SOBHAYGYA MERCANTILE LIMITED

37TH ANNUAL REPORT

2020-2021

CONTENTS

Sr. No.	Particulars
1.	Corporate Information
2.	Notice of Annual General Meeting
3.	Directors' Report
4.	Annexure I to Directors' Report- MGT- 9
5.	Annexure II to Directors' Report- AOC-2
6.	Annexure III to Median of Remuneration
7.	Annexure IV to Directors' Report- MR-3- Secretarial Auditors' Report
8.	Management Discussion and Analysis Report
9.	Independent Auditor's Report
10.	Annexure to Auditor's Report
11.	Balance Sheet
12.	Statement of Profit and Loss
13.	Cash Flow Statement
14.	Significant Accounting Policies on Accounts
15.	Notes Forming part of the Financial Statements

CORPORATE INFORMATION

BOARD OF DIRECTORS & KMP:

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

REGISTERED OFFICE:

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

CIN: L45100MH1983PLC031671

STATUTORY AUDITORS:

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

INTERNAL AUDITOR:

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

SECRETARIAL AUDITOR:

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

BANKERS:

Bank of Maharashtra, Dharampet Branch, Nagpur

AUDIT COMMITTEE:

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

NOMINATION & REMUNERATION COMMITTEE:

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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

RISK MANAGEMENT COMMITTEE:

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

REGISTRAR & SHARE TRANSFER AGENTS:

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

LISTED AT:

Bombay Stock Exchange Limited

DEMAT ISIN NUMBER IN NSDL & CDSL:

INE754D01018

WEBSITE:

www.sobhagyamercantile.com

INVESTOR E-MAIL ID:

sobhagyamercantile9@gmail.com

NOTICE

Notice is hereby given that the 37th Annual General Meeting of members of M/s. Sobhaygya Mercantile Limited will be held on **Thursday, the 30th day of September, 2021 at 04.00 P.M.** Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt The Audited Financial Statements of the Company for the financial year ended 31st March 2021, together with the Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mrs. Sonal Kirtikumar Bhangdiya (DIN: 03416775), who retires by rotation and being eligible, offers herself for re-appointment.

By Order of the Board of Directors
For Sobhaygya Mercantile Limited

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

Place: Nagpur
Date: 05/09/2021

NOTES:

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

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

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

4. Since there is no Special Business forming part of the Agenda hence Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business is not annexed hereto.

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

6. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, September 23, 2021 to Thursday, September 30, 2021 (both days inclusive).

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

8. Corporate Members (i.e other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to pdcsngp@gmail.com with a copy marked to sobhagyamercantile9@gmail.com

9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

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

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

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

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

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

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

copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register or update their email addresses with the relevant Depository Participants. The Notice of AGM is available on the website of the company at www.sobhagyamercantile.com and on the websites of Stock Exchanges i.e. BSE Limited (www.bseindia.com).

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

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

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

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

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

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

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

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 200 members. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting throughout AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sobhagyamercantile.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on Monday, 27th September, 2021 at 10:00 A.M. and ends on Wednesday, 29th September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2021.

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the

	screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

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

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

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

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/

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

you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pdcsngp@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sobhagyamercantile9 @gmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to sobhagyamercantile9@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are

otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sobhagyamercantile9@gmail.com. The same will be replied by the company suitably.

6. In case of any assistance before or during the AGM, members can contact on jagdish@themksgroup.com.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company's registered email id i.e. sobhagyamercantile9@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company's registered email id i.e. sobhagyamercantile9@gmail.com. These queries will be replied to by the company suitably by email.

20. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available electronically for inspection at the AGM.

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

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

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

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

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

Sd/-

SHRIKANT MITESH BHANGDIYA
MANAGING DIRECTOR
(DIN : 02628216)

Place: Nagpur
Date: 05/09/2021

DIRECTORS' REPORT

To,

The Members,

SOBHAYGYA MERCANTILE LIMITED.

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'Sobhaygya') along with the audited "Financial statement for the "Fiscal Year ended March 31, 2021.

1. Financial summary/highlights:

The performance during the period ended 31st March, 2021 has been as under:

(Rupees in Lakhs)

Particulars	2020-21	2019-20
Total Income	4237.40	1091.21
Less: Total Expenditure	3311.49	475.04
Profit/(Loss) before tax	**925.91**	**616.17**
Less: Tax Expenses	135.13	26.74
Profit/(Loss) after tax	**790.78**	**589.43**
Add: Other comprehensive Income, net of income Tax	3.51	-1.92
Profit/Loss and other Comprehensive income during the year	**794.29**	**587.51**

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

During the year under review, the Company has recorded an income of **Rs. 4237.40 Lakhs** and Profit of **Rs. 794.29 Lakhs** as against the income of **Rs. 1091.21 Lakhs** and profit of **Rs. 587.51 lakhs** in the previous financial year ending 31.03.2020.

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

3. Dividend:

Since the Company has not earned expected profit in the financial year 2020-21 due to Covid-19 Pandemic, therefore your Directors have decided not to recommend dividend for financial year 2020-21.

4. Transfer to reserves:

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

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

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

A. M/s BSVM and Associates, Chartered Accountants, vide its Resignation letter dated 20th June, 2020 have resigned as Statutory Auditors' of the Company with effect from 20th June, 2020 due to pre-occupation in other assignments.
B. By Recommendation of Audit Committee and Board of Directors has appointed M/s. V. R. Renuka & Co., Chartered Accountants (Firm Registration No. 108826W) as Statutory Auditors of the Company as on 22nd June, 2020
C. M/s V. R. Renuka & Co., Chartered Accountants vide its Resignation letter dated 13th July, 2020 have resigned as Statutory Auditors' of the Company with effect from 13th July, 2020 due to health issues and pre-occupation in other assignments
D. By Recommendation of Audit Committee and Board of Directors has appointed M/s. Joshi & Shah., Chartered Accountants (Firm Registration No. 144627W) as Statutory Auditors of the Company as on 17th July, 2020
E. By Recommendation of Nomination and Remuneration Committee and Board of Directors Mr. Shrikant Bhangdiya has appointed as Managing Director of the Company as on 05th December, 2020.

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

Due to Covid -19 Pandemic situation, the company was non-compliant with the provisions of Regulation 33 of SEBI (LODR) Regulation, 2015 i.e Unaudited Financial Results for the quarter ended June 2020, due to that, SEBI had imposed penalty to the Company of Rs. 2,59,600/- vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 (SEBI SOP Circular) which has inter alia prescribed certain penal actions such as levy of financial fines, freezing of promoter demat accounts, transfer to Z group (Trade for Trade) ending with suspension of trading in the securities of the listed entities which do not comply with critical Regulations of SEBI (LODR) Regulations, 2015.

As per the Company's request for waiver of fine, the same was waived by SEBI by considering the Pandemic situation of Covid -19 as mail received from Listing Compliance Department of BSE on 15th April, 2021.

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

There is no such amount of Un-paid or Unclaimed Dividend be transferred to Investor and Education and Protection Fund for the financial year ended 31st March 2021.

8. Revision of financial statements:

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

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

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

10. Deposits from public:

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

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

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

11. Depository System:

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

12. Subsidiary companies:

Your Company has no subsidiaries as on March 31, 2021.

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

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

The NRC makes recommendations to the Board in regard to appointment of new Directors and Key Managerial Personnel ("KMP") and senior management. The role of the NRC encompasses conducting a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The NRC is also responsible for reviewing the profiles

of potential candidates' vis-à-vis the required competencies; undertake a reference and due diligence and meeting of potential candidates prior to making recommendations of their nomination to the Board.

