIT & CO.**

**Chartered Accountants**

**Firm Regn. No. 304040E**

OM PRAKASH  
PAREEK

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**O. P. Pareek**

**Partner**

**Membership No. 014238**

**UDIN: 21014238AAAAJP7828**

**Date: 30<sup>th</sup> June, 2021**

**Place: New Delhi**



**V. N. PUROHIT & CO.**

CHARTERED ACCOUNTANTS

214, New Delhi House, 2nd Floor,  
27, Barakhamba Road,  
New Delhi – 110 001  
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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of Sonal 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

1. We have audited the accompanying consolidated financial results of **Sonal Mercantile Limited** (hereinafter referred to as "the Company") and its associate, for the year ended March 31, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('listing regulations').
2. In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results: -
  - (i) Includes the annual financial results of associate: -
    - a. M/s Rudraveera Developers Private Limited
  - (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; 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 consolidated **net profit** (including other comprehensive income) and other financial information for the year ended March 31, 2021, and the consolidated statement of assets and liabilities and consolidated statement of cash flows as at and for the year ended on that date.

**V.N. PUROHIT & CO.**  
Chartered Accountants

**Basis for Opinion**

3. 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 Group 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.

**Board of Directors' Responsibilities for the Consolidated Financial Results**

4. These consolidated financial results have been prepared on the basis of the annual consolidated 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 consolidated net profit and other comprehensive income and other financial information of the Group and the consolidated statement of assets and liabilities and consolidated statement of cash flows in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant issues thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Company and its associate are responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the consolidated financial results. Further, in terms of the provisions of the Act, the respective Board of Directors / management of the Company and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of accounting policies; making judgement 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 consolidated financial statements that give true and fair view and are free for material misstatement, whether due to fraud and error.
5. In preparing the consolidated financial results, the Board of Directors of the Company are responsible for assessing the ability 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.

## **V.N. PUROHIT & CO.**

**Chartered Accountants**

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

### **Auditor's Responsibilities for the Audit of Consolidated Financial Results**

7. 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.
8. As part of an audit in accordance with the SAs, we exercise professional judgement 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 and its associate 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 group 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 Group 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.

## **V.N. PUROHIT & CO.**

**Chartered Accountants**

9. We communicate with those charged with governance of the Company, 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### **Other Matters**

10. We did not audit the annual financial statements of one associate included in the consolidated financial results, whose financial information reflects total net assets of Rs. 18,732.71 Lakhs as at 31<sup>st</sup> March 2021, total net profit after tax of Rs. 961.16 Lakhs, total comprehensive income of Rs. 2,768.21 Lakhs, and net cash flows of Rs. Nil for the year ended on that date, as considered in the statement. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate solely on such unaudited financial statements. Our opinion is not modified in respect of this matter.
11. The financial results include the results for the quarter ended March 31, 2021 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.

**FOR V. N PUROHIT & CO.**

**Chartered Accountants**

**Firm Regn. No. 304040E**

**OM PRAKASH**  
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**PAREEK**  
**O. P. Pareek**

**Partner**

**Membership No. 014238**

**UDIN: 21014238AAAAJO5564**

**Date: 30<sup>th</sup> June, 2021**

**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 FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2021

(Figures in Lakhs)

