VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

BSE Scrip code: 512511

September 2, 2022

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

Dear Sirs,

Sub: **Annual Report 2021-22**

We attach herewith Annual Report of the Company for the year 2021-22 pursuant to Regulation 34 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Request you to take the same on record.

Thanking you,

Yours faithfully,

For Varun Mercantile Limited

Yogesh S. Kadam
Company Secretary

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

Folio No. / DP ID / Client ID:
Name:
Address:

Joint-holder(s):

Number of equity share(s) held:

Dear Member,

Please find enclosed below mentioned documents for your reference.

1. Annual Report
2. Notice & E voting instructions.

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, Varun Mercantile Limited ("the Company") is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at the Thirty-Seventh Annual General Meeting ("the meeting") of the Company, scheduled to be held on Friday, September 30, 2022 at 10:30 a.m., by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting").

Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and the members attending the meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through 'Insta Poll'.

The Company has engaged the services of KFin Technologies Limited ("KFinTech") as the Agency to provide e-voting facility. The remote e-voting particulars