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

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

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

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

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

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

15. Training of Independent Directors:

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

16. Independent director's familiarization programmes:

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

17. Board's performance evaluation:

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

The criteria for Board processes included Board composition, strategic orientation and team dynamics. Evaluation of each of the Board Committees covered whether they have well-defined objectives and the correct composition, and whether they achieved their objectives. The criteria for Individual Board Members included skills, experience, level of preparedness, attendance, extent of contribution to Board debates and discussion, and how each Director leveraged their expertise and networks to meaningfully contribute to the Company. The criteria for the Chairperson's evaluation included leadership style and conduct of Board meetings. The performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the management.

18. Formal Annual Evaluation:

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

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

19. Managerial Remuneration and particulars of employees:

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

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

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

20. Number of Board the Meetings:

During the year, Eleven (11) meetings of the Board of Directors of the Company were duly convened viz. 22/06/2020, 29/06/2020, 17/07/2020, 29/07/2020, 22/09/2020, 29/10/2020, 13/11/2020, 05/12/2020, 23/12/2020, 05/01/2021 and 12/02/2021; all the meetings are held in accordance with the provisions of the Act. The maximum time gap between any two meetings was less than 120 days. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

Attendance and directorships held:

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown below:-

The date(s) of the Board Meeting, attendance by the directors are given below:-

Sr. No.	Name	Category	Designation	No. of Meetings		Whether attended Last AGM
				Held	Attended	
1	Mr. Shrikant Bhangdiya	Promoter Executive	Managing Director	11	11	Yes
2	Mrs. Sonal Bhangdiya	Non-Independent Non- Executive	Member	11	11	Yes
3	Mr. Prashant Kumar Lahoti	Independent Non-Executive	Member	11	11	Yes

*Mr. Shrikant Bhangdiya has appointed as Managing Director in the Meeting of Board of Directors dated 05th December, 2020.

21. Committees of the Board

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

A. Audit Committee

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

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Mr. Prashant Kumar Lahoti	Independent Non-Executive	Chairman	6	6
2	Mr. Shrikant Bhangdiya	Promoter Executive	Member	6	6
3	Mrs. Sonal Bhangdiya	Non- Independent Non- Executive	Member	6	6

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

B. Nomination And Remuneration Committee

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

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

A separate meeting of Independent Directors, pursuant to Section 149(7) read with Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was held on 22/06/2020.

C. Stakeholder Relationship Committee:

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

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

D. Corporate Social Responsibility Committee:

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

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

22. DETAILS ON GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Location	Special Resolution Passed
2019-20	30/12/2020	04.00 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	No special resolution Passed
2018-19	30/09/ 2019	11.00 a.m.	B-61, Floor 6, Plot No 210 B Wing Mittal Tower Free Press Journal Marg Nariman Point Mumbai - 400021	No special resolution Passed
2017-18	29/09/ 2018	12.30 p.m.	1/25 & 1/26 1st Floor, Tardeo Airconditioned Market Society, Tardeo Road, Mumbai - 400 034	No special resolution Passed

b) PASSING OF RESOLUTIONS BY POSTAL BALLOT

Company has not passed any Resolution by postal ballot during the Financial Year 2020-21.

c) Company has held one Extra Ordinary General Meeting on 15th October, 2020.

23. Directors and key managerial personnel:

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

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

(i) Disclosure pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with respect to there were no Directors re-appointment/appointment at the Meeting:

b) Key Managerial Personnel:

During the Year under review, following Key Managerial Personnel (KMP) has been appointed -

- By Recommendation of Nomination and Remuneration Committee and Board of Directors Mr. Shrikant Bhangdiya has appointed as Managing Director of the Company as on 05th December, 2020

24. Statutory Auditors :

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

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

The Auditors have not expressed a qualified opinion in their Audit Report for Financial Year ended 31st March, 2021.

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

25. Internal auditors:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules,

2014; M/s. Ashish Mittal & Associates, Chartered Accountants (Firm Registration No. 019185C) were appointed as Internal Auditors of the Company for the Financial Year 2020-21.

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

26. Secretarial auditors:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. Parag Dasarwar, Practicing Company Secretaries as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2021.

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

27. Audit reports:

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

Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2021 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the rapid global challenges.

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

(b) Secretarial Audit Report:

The Secretarial Audit was carried out by M/s. Parag Dasarwar, Practicing Company Secretaries, for the financial year ended March 31, 2021. The Report given by the Secretarial Auditor is annexed herewith and forms integral part of this Report.

The Secretarial Compliance Report for the financial year ended 31st March, 2021, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations is set out in **Annexure IV** to this report.

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

a. Pursuant to the provisions of section 149(4) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, minimum number of Independent Directors were not appointed during the year under review.

   - Due to pandemic condition, the Company is unable to find a suitable candidate for the designation of Independent Director as per requirement of the Company. The Company will comply with the provisions of Section 149(4) of the Companies Act,2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as earliest as possible.

b. Pursuant to the provisions of section 177 of the Companies Act, 2013 and rules framed thereunder, The Audit Committee shall consist of minimum of three directors with independent directors forming a majority. However, during the year under review the Company has only one Independent Director on its Board.

   - The Company is yet searching for a suitable candidate for the designation of Independent Director as per requirement of Company. The Company will comply with the provisions of Section 177 of the Companies Act,2013 and rules framed thereunder as earliest as possible.

c. Pursuant to the provisions of section 178 of the Companies Act, 2013 and rules framed thereunder, the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. However, during the year under review the Company has only one Independent Director on its Board.

   -Due to pandemic condition, the Company is unable to find a suitable candidate for the designation of Independent Director as per requirement of Company. The Company will comply with the provisions of Section 178 of the Companies Act,2013 and rules framed thereunder as earliest as possible.

d. Pursuant to the provisions of section 135(1) of the Companies Act,2013 read with Rule 5(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has constituted CSR Committee, however the amount pertaining to spending as per the provisions of section 135(5) was remain unspent during the year under review.

   -The Company scrutinizes various projects for which the amount can be spent. Based on this scrutiny, the Company shall submit the relevant report in the ensuing year. The Company could not spend the amount before finalizing this report as the Company could not identify suitable projects.

28. No Frauds Reported By Statutory Auditors:

During the Financial Year 2020-21, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3)(ca) of the Companies Act, 2013.

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

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

A. Conservation of Energy:

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

B. Technology Absorption:

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

C. Foreign Exchange Earnings and Out Go:

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

30. Management discussion and analysis report:

- **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The year ahead looks very grim for the Indian Infrastructure Industry would be badly affected. During the financial year 2020-21 due to Covid-19 pandemic infrastructure activity affected due to shortage of raw material and labour supply.

Your Company has survived many a difficult times. Your Company with its inherent strengths like visionary leadership, versatile work force, future visionary projects, ultra-modern infrastructure machineries, aggressive work force strategies and well penetrated distribution network is confident to tide over this difficult phase too.

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

- **OPPORTUNITIES**

This could be achieved by:

(i) Reviving infrastructure projects, or design, build, finance, operate, and transfer mode of project execution for Greenfield projects; and

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

31. Risk management policy:

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

32. Corporate governance:

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

33. Code of Conduct for Prevention of Insider Trading :

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

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

34. Extract of Annual Return:

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

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

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

36. Declaration of independence:

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

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

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

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

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

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

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

There are no employees drawing remuneration exceeding Rupees One crore and two Lakhs per annum if employed throughout the financial year or Rupees Eight Lakh and Fifty Thousand per month if employed for part of the financial year or draws remuneration in excess of Managing

Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.