Part - I						
	Particulars	Three Months Ended			Year ended	
		31.03.2021 Audited (Refer Note 6)	31.12.2020 (Un-Audited)	31.03.2020 Audited (Refer Note 6)	31.03.2021 (Audited)	31.03.2020 (Audited)
I	<b>INCOME</b>					
A.	<b>Revenue From Operations</b>					
	Interest Income	460.97	471.42	330.39	1,850.51	1,308.44
	Sale of shares	-	-	-	-	-
	<b>Total Revenue from Operations</b>	<b>460.97</b>	<b>471.42</b>	<b>330.39</b>	<b>1,850.51</b>	<b>1,308.44</b>
B.	<b>Other Income</b>	-	-	0.47	0.11	2.31
	<b>Total Income</b>	<b>460.97</b>	<b>471.42</b>	<b>330.86</b>	<b>1,850.62</b>	<b>1,310.75</b>
II	<b>EXPENSES</b>					
	Finance Cost	241.96	305.76	250.40	1,146.18	934.48
	Employee benefits expense	13.30	15.51	21.12	66.90	87.77
	Depreciation and amortisation expense	0.01	-	-	0.02	0.30
	Other Expenses	4.23	2.48	13.21	11.89	22.77
	<b>Total Expenses</b>	<b>259.29</b>	<b>323.75</b>	<b>284.73</b>	<b>1,224.99</b>	<b>1,045.32</b>
III	<b>Profit/(Loss) Before Tax</b>	<b>201.68</b>	<b>147.67</b>	<b>46.13</b>	<b>625.63</b>	<b>265.43</b>
IV	<b>Tax Expense:</b>					
	(1) Current Tax	(129.62)	(37.16)	(19.82)	(173.74)	(66.68)
	(2) Deferred Tax	(0.10)	-	1.94	(0.30)	(0.13)
V	<b>Profit/(Loss) After Tax</b>	<b>71.96</b>	<b>110.51</b>	<b>28.25</b>	<b>451.59</b>	<b>198.62</b>
VI	<b>Other Comprehensive Income</b>					
	(i) items that will not be reclassified to profit or loss	-	-	-	-	-
	(ii) income tax related to items that will not be reclassified to profit or loss	-	-	-	-	-
	(iii) items that will be reclassified to profit or loss	-	-	-	-	-
	(iv) income tax related to items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
VII	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>	<b>71.96</b>	<b>110.51</b>	<b>28.25</b>	<b>451.59</b>	<b>198.62</b>
VIII	<b>Paid Up equity share capital(Face Value of Rs. 10/-)</b>	<b>1,473.85</b>	<b>1,473.85</b>	<b>1,473.85</b>	<b>1,473.85</b>	<b>1,473.85</b>
IX	<b>Reserves excluding Revaluation reserves as per balance sheet of previous accounting year</b>	<b>989.36</b>	<b>989.36</b>	<b>816.94</b>	<b>989.36</b>	<b>816.94</b>
X	<b>Earnings/(Loss) Per Equity Share</b>					
	Basic ( in Rupees)	0.49	0.75	0.19	3.06	1.35
	Diluted (in Rupees)	0.49	0.75	0.19	3.06	1.35

### Notes

- The above audited financial results have been reviewed by the audit committee and have been approved and taken on record by the Board of Directors in their meeting held on 30th June, 2021 and the statutory auditors of the Company have audited the financial results for the quarter and year ended on 31st March, 2021. An unmodified opinion has been issued and the same is being filed with the stock exchange along with the above results.
- The aforesaid Quarterly Financial Results are also being disseminated on the website of the Company i.e. (<https://www.sonalmercantile.in/investors-information.php>).
- The Company engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th June 2021.
- The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.
- Figures for the quarter ended on 31st March 2021 and 31st March 2020 are the balancing figures between the audited figures for the full financial year and the reviewed year to date figures for the quarter ended on 31st Dec 2020 and 31st Dec 2019, respectively.
- India is currently witnessing the second wave of COVID-19 pandemic with significant increase in the number of infected cases. The resultant lockdowns are less restrictive for economic activity and are concentrated in the most-hit states. The Company's robust IT infrastructure and digital communication technology enables its workforce to work securely through remote technology ensuring business continuity. The Company has not experienced any significant impact on its liquidity position due to the sufficiency of working capital. The Company continues to be well geared to meet its funding needs. It holds sufficient liquidity as well as adequate undrawn lines of credits if needed from various banks. The Company believes that with the pickup in vaccination programme in India, the business and commercial activity is poised for resurgence, leading to increase in power demand and generation. In view of the above, the Management believes that there will not be significant impact of this outbreak in continuing its business operations, in maintaining its financial position and in its ability to continue as a going concern. The Company shall also continue to closely monitor any material changes arising of future economic conditions and potential impact on its business.

FOR SONAL MERCANTILE LIMITED

Date : 30th June, 2021  
Place : New Delhi



Vikram Goyal  
Whole-Time Director



**STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2021**

(Rs. in Lacs)

PARTICULARS	As at 31/03/2021 (Audited)	As at 31/03/2020 (Audited)
<b>1. Assets</b>		
<b>(1) Financial Assets</b>		
(a) Cash and Cash Equivalent	1.02	13.17
(b) Loans	18,357.18	16,026.50
(c) Investments	781.79	386.60
(d) Other Financial Assets	0.25	0.25
<b>(2) Non Financial Assets</b>		
(a) Current Tax Assets (Net)	51.37	90.36
(b) Deferred Tax Assets	1.65	1.95
(c) Property Plant and Equipment	0.04	0.06
(d) Other Non financial Assets	161.05	180.81
<b>Total</b>	<b>19,354.35</b>	<b>16,699.70</b>
<b>2. Liability and Equity</b>		
<b>(1) Financial Liability</b>		
(a) Borrowings	13,752.85	13,417.50
(b) Other financial liabilities	2,290.24	680.87
<b>(2) Non Financial Liability</b>		
(a) Provisions	45.89	40.07
(b) Other Non Financial Liability	349.37	91.02
<b>(3) Equity</b>		
(a) Equity Share Capital	1,473.85	1,473.85
(b) Other Equity	1,442.15	996.39
<b>Total</b>	<b>19,354.35</b>	<b>16,699.70</b>

For and on behalf of board of directors of

FOR SONAL MERCANTILE LIMITED

Vikram Goyal  
Whole Time Director



Date : 30th June, 2021

Place : New Delhi

**SONAL MERCANTILE LIMITED**

CIN : L51221DL1985PLC022433

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2021

	(Rs. In Lakhs)	
	For the period ended 31/03/2021	For the period ended 31/03/2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and after extra- ordinary items (as per standalone statement of profit & loss)	625.63	265.43
Adjustments for : -		
Depreciation	0.02	0.30
Interest on fixed deposits	-	(1.58)
Finance Cost	-	934.48
Loss on sale of Property, plant & equipment	-	0.50
Operating Profit before working capital changes	625.65	1,199.13
<u>Working capital adjustments: -</u>		
(Increase)/ decrease in loans	(2,330.67)	(7,672.92)
(Increase)/ decrease in other financial assets	-	(0.01)
(Increase)/ decrease in other non financial assets	19.76	(104.89)
Increase/ (decrease) in other financial liabilities	1,609.37	675.38
Increase/ (decrease) in other non-financial liabilities	258.34	75.57
Cash generated from operations	182.45	(5,827.74)
Direct Taxes Paid	(134.75)	(121.71)
<b>Net cash flow from operating activities (A)</b>	<b>47.70</b>	<b>(5,949.45)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	-	(0.05)
Sale of property, plant & equipment	-	2.25
Sale/ (Purchase) of investments	(395.19)	(384.10)
Interest received	-	1.58
<b>Net cash flow from investing activities (B)</b>	<b>(395.19)</b>	<b>(380.32)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net proceeds from borrowings	335.34	6,708.20
Interest on borrowings	-	(934.48)
<b>Net cash flow from financing activities (B)</b>	<b>335.34</b>	<b>5,773.72</b>
<b>Net cash flow during the year (A + B + C)</b>	<b>(12.15)</b>	<b>(556.05)</b>
Add: Opening cash and cash equivalents	13.17	569.22
<b>Closing cash and cash equivalents</b>	<b>1.02</b>	<b>13.17</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.04	1.30
<u>Balances with banks: -</u>		
In current accounts	0.98	11.87
In fixed deposits	-	-
<b>Toal cash and cash equivalents</b>	<b>1.02</b>	<b>13.17</b>

**Notes:-**

- The above statement of cash flow has been prepared under the 'Indirect Method' as set out in IndAS 7 - 'Statement of Cash Flows'.
- Direct taxes paid is treated as arising from operating activities and is not bifurcated between investing and financing activities.
- Since the Company is a loan company, purchase and sale of investments have been considered as part of "Cash flow from investing activities" and interest earned on loans have been considered as part of "Cash flow from operating activities".

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

Vikram Goyal  
Wholtime Director

Date : 30th June, 2021

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

## CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER &amp; YEAR ENDED MARCH 31, 2021

(Figures in Lakhs)

## Part - I

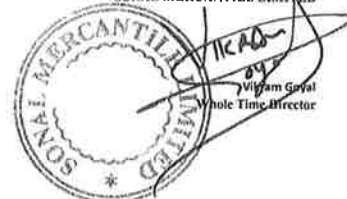
Particulars	Three Months Ended			Year ended	Year ended
	31.03.2021 (Audited)	31.12.2020 (Un-Audited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)
<b>I INCOME</b>					
Revenue From Operations					
Interest income	460.97	471.42	330.39	1,850.51	1,308.44
Total Revenue From Operations	460.97	471.42	330.39	1,850.51	1,308.44
Other Income	-	-	-	0.11	2.31
<b>Total Income</b>	<b>460.97</b>	<b>471.42</b>	<b>330.39</b>	<b>1,850.62</b>	<b>1,310.75</b>
<b>II EXPENSES</b>					
Finance Cost	241.96	305.76	139.13	1,146.18	934.48
Employee benefits expense	13.10	15.51	20.90	66.90	87.77
Depreciation and amortisation expense	0.01	0.00	-	0.02	0.30
Other Expenses	4.23	2.48	13.42	11.89	22.98
<b>Total Expenses</b>	<b>259.30</b>	<b>323.75</b>	<b>173.45</b>	<b>1,224.99</b>	<b>1,045.53</b>
<b>III Profit/(Loss) Before Tax</b>	<b>201.67</b>	<b>147.67</b>	<b>156.94</b>	<b>625.63</b>	<b>265.22</b>
<b>IV Tax Expense:</b>					
(1) Current Tax	67.04	37.16	12.81	173.74	73.70
(2) Deferred Tax	0.10	-	-	0.30	0.13
<b>V Profit/(Loss) After Tax</b>	<b>134.53</b>	<b>110.51</b>	<b>144.13</b>	<b>451.59</b>	<b>191.39</b>
<b>VI Share of Profit of Associate (Net)</b>	<b>286.80</b>	<b>221.63</b>	<b>446.26</b>	<b>961.16</b>	<b>451.52</b>
<b>VII Other Comprehensive Income</b>					
(i) items that will not be reclassified to profit or loss	-	-	-	-	-
(ii) income tax related to items that will not be reclassified to profit or loss	-	-	-	-	-
(iii) items that will be reclassified to profit or loss	-	-	-	-	-
(iv) income tax related to items that will be reclassified to profit or loss	-	-	-	-	-
(v) items that will be reclassified to profit or loss of associate (Net)	1,474.91	332.14	(14.21)	1,807.05	204.54
Total other comprehensive income	1,474.91	332.14	(14.21)	1,807.05	204.54
<b>VIII Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>	<b>1,896.24</b>	<b>664.28</b>	<b>576.18</b>	<b>3,219.80</b>	<b>847.45</b>
<b>IX Paid Up equity share capital (Face Value of Rs. 10/-)</b>	<b>1,473.85</b>	<b>1,473.85</b>	<b>1,473.85</b>	<b>1,473.85</b>	<b>1,473.85</b>
<b>X Reserves excluding Revaluation reserves as per balance sheet of previous accounting year</b>	<b>16,635.65</b>	<b>16,635.65</b>	<b>16,011.41</b>	<b>16,635.65</b>	<b>16,011.41</b>
<b>XI Earnings/(Loss) Per Equity Share</b>					
Basic	2.86	2.25	4.01	9.59	4.36
Diluted	2.86	2.25	4.01	9.59	4.36

## Notes

- The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 from 1 April 2019 and the effective date of such transition is 1 April 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (RBI) (Collectively referred to as 'the previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2018 and the corresponding figures presented in these results have been restated/ reclassified.
- The Company engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 30, 2021 and subjected to a limited review by the statutory auditors as indicated above.
- The aforesaid Quarterly Financial Results are also being disseminated on the website of the company ie (<https://www.sonalmmercantile.in/investors-information.php>)
- India is currently witnessing the second wave of COVID-19 pandemic with significant increase in the number of infected cases. The resultant lockdowns are less restrictive for economic activity and are concentrated in the most-hit states. The Company has not experienced any significant impact on its liquidity position due to the sufficiency of working capital. The Company continues to be well geared to meet its funding needs. It holds sufficient liquidity as well as adequate undrawn lines of credits if needed from various banks. The Company believes that with the pickup in vaccination programme in India, the business and commercial activity is poised for resurgence, leading to increase in power demand and generation. In view of the above, the Management believes that there will not be significant impact of this outbreak in continuing its business operations, in maintaining its financial position and in its ability to continue as a going concern. The Company shall also continue to closely monitor any material changes arising of future economic conditions and potential impact on its business.