38. Director's Responsibility Statement:

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

a) in the preparation of the annual accounts for the financial year ended 31 March 2021, the applicable accounting standards and schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on 31 March 2021 and of the profit of the Company for the financial year ended 31 March 2021;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on a going concern basis;

e) Proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) Proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

39. Vigil Mechanism/Whistle Blower Policy:

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

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

40. Employee stock option scheme:

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

41. Corporate social responsibility policy:

Since, the company has earned a net profit of Rs.5 crore or more during financial year 2020-2021, hence Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is applicable for F.Y. 2020-2021 also and the company will comply with the same as per Section135 of the Companies Act, 2013.

42. Secretarial Standards:

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

43. Insurance:

The properties and assets of your Company are adequately insured.

44. Particulars of loans, guarantees:

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

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

45. Internal Financial Control Systems:

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

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

46. Related Party Transactions:

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

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

47. CEO/CFO Certification:

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

48. Prevention of sexual harassment at workplace:

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

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

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

49. Details of Complaints/Requests Received, Resolved And Pending During The Year 2020-21:

a.	Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from:-	NIL
b.	SEBI / Registrar of Companies / Bombay Stock Exchange / National:-	NIL
c.	Stock Exchange / SCORE and so on:-	NIL
d.	Number of complaints resolved:-	NA
e.	Number of complaints not resolved to the satisfaction of the investors as on March 31, 2021:-	NIL
f.	Complaints pending as on March 31, 2021:-	NIL
g.	Number of Share transfers pending for approval, as on March 31, 2021:-	NIL

50. Other Disclosures:

Due to Covid -19 Pandemic situation, the company was non-compliant with the provisions of Regulation 33 of SEBI (LODR) Regulation, 2015 i.e Unaudited Financial Results for the quarter ended June 2020, due to that, SEBI had imposed penalty to the Company of Rs. 2,59,600/- vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 (SEBI SOP Circular) which has inter alia prescribed certain penal actions such as levy of financial fines, freezing of promoter demat accounts, transfer to Z group (Trade for Trade) ending with suspension of trading in the securities of the listed entities which do not comply with critical Regulations of SEBI (LODR) Regulations, 2015.

As per the Company's request for waiver of fine, the same was waived by SEBI by considering the Pandemic situation of Covid -19 as mail received from Listing Compliance Department of BSE on 15th April, 2021.

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

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

51. Appreciation & acknowledgement:

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

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

For and on behalf of the Board of
Sobhaygya Mercantile Limited

Sd/-	**Sd/-**
Shrikant Bhangdiya	**Sonal Bhangdiya**
Managing Director	**Director**
(DIN: 02628216)	**(DIN: 03416775)**

Place: Nagpur
Date: 05/09/2021

Annexures-I to the Director's Report

MGT - 9

Extract of Annual Return

As on the Financial Year 31.03.2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:		
i.	CIN	L45100MH1983PLC031671
ii.	Registration Date	27 12 1983
iii.	Name of the Company	Sobhaygya Mercantile Limited
iv.	Category Sub-Category of the Company	Company limited by shares Non-Government Company
v.	Address of the Registered office and contact details	B-61, Floor 6, Plot No 210 B Wing Mittal Tower Free Press Journal Marg Nariman Point Mumbai City MH 400021 IN Tel : 022 – 66301060 Email: sobhagyamercantile9@gmail.com Website: www.sobhagyamercantile.com
vi.	Whether listed company Yes No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg Lower Parel (East) Mumbai Maharashtra 400011 India Tel: 022-23016761 Fax: 022-23012517 Email : purvashr@mtnl.net.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	**Name and Description of main products /services**	**NIC Code of the Product / service**	**% to total turnover of the company**
1	Section F: Construction Division 42: : Civil engineering Class: 4210 Construction roads and railways	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:– N.A.

S.No.	**Name and Address of the Company**	**CIN/GLN**	**Holding/Subsidiary /Associate**	**% of shares held**	**Applicable Section**

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) ***Category-wise Share Holding;-***

Category of Shareholders	**No. of Shares held at the beginning of the year**				**No. of Shares held at the end of the year**				**%Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. **Promoters**									
(1) Indian									
Individual HUF	82830	0	82830	34.51	82830	0	82830	34.51	--
Central Govt.	0	0	0	0	0	0	0	0	0

State Govt. (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks FI	0	0	0	0	0	0	0	0	0
Any Other….	0	0	0	0	0	0	0	0	0
* Directors	0	0	0	0	0	0	0	0	0
* Directors Relatives	0	0	0	0	0	0	0	0	0
* Person Acting In Concern	0	0	0	0	0	0	0	0	0
Sub-total(A) (1) :-	82830	0	82830	34.51	82830	0	82830	34.51	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	**82830**	**0**	**82830**	**34.51**	**82830**	**0**	**82830**	**34.51**	**0**
B. Public Shareholding									
1.Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
* U.T.I.	0	0	0	0	0	0	0	0	0
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
* GOVERMENT COMPANIES	0	0	0	0	0	0	0	0	0
* STATE FINANCIAL CORPORATION	0	0	0	0	0	0	0	0	0
* ANY OTHER	0	0	0	0	0	0	0	0	0

* OTC DEALERS (BODIES CORPORATE)	0	0	0	0	0	0	0	0	0
* PRIVATE SECTOR BANKS	0	0	0	0	0	0	0	0	0
Sub Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. Non Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1310	15760	17070	07.11	1310	15260	16570	06.90	-0.21
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	140100	140100	58.38	104850	35750	140600	58.58	0.21
c) Others (specify)									
* UNCLAIMED OR SUSPENSE OR ESCROW ACCOUNT	0	0	0	0	0	0	0	0	0
* IEPF	0	0	0	0	0	0	0	0	0
* LLP	0	0	0	0	0	0	0	0	0
* FOREIGN NATIONALS	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0
* N.R.I.	0	0	0	0	0	0	0	0	0
* FOREIGN CORPORATE BODIES	0	0	0	0	0	0	0	0	0
* TRUST	0	0	0	0	0	0	0	0	0
* HINDU UNDIVIDED FAMILY	0	0	0	0	0	0	0	0	0
* EMPLOYEE	0	0	0	0	0	0	0	0	0
* CLEARING MEMBERS	0	0	0	0	0	0	0	0	0
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0
* OTHER	0	0	0	0	0	0	0	0	0

DIRECTORS & RELATIVES									
* MARKET MAKERS	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**1310**	**155860**	**157170**	**65.49**	**106160**	**51010**	**157170**	**65.49**	**0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1310**	**155860**	**157170**	**65.49**	**106160**	**51010**	**157170**	**65.49**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**84140**	**155860**	**240000**	**100**	**188990**	**51010**	**240000**	**100**	**0**

(ii)***Shareholding of Promoters***

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

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

Sl. No.	**Shareholder Name**	**Shareholding at the beginning of the year**		**Shareholding at the end of the year**	
1	Kunal Manoj Varma	**No. of shares**	**% of total shares of The company**	**No. of Shares**	**% of total shares of the company**
		11800	4.92	11800	4.92
2	Sandeep Keshavrao Koche	**No. of shares**	**% of total shares of The company**	**No. of Shares**	**% of total shares of the company**
		11800	4.92	11800	4.92
3	Akshay Kamlesh Baghrecha	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90
4	Praphull Chhotalal Thakkar	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90
5	Deepak Mithalal Mohta	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90
6	Brijkishore Govindlal Sarda	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90
7	Ankit Dwarkadas Bhutada	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90

8	Ajay Sadanand Singh	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90
9	Durgendra Vashisth Singh	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11750	4.90	11750	4.90
10	Sanjay Malani	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11700	4.88	11700	4.88
11	Suraj Sukhdeo Gandhi	**No. of shares**	**% of total shares ofThe company**	**No. of Shares**	**% of total shares of the company**
		11250	4.69	11750	4.90

(v) *Shareholding of Directors and Key Managerial Personnel:*

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

V. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**

(i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	0 0 0	51229703 0 0	0 0 0	51229703 0 0
Total (i+ii+iii)	0	51229703	0	51229703
Change in Indebtedness during the financial year Addition (Reduction)	53030507	(40728138)	0	12302369
Net Change	53030507	(40728138)	0	12302369
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	53030507 0 0	10501565 0 0	0 0 0	63532072 0 0
Total (i+ii+iii)	53030507	10501565	0	63532072

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. no.	**Particulars of Remuneration**	**Shrikant Bhangdiya (Managing Director)**	**Total Amount**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	2000000	2000000
2.	Stock Option	0	--
3.	Sweat Equity	0	--
4.	Commission - as % of profit - Others, specify…	0	-- -- --
5.	Others, please specify	0	--
6.	Total (A)	2000000	2000000
7.	Ceiling as per the Act	NA	NA

B. Remuneration to other directors:

Sl. no.	**Particulars of Remuneration**	**Sonal Bhangdiya (Non-Executive Director)**	**Total Amount**
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	0	0
	Total (1)	0	0
	Other Non-Executive Directors · Fee for attending board committee meetings ·commission · Others, please specify	1200000	1200000
	Total (2)	1200000	1200000
	Total (B)=(1+2)		0
	Total Managerial Remuneration	1200000	1200000
	Overall Ceiling as per the Act	NA	NA

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

Sl. no.	**Particulars of Remuneration**	**Key Managerial Personnel**			
		CEO	**CS Shalinee Singh**	**CFO Anil Khawale**	**Total**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	1,42,010	7,80,000	9,22,010

	(b) Value of perquisites u s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - Others, specify…	0	0	0	0
5.	Others, please specify	0	0	0	0
6.	Total	0	1,42,010	7,80,000	9,22,010

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

For and on behalf of the Board of
Sobhaygya Mercantile Limited

Sd/- **Sd/-**

Shrikant Bhangdiya **Sonal Bhangdiya**
Managing Director **Director**
(DIN: 02628216) **(DIN: 03416775)**

Place: Nagpur
Date: 05/09/2021

ANNEXURE II

FORM NO. AOC -2

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

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

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

List of Related Parties:

Companies under the same Management

1) **MKS Acme Build Private Limited**
2) **MKS Constro Venture Private Limited**
3) **MKS Flexituffs Limited**
4) **MNEC – MKS (JV)**

Associates / Firms where in Company is Partner

1) **BK Buildcon**
2) **HPS Construction**
3) **RB Infra**
4) **Shanta Infraventure**

Key Managerial Personnel

1) **Shrikant Bhangdiya – Managing Director**
2) **Mrs Sonal Bhangdiya - Director**
3) Mr Prashant Kumar Lahoti- Independent Director
4) **Mr Anil Khawale - Chief Financial Officer (w.e.f.21st , September, 2019)**
5) **Ms Shalinee Singh - Company Secretary(w.e.f. 12th , February, 2020)**

Relatives of Key Managerial Personnel

1) **Aarti Bhangdiya – Wife of Director**
2) **Kirti Kumar Bhangdiya**

Particulars of transactions during the year with Related Parties

Name of the Party	Nature of transaction	March 31, 2021	March 31, 2020
Mr. Shrikant Bhangadiya	Managerial Remuneration	2000000	-
Mrs. Sonal Kirtikumar Bhangadiya	Managerial Remuneration	1200000	-
Mr. Anil Khawale	Salary	780000	390000
Ms. Shalinee Singh	Salary	142010	33505
MKS Acme Build Private Limited	Interest free loan		
	- taken	19575000	21500000
	- repaid	39777000	1398000
MKS Constro Venture Private Limited	1.Sales	2074195	37,38,440
	2.Purchase	6500000	-
	2.Loan		
	- Taken	48127956	27759618
	- Repaid	72792094	1493915
MKS Flexituffs Limited	Advance		
	-Given	4600000	358692
	-Repaid	708368	Nil
MNEC – MKS (JV)	Sales	15900000	10266000
BK Buildcon	Share of Profit	9511189	8330252
	Investment made	6500000	1510000
	Sales	88298014.61	
HPS Construction	Sales	25749490.7	3138262
	Share of Profit	7553015	5390201
	Investment Made	15700000	2500000
RB Infra	Share of Profit	11253737	26664489
	Investment Made	33324197	8100000
	Sales	190923475.5	
Shanta Infraventure	Share of Profit	13453933	10730893
	Investment Made	11928665	10000000
	Sales	43614301.05	
Mahendra Construction	Purchase	14099000	-
	Advance against Services	16212653	-
Balaji Stone Crusher & Infrastructure Pvt Ltd.	Loan Given	500000	
Bhangdia Foundation (L & A)	Loan Given	150000	-
Shrikant Bhangdiya	Loan		
	Taken	1080000	26612000
	Repaid	5942000	21750000
Aarti Bhangdiya	Loan		
	Taken	300000	48612000
	Repaid	300000	48612000
Lokshahi Publication Pvt. Ltd.	Loan		-
	Taken	600000	
	Repaid	600000	
Kirtikumar Bhangadiya-USL	Loan		-
	Taken	570000	
	Repaid	570000	
MANGALAM EXIM PVT. LTD.	Loan		
	Taken	-	691000
	Repaid	-	2676800

ANNEXURE III

Remuneration Details of Directors and Employees

1) The Remuneration of Each director to the Median Remuneration of employees of the companies for the financial year

Rupees in Lakhs

Director's Name	Remunation for F.Y. 2020-21	Median Remuneration of Employee F.Y. 2020-21	Ratio
Shrikant Bhangdiya	20	2.64	7.58:1
Sonal Kirtikumar Bhangadiya	12	2.64	4.55:1

2) The percentage increase in the remuneration of each director, Chief Financial Officer, CEO, Company secretory or Manager, if any of the company

Rupees in Lakhs

Directors Name	Remuneration for F.Y. 2020-21	Remuneration for F.Y. 2019-20	Ratio
Shrikant Bhangdiya	20	-	100%
Sonal Kirtikumar Bhangadiya	12	-	100%

3) The number of permanent employees on the rolls of Company: 7

Annexure - IV

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SOBHAYGYA MERCANTILE LIMITED (hereinafter referred to as 'the Company') having CIN:- L45100MH1983PLC031671. The Secretarial Audit was conducted for the Financial Year from 1st April 2020 to 31st March, 2021 in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on my verification of the **SOBHAYGYA MERCANTILE LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 **("Audit Period")**, complied with the statutory provisions listed hereunder, as amended from time to time and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021, to the extent, applicable, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder; **(except for the matter listed below under point 'a, b, c, d')**
(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs); **Not applicable as there was no reportable event during the financial year under review;**

(v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

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

(b)The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

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

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

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

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

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

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

(vi) Other than fiscal, labour and environmental laws which are generally applicable to all Construction and Construction Consultancy companies, the management has informed that the following laws/acts are also, inter alia, applicable to the Company:

a) The Environment Protection Act, 1986
b) The Indian Contract Act, 1872
c) The Indian Registration Act, 1908
d) The Indian Stamps Act, 1899

402,4TH Floor, Plot no Q-22, Laxmivasudev Apartment, Laxminagar, Nagpur 440022, Email: Parag.dasarwar@gmail.com , Cell: 8983179465, 0712-2954799

(vii) The Company has informed me that they have Compliance Management System installed and based on the review of compliance mechanism and representations made by the Company and its Officers and reports of Internal auditors and Senior Managerial Personnel's of the Company, we are of the opinion that the System is running effectively and efficiently for the Compliances of General Laws as specified by the directives issued by the Institute of Company Secretaries of India. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

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

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

a. *Pursuant to the provisions of section 149(4) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, minimum number of Independent Directors were not appointed during the year under review.*

b. *Pursuant to the provisions of section 177 of the Companies Act, 2013 and rules framed thereunder, The Audit Committee shall consist of minimum of three directors with independent directors forming a majority. However, during the year under review the Company has only one Independent Director on its Board.*

c. *Pursuant to the provisions of section 178 of the Companies Act, 2013 and rules framed thereunder, the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. However, during the year under review the Company has only one Independent Director on its Board.*

d. *Pursuant to the provisions of section 135(1) of the Companies Act,2013 read with Rule 5(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has constituted CSR Committee, however the amount pertaining to spending as per the provisions of section 135(5) was remain unspent during the year under review.*

During the year under review, I hereby report that:-

a. The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, however the company has received letter from BSE on 2nd November, 2020 regarding delay in filing of Financial Results for the quarter ended 30th June 2020 pursuant to regulation 33 of The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015;

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Particulars	Observations/ Remarks of PCS
1.	Regulation 33 of SEBI(LODR) Regulation, 2015 for delay filing of Financial results for the quarter ended June, 2020 Email communication has received from BSE on 2nd November, 2020	The Company has made a delay in submission of financial results for the quarter ended 30th June, 2020, regarding that the detailed reply/request has been submitted with the BSE on 4th November, 2020 in terms of requesting for waiver of penalty imposed.	BSE has waived off fine as levied, vide their letter dated 15th April, 2021 under regulation 33 of SEBI(LODR) Regulation, 2015 for delay in filing of Financial results for the quarter ended June, 2020
02	Regulation 33 of SEBI(LODR) Regulation, 2015 for delay filing of Financial results for the quarter ended June, 2020 Email communication has received from BSE on 2nd November, 2020 regarding Reminder for freezing of promoter demat account for Non-compliance/non payment of fines for Regulation 33 for June 2020	The Company has made a delay in submission of financial results for the quarter ended 30th June, 2020, regarding that the detailed reply/request has been submitted with the BSE on 4th November, 2020 in terms of requesting for waiver of penalty imposed.	BSE has waived off fine as levied, vide their letter dated 15th April, 2021 under regulation 33 of SEBI(LODR) Regulation, 2015 for delay in filing of Financial results for the quarter ended June, 2020

I further report that:

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

II. Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information

and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

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

I further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable Laws, Rules, Regulations, Standards, etc.

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

Place: Nagpur
Date: 05/09/2021

FOR PARAG DASARWAR
COMPANY SECRETARIES

Sd/-

Parag Dasarwar
Company Secretary
Proprietor
FCS No. 9304
CP No.: 8227
UDIN: F009304C000901052

Encl.: Annexure – I

Annexure – I

Notes on the Secretarial Audit report of Sobhaygya Mercantile Limited dated 05th September, 2021:

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

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial statements and books of accounts of the company. Further, the scope of our audit does not include financial laws and allied acts.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Nagpur
Date: 05/09/2021

FOR PARAG DASARWAR
COMPANY SECRETARIES

Sd/-

Parag Dasarwar
Company Secretary
Proprietor
FCS No. 9304
CP No.: 8227
UDIN: F009304C000901052

402,4TH Floor, Plot no Q-22, Laxmivasudev Apartment, Laxminagar, Nagpur 440022, Email: Parag.dasarwar@gmail.com , Cell: 8983179465, 0712-2954799

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

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

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

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

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

COMPANY STRENGTHS: -

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

COMPANY OPPORTUNITIES AND THREATS: -

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

SEGMENT WISE OR PRODUCT WISE PERFORMANCE: -

The year ahead looks very grim for the Indian Infrastructure Industry would be badly affected. During the financial year 2020-21, due to Covid-19 pandemic, infrastructure activity affected due to shortage of raw material and labour supply.

OUTLOOK: -

The Company with its inherent strengths like visionary leadership, versatile work force, future visionary projects, ultra-modern infrastructure machineries, aggressive work force strategies and well penetrated distribution network is confident to tide over this difficult phase too.

RISK AND CONCERNS: -

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY: -

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

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE: -

During the financial year 2020-21, the company has recorded an income of Rs. 4237.40 Lakhs against an income of Rs. 1091.21 Lakhs in financial year 2019-20. The income of the company is increased in this financial year. Net Profit of the company in financial year 2020-21 is Rs. 790.78 Lakhs against a net profit of Rs. 589.43 lakhs in last financial year of the Company.

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

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

CAUTIONARY STATEMENT:

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

INDEPENDENT AUDITORS' REPORT

To the Members of,
Sobhaygya Mercantile Limited.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Sobhaygya Mercantile Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter	How the matter was addressed in out audit
1. Revenue Recognition: The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration). The terms of	Audit procedures included the following: Considered the adequacy of the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. Assessed the design and tested the operating effectiveness of internal controls related to

arrangements in case of sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues. The risk is, therefore, that revenue is not recognized in the correct period in accordance with terms of Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter in our audit of the Ind AS financial statements	revenue recognition. Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the incoterms in accordance with Ind AS 115. Selected sample of sales transactions made pre and post year end, agreed the period of revenue recognition to underlying supporting documents. Assessed the relevant disclosures made in the Ind AS financial statements.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors in the financial results.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

257, Gurunanak Motor Market, V P Road
Prathana Samaj, Mumbai – 400 004
E-mail : joshijaydeep8@gmail.com
Mbl No : +91 8291674080

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

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-2" to this report;

B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs
has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Sd/-

Jaydip Joshi
Partner
Membership No. 170300
UDIN: 21170300AAAACD8125

Place: Mumbai
Date: 30th June, 2021

257, Gurunanak Motor Market, V P Road
Prathana Samaj, Mumbai – 400 004

E-mail : joshijaydeep8@gmail.com
Mbl No : +91 8291674080

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of SOBHAYGYA MERCANTILE LIMITED for the year ended on March 31st 2021]

1) In respect of fixed assets:

   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) Some of The Fixed Assets were physically verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification;

   (c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts were not material.

3) As informed to us, the company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships and other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to information and explanations given to us, the company has complied with provisions of Section 185 and 186 of Companies Act, 2013 in respect of loans, investments, guarantees and security.

5) The company has not accepted any deposits from public during the year in terms of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) The Company is not engaged in production, processing, manufacturing or mining activities therefore, the provisions of maintenance of cost records specified by the central government under sub section (1) of Section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the order are not applicable.

257, Gurunanak Motor Market, V P Road
Prathana Samaj, Mumbai – 400 004
E-mail : joshijaydeep8@gmail.com
Mbl No : +91 8291674080

7) According to the information and explanations given to us, in respect of statutory dues:

   a) The company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess for a period of more than six months from the date they became payable.

   b) According to the information and explanation given to us, there are no dues of Income tax, service tax, Value Added Tax, Goods and Service Tax, which have been outstanding on account of any dispute.

8) According to the information's and explanations given to us, and based on the records of the company, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans obtained during the year were, prima facie, applied by the company for the purpose for which they were obtained, other than temporary deployment pending application.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the

provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

Sd/-

Jaydip Joshi
Partner
Membership No. 170300
UDIN: 21170300AAAACD8125

Place: Mumbai
Date: 30th June, 2021

257, Gurunanak Motor Market, V P Road
Prathana Samaj, Mumbai – 400 004

E-mail : joshijaydeep8@gmail.com
Mbl No : +91 8291674080

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of SOBHAYGYA MERCANTILE LIMITED on the financial statements for the year ended March 31, 2021]

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

We have audited the internal financial controls over financial reporting of Sobhaygya Mercantile Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

257, Gurunanak Motor Market, V P Road
Prathana Samaj, Mumbai – 400 004
E-mail : joshijaydeep8@gmail.com
Mbl No : +91 8291674080

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

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

Sd/-

Jaydip Joshi
Partner
Membership No. 170300
UDIN: 21170300AAAACD8125

Place: Mumbai
Date: 30th June, 2021

257, Gurunanak Motor Market, V P Road
Prathana Samaj, Mumbai – 400 004
E-mail : joshijaydeep8@gmail.com
Mbl No : +91 8291674080

(a) Property, Plant & Equipment		1,59,43,654	1,06,33,588
(b) Other Intangible Asset		15,02,340	25,03,900
(c) Financial Assets			
(i) Investments		12,72,12,136	9,60,66,180
(ii) Loans		-	-
(a) Inventories		6,39,943	17,693
(b) Financial Assets			
(i) Trade Receivables		14,96,91,915	3,11,57,222
(ii) Cash and cash equivalents		1,91,83,649	5,67,420
(iii) Other Financial Asset		43,88,462	23,83,192
(c) Other current Asset		3,11,09,680	43,79,919
(a) Equity Share capital		24,00,000	24,00,000
(b) Other Equity		13,64,05,818	5,69,76,251
(a) Financial Liabilities			
(i) Borrowings		32,66,911	-
(ii) Other Financial Liabilities		5,71,447	16,10,405
(b) Deferred Tax Liabilities (Net)		3,13,984	47,954
(a) Financial Liabilities			
(i) Borrowings		6,02,65,161	5,12,29,703
(ii) Trade Payable			
- Total Outstanding dues of MSMEs		-	-
- Total Outstanding Dues of Other Than MSMEs		12,36,92,292	2,72,15,667
(iii) Other Financial Liabilities		78,79,972	25,09,551
(b) Provisions		1,33,92,063	26,50,934
(c) Other Current Liabilities		14,84,131	30,68,649

I	Revenue From Operations		38,19,65,839	5,80,03,061
II	Other Income		4,17,75,802	5,11,18,350
III				
IV				
	Cost of material consumed		13,75,61,797	38,232
	Employee benefits expense		1,30,68,138	73,55,254
	Change in inventory		(6,22,250)	(17,693)
	Finance cost		17,23,463	2,01,491
	Depreciation and Amortization Expense		50,43,199	19,12,303
	Other expenses		17,43,76,310	3,80,14,805
V				
VI	Exceptional Items			
VII				
	Tax expense:			
VIII	(1) Current tax		1,33,64,349	26,25,934
	(2) Deferred tax		1,48,790	47,954
IX				
X	A (i) Items that will not be reclassified to profit or loss		3,51,724	(1,91,708)
	(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			
XI				
	Earnings per equity share			
XII	(1) Basic		330.96	244.80
	(2) Diluted		330.96	244.80

Net Profit/(Loss) before Tax as per Profit and Loss Account		925.91		616.17
Adjusted for :				
Other comprehensive income	(3.52)		0.03	
Depreciation	50.43		19.12	
Share of profit from Investment in Firm	(559.95)	(513.03)	511.16	(492.06)
		412.88		124.11
Adjusted for :				
Inventories	(6.22)		(0.18)	
Trade Receivable	(1,185.35)		(311.57)	
Other Current Asset	(297.28)		(43.18)	
Current Tax Assets	0.62		0.19	
Trade Payable	964.77		272.16	
Other Current Liability	37.70		37.72	
Short Term Provision	99.09		35.24	
Current Tax Liability	2.66			
less: Provision for tax	136.31	(520.33)	26.74	(36.36)
		(107.44)		87.75
Purchase of Fixed Assets & Capital WIP	(93.52)		(124.95)	
Investment in Capital firm	254.48		(446.10)	
Increase in value of share	2.21		-	
Dividend Recived	-			
Movement in Loans & Advances	9.31		(4.12)	
Proceeds/ (Repayment) of ShortTerm Borrowing	90.35		492.44	
Proceed from Shares	-			
Long term Borrowing	30.76		0.03	
Opening Balance of Cash & Cash Equivalents		5.67		0.63
Bank Balances	187.63			
Cash-on-Hand	4.21		2.44	

Balance as at 31st March, 2019	24,00,000	-	-	-	(12,90,283)	(4,84,890)	(17,75,173)
Changes during the year	-	-	-	-		-	-
Comprehensive income (Net) for the year	-	-	-	-		(1,91,708)	(1,91,708)
Profit / (Loss) for the year	-	-	-	-	5,89,43,132	-	5,89,43,132
Balance as at 31st March, 2020	24,00,000	-	-	-	5,76,52,849	(6,76,598)	5,69,76,251
Changes during the year	-	-	-	-			
Comprehensive income (Net) for the year	-	-	-	-		3,51,724	3,51,724
Profit / (Loss) for the year	-	-	-	-	7,90,77,844	-	7,90,77,844
Balance as at 31st March, 2021	24,00,000	-	-	-	13,67,30,692	(3,24,874)	13,64,05,818

1. Reporting entity

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

2. Basis of preparation of Financial Statements

A Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015, as amended, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.
Details of the Company's accounting policies are included in Note 3.

B Functional and presentation currency

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

C Basis of measurement

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

Fair Value Measurement

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

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

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

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

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

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

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

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

significant to the fair value measurement as a whole:

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

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

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

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

D Use of estimates and judgments

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

Judgments

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

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

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

3. Significant accounting policies

(a) Property, plant and equipment

i. Recognition and measurement

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

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

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

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

Freehold land is not depreciated.

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

iv. Capital work-in-progress

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

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

(b) Impairment

(i) Financial assets

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

(ii) Non -financial assets

Intangible assets and property, plant and equipment

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

An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(c) Leases

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

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

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

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

(d) Inventories

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

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

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

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

(e) Financial instruments

i. Recognition and initial measurement

The Company initially recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Classification and subsequent measurement

Financial assets

Financial assets carried at amortized cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

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

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investment in subsidiaries, joint venture and associates

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

iii. Derecognition

Financial assets

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

Financial liabilities

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

iv. Offsetting

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

(f) Revenue recognition

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

(i) Sale of goods and Services :

Revenue is recognized when a customer obtains control of the goods which is ordinarily upon delivery at the customer premises. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the governments which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. As a consequence, for

those contracts for which the Company is unable to make a reasonable estimate of return, revenue is recognized when the return period lapses or a reasonable estimate can be made. A refund liability and an asset for recovery is recognized for these contracts and presented separately in the balance sheet.

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

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

(g) Income tax

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

i. Current tax

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

ii. Deferred tax

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

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

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

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

(h) Borrowing costs

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

(i) Provisions and contingent liabilities

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

(j) Employee benefits

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

(k) Cash and cash equivalents

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

(l) Earnings per share

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

(m) Cash flow statement

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

(n) Foreign Exchange Transactions

a) Transactions in Foreign Currency are accounted at the exchange rate prevailing on the date of Transactions. Exchange fluctuations between the transaction date and the settlement date in respect of Revenue Transactions are recognized in Profit & Loss Account.
b) All export proceeds not realised at the year end are restated at the rate prevailing at the year end. The exchange difference arising there from has been recognised as income / expenses in the Current Year's Profit & Loss A/c along with underlying transaction.

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

	Arvind Limited (Formerly Arvind Products Ltd.)	10	66	5,913	90	1,769
	Arvind Fashions Ltd. (Issued 1 share for 5 share of Arvind Ltd.)	4	139	2,501	18	2,638
	Anveshan Heavy Engg Ltd (The Anup Engg. Ltd.) (issued 1 share for 27 shares of Arvind Ltd.)	10	570	1,710	3	978
	Arvind Smartspaces Limited	10	97	870	9	608
	GSL Securities Limited	10	4	1,68,168	39,200	1,09,760
	ICICI Bank Limited	2	581	31,969	55	17,806
	Jai Prakash Associates Limited	2	7	51,525	7,500	7,875
	BPCL (Issued in lieu of 100 shares of Kochi Refinery Ltd.)	10	428	1,12,979	264	83,662
	Orkay Industries Limited	10	-	-	550	-
	Steel Authority of India Limited	10	79	4,33,675	5,000	1,15,250
						3,40,345

	Financial Assets measured at cost		9,57,25,835
	Financial Assets carried at Amortised cost Financial Assets measured at Fair Value through		
	Other Comprehensive Income Financial Assets measured at Fair Value through	8,09,309	3,40,345
	Profit and Loss		

	Trade receivables (considered good)		14,96,91,915		3,11,57,222

	Cash on Hand		4,20,764		2,43,706
	Balance with Banks :				

RBL Ltd	25,000	25,000
Bank of Maharashtra	1,87,37,876	
Union Bank of India	-	2,98,714

Deposit	30,000	
Advance To Employees	1,27,100	
Advance to Related Parties	22,57,112	
Other Loans and Advances	19,74,250	23,83,192

TDS Receivable	14,19,542	42,81,936
TCS Receivable	3,04,000	36,000
Income Tax Refund Receivable	18,64,978	61983
GST Input	1,10,73,539	-
Advance to Suppliers	16,447,621	

Equity Shares of Rs. 10/- each	50,00,000	5,00,00,000	2,50,000	25,00,000
Equity Shares of Rs. 10/- each	2,40,000	24,00,000	2,40,000	24,00,000
Equity Shares of Rs. 10/- each	2,40,000	24,00,000	2,40,000	24,00,000
Equity Shares of Rs. 10/- each	-	-	-	-

	2,40,000	24,00,000	2,40,000	24,00,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-

- By Directors	-	-	-	-
- By Officers	-	-	-	-
- By Others	-	-	-	-

The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
During the year ended 31st March 2021, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2020 Rs. Nil)

Manisha Maniyar	14,457	6.02	14,457	6.02
Shrikant Bhangdiya	25,002	10.42	25,002	10.42
Megha Bhangdiya	14,457	6.02	14,457	6.02
Aarti Bhangdiya	14,457	6.02	14,457	6.02
Sonal Bhangdiya	14,457	6.02	14,457	6.02
		-		

Retained Earnings		
As Per last Balance Sheet	5,76,52,849	(12,90,283)
Add / (Less) : Adjustment on account of first time implementation of IND-AS	-	
Add / (Less) : Profit/(Loss) for the year	7,90,77,844	5,89,43,132
Equity instruments through other comprehensive income (FVTOCI Reserve)		
As Per last Balance Sheet	(6,76,598)	(4,84,890)
Add / (Less) : Movement in OCI (Net) during the year	3,51,724	(1,91,708)

Term Loan - From Banks	32,66,911	-

12.1 Term Loan from Banks are Construction Equipment Loan obtained from Kotak Mahindra Bank Limited secured by First Charge on corresponding equipment financed . Term Loan is repayable in 35 equal installments with maturity date of 01-June 2023 and rate of Interest of 8.55%.

Lease Liability	5,71,447	16,10,405

Deferred tax Liability	3,13,984	47,954

14.1 Movement of Deferred Tax Liability

Opening balance of Deferred Tax Liability(Net)	47954/-	Nil
Net Deferred tax liability Recognized during the reporting period of difference in depreciation in block of fixed assets as per tax books and financial books, net of Deferred Tax Asset being deprecation loss unabsorbed during the year recognized.	266030/-	47,954/-
Net Balance	313984/-	47,954/-

Unsecured Loans From:-		
Related Parties	1,05,01,565	5,12,29,703
(Repayable on demand)		

Working capital Loan from Bank	4,97,63,596		-

15.1 Working Capital Loan repayable on demand to be renewed annually and is secured in favour of Lending Bank by way of
(a) First Charge against hypothecation of Stock , Works in progress and Receivables
(b) Mortgage of Properties in the name of Director /relatives.
(c) Rate of Interest linked with RLLR

Sundry Creditor For Transportation	81,01,446	6,31,212
Sundry Creditor Professional	96,10,277	1,10,30,409
Sundry Creditors Fixed Assets	4,29,750	14,75,087
Sundry Creditors for Contractors	33,17,323	1,28,67,023
Sundry Creditors for Expenses	2,93,18,888	12,11,937
Sundry Creditors for Diesel	28,18,372	-
Sundry Creditors for Stores	7,00,96,236	-

Legal & Publication Charges Payable	1,429	19,429
Share Transfer & Demat Exps. Payable	18,776	18,776
Rent Payable	-	1,20,000
Director Salary Payable	-	5,80,250
Bills in Transit	34,86,483	-
Electricity Charges payable	1,73,751	-
Salary payable	7,96,261	8,26,587
Lease Liability- Current Portion	10,38,959	9,44,509
Current Maturities of Loan term Debt	23,64,313	-

Provision for Taxation	1,32,90,313	26,25,934
Provision for Audit fees	1,01,750	25000

TDS Payable	10,79,989	18,40,008
E.P.F. Payable	34,575	11,525
Maharashtra Labour Welfare Fund	1,200	1,200
GST Payable	3,22,467	12,10,116
Profession Tax payable	45,900	5800

Notes forming part of Profit and Loss Statement for period ended on 31.03.2021

Revenue from Engineering Consultancy	3,07,42,080	4,28,19,364
Metal Sale	35,12,23,759	1,51,83,697
Dividend Income :		
From Long Term Investments	3,928	2,515
Interest on Income Tax Refund		-
Commission		-
Share of profit from investment in firm	4,17,71,874	5,11,15,835

Cost of material purchased	13,75,61,797	38,232
Salaries and wages	1,30,68,138	73,55,254
Opening stock	17,693	-
Closing stock	6,39,943	17,693
Interest on Lease Liability	2,55,492	1,50,234
Interest on TDS	2,98,081	51,034
Interest on Loan	11,65,140	-
Interest to Others	4,750	223
Rent Rates and taxes	2,55,000	1,50,500
Power & Fuel	1,70,22,123	10,41,080
Printing and stationery	22,307	1,98,802
Postage & Courier Charges	-	220
Legal and Professional charges	13,30,603	8,95,995
Office Expense	9,400	43,629
Consultancy Charges for DP, Survey & Mapping	2,74,64,604	2,67,53,342
Crusher Handling Expenses	4,99,08,419	7 461.23 Tm□(□)-5(9,51,8 19

	Gross Value of Sales & services	3819.66	580.03
	Less: Inter Segment Transfer value of Sales and Services		
	Less: GST Recovered	-	-
	Revenue from operations	3819.66	580.03
2			
	Engineering Consultancy Segment	208.74	86.49
	Metal Sale (Stone Crusher) Segment	445.35	52.95
	Total Segment Profit before Interest, Depreciation , Tax and Amortization	654.09	139.44
3			
	Engineering Consultancy Segment	208.74	86.49
	Metal Sale (Stone Crusher) Segment	394.92	33.83
	Total Segment Profit before Interest and Tax	603.65	120.32
	(i) Finance cost	-17.79	-2.01
	(ii) Other Income	417.74	511.18
	(iii) Other Unallocable Expenses	-77.69	-13.32
	Profit Before Tax	925.91	616.17
	(i) Current Tax	134.20	26.26
	(ii) Deferred Tax	-	0.48
	Profit After Tax	791.71	589.43
4			
	Engineering Consultancy Segment	55.80	297.06
	Metal Sale (Stone Crusher) Segment	1536.05	195.45
	Unallocable Assets	1904.88	984.58
	Total Segment Asset	3496.72	1477.09
5			
	Engineering Consultancy Segment	96.10	161.86
	Metal Sale (Stone Crusher) Segment	817.05	181.94
	Unallocable Liabilities	2559.57	539.53
	Total Segment Liabilities	3472.72	883.33

30. Disclosure requirements as per Indian Accounting Standard “Related Party Disclosure”

Name of the Party	Nature of transaction	March 31, 2021	March 31, 2020
Mr. Shrikant Bhangadiya	Managerial Remuneration	2000000	-
Mrs. Sonal Kirtikumar Bhangadiya	Managerial Remuneration	1200000	-
Mr. Anil Khawale	Salary	780000	390000
Ms. Shalinee Singh	Salary	142010	33505
MKS Acme Build Private Limited	Interest free loan		
	- taken	19575000	21500000
	- repaid	39777000	1398000
MKS Constro Venture Private Limited	1.Sales	2074195	37,38,440
	2.Purchase	6500000	-
	2.Loan		
	- Taken	48127956	27759618
	- Repaid	72792094	1493915
MKS Flexituffs Limited	Advance		
	-Given	4600000	358692
	-Repaid	708368	Nil
MNEC – MKS (JV)	Sales	15900000	10266000
BK Buildcon	Share of Profit	9511189	8330252
	Investment made	6500000	1510000
	Sales	88298014.61	
HPS Construction	Sales	25749490.7	3138262
	Share of Profit	7553015	5390201
	Investment Made	15700000	2500000
RB Infra	Share of Profit	11253737	26664489
	Investment Made	33324197	8100000
	Sales	190923475.5	
Shanta Infraventure	Share of Profit	13453933	10730893
	Investment Made	11928665	10000000
	Sales	43614301.05	
Mahendra Construction	Purchase	14099000	-
	Advance against Services	16212653	-
Balaji Stone Crusher & Infrastructure Pvt Ltd.	Loan Given	500000	
Bhangdia Foundation (L & A)	Loan Given	150000	-
Shrikant Bhangdiya	Loan		
	Taken	1080000	26612000
	Repaid	5942000	21750000
Aarti Bhangdiya	Loan		
	Taken	300000	48612000
	Repaid	300000	48612000
Lokshahi Publication Pvt. Ltd.	Loan		-
	Taken	600000	
	Repaid	600000	
Kirtikumar Bhangadiya-USL	Loan		-
	Taken	570000	
	Repaid	570000	
MANGALAM EXIM PVT. LTD.	Loan		
	Taken	-	691000
	Repaid	-	2676800

Balance of related party for the year ended 31st March 2021

Related Party	Closing Balance In Lakhs
Loans and Advances given as at the end of the year	
1. Associate/Significant Influence	225.60
2. Joint Venture	55.80
3. Partnership firms	2594.74
4. relatives of Directors are Directors in a company	5.00

5. Directors are Trustees in the Trust	1.50

Loan given to body corporate, related Parties & other are unsecured and there are no stipulation of repayment and interest.

31. Financial Instruments

Financial risk management objective and policies

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

Financial Instruments – fair values and risk management

Particulars			March 31, 2021
	FVTPL	FVTOCI	Carrying Amount
Financial Assets			
Investments – Non current	-	809309	126402827
Loans – Non Current	-	-	-
Cash and Cash Equivalents	-	-	19183649
Other Financial Assets	-	-	4388462
Financial Liabilities			
Borrowings- Current	-	-	60265161
Trade payables – Current	-	-	123692292
Other Financial Liabilities	-	-	7879972

Financial Instruments – fair values and risk management

Particulars			March 31, 2020
	FVTPL	FVTOCI	Carrying Amount
Financial Assets			
Investments – Non current	-	340345	95725835
Loans – Non Current	-	-	-
Cash and Cash Equivalents	-	-	567420
Other Financial Assets	-	-	2383192
Financial Liabilities			
Borrowings- Current	-	-	51229703
Trade payables - Current	-	-	27215667
Other Financial Liabilities	-	-	2509551

32. Financial Risk Management Objectives and Policies

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

Market risk

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

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

Interest rate risk

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

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

Foreign currency risk

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

Credit risk

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

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

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.
Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the company. The company provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis.

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

Particulars	March 31, 2021	March 31, 2020
Opening balance of Deferred Tax Liability(Net)	47954/-	Nil
Net Deferred tax liability Recognized during the reporting period of difference in depreciation in block of fixed assets as per tax books and financial books, net of Deferred Tax Asset being deprecation loss unabsorbed during the year recognized.	266030/-	47,954/-
Net Balance	313984/-	47,954/-

34. Disclosure As per IND-AS 116

a. Right to use Assets

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

Particular	2021	2020
a. Gross Carrying Amount		
Opening/Recognized	3004680	3004680
Additions/Disposals	Nil	Nil
Balance as at the Year End	3004680	3004680
b. Accumulated Depreciation		
Opening	500780	Nil
Depreciation for the year	1001560	500780
Balance as at the Year End	1502340	500780
c. Net carrying Amount as at the Year End	1502340	2503900

b. Lease Liability

Particular	2021	2020
a. Maturity Analysis – Contractual undiscounted Cash Flows		
Less than one year	1200000	1200000
One to five years	600000	1800000
Total Undiscounted Liabilities	1800000	3000000
b. Lease Liability included in The Financial Statements		
Current	1038959	944509
Non – Current	571447	1610405
Total	1610405	2554914

c. Amount recognized in Profit and Loss account

Particular	2021	2020
Interest on Lease Liability	255492	150234

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

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

Basic & Diluted Earning per shares

Particulars		March 31, 2021	March 31, 2020
Net Profit Attributable to Shareholders	Rs.	79429568	5,87,51,424
Weighted average number of equity shares	No.	2,40,000	2,40,000
Nominal Value per share	Rs.	10	10
Earning per share	Rs.	330.96	244.80

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

38. There were no outstanding Dues to Micro, Small and Medium Enterprises to the Extent Information Available with the Company and the Payments in respect of such suppliers are made within the appointed day.

39. Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April, 2021. MCA issued notifications dated 24 March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1 April, 2021.

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

For and on behalf of the board of Directors