Date : 30th June, 2021  
Place : New Delhi

For and on Behalf of Board of Directors of  
SONAL MERCANTILE LIMITED



**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2021**

(Rs. in Lacs)

PARTICULARS	As at 31/03/2021 (Audited)	As at 31/03/2020 (Audited)
<b>1. Assets</b>		
<b>(1) Financial Assets</b>		
(a) Cash and Cash Equivalent	1.02	13.17
(b) Loans	18,357.18	16,026.50
(c) Investments	19,514.49	16,351.09
(d) Other Financial Assets	0.25	0.25
<b>(2) Non Financial Assets</b>		
(a) Current Tax Assets (Net)	51.37	90.36
(b) Deferred Tax Assets	1.65	1.94
(c) Property Plant and Equipment	0.04	0.06
(d) Other Non financial Assets	161.05	180.81
<b>Total</b>	<b>38,087.05</b>	<b>32,664.18</b>
<b>2. Liability and Equity</b>		
<b>(1) Financial Liability</b>		
(a) Borrowings	13,752.84	13,417.50
(b) Other financial liabilities	325.24	680.87
<b>(2) Non Financial Liability</b>		
(a) Provisions	45.89	40.06
(b) Other non financial liabilities	2,314.37	91.02
<b>(3) Equity</b>		
(a) Equity Share Capital	1,473.85	1,473.85
(b) Other Equity	20,174.86	16,960.88
<b>Total</b>	<b>38,087.05</b>	<b>32,664.18</b>

For and on behalf of board of directors of

FOR SONAL MERCANTILE LIMITED

  
Vikram Goyal  
Whole Time Director

Date:

Place: New Delhi

**SONAL MERCANTILE LIMITED**

CIN : L51221DL1985PLC022433

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2021

	(Rs. In Lakhs)	
	For the year ended 31/03/2021	For the year ended 31/03/2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/ (loss) before tax and after extra- ordinary items	625.63	265.43
<u>Adjustments for items: -</u>		
Depreciation	0.02	0.30
Interest on fixed deposits	-	(1.58)
Finance Cost	-	934.48
Loss on sale of Property, plant & equipment	-	0.49
Operating Profit before working capital changes	625.65	1,199.12
<u>Working capital adjustments: -</u>		
(Increase)/ decrease in loans	(2,330.68)	(7,672.92)
(Increase)/ decrease in other financial assets	-	(0.01)
(Increase)/ decrease in other non financial assets	19.76	(104.89)
Increase/ (decrease) in other financial liabilities	(355.63)	675.38
Increase/ (decrease) in other non-financial liabilities	2,223.35	75.57
Cash generated from operations	182.45	(5,827.75)
Direct Taxes Paid	(134.75)	(121.71)
<b>Net cash flow from operating activities (A)</b>	<b>47.70</b>	<b>(5,949.46)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	-	(0.05)
Sale of property, plant & equipment	-	2.25
Sale/ (Purchase) of investments	(395.19)	(384.09)
Interest received	-	1.58
<b>Net cash flow from investing activities (B)</b>	<b>(395.19)</b>	<b>(380.31)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net proceeds from borrowings	335.34	6,708.20
Finance cost	-	(934.48)
<b>Net cash flow from financing activities (C)</b>	<b>335.34</b>	<b>5,773.72</b>
<b>Net cash flow during the year (A + B + C)</b>	<b>(12.15)</b>	<b>(556.05)</b>
Add: Opening cash and cash equivalents	13.17	569.22
<b>Closing cash and cash equivalents</b>	<b>1.02</b>	<b>13.17</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.04	1.30
Balance with banks in current account	0.98	11.87
<b>Total cash and cash equivalents</b>	<b>1.02</b>	<b>13.17</b>

**Notes:-**

- The above statement of cash flow has been prepared under the 'Indirect Method' as set out in Ind AS- 7 'Statement of Cash Flows'.
- Direct taxes paid is treated as arising from operating activities and is not bifurcated between investing and financing activities.
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Since the Company is a loan company, purchase and sale of investments have been considered as part of "Cash flow from investing activities" and interest earned on loans have been considered as part of "Cash flow from operating activities".

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



Vikram Goyal  
Wholtime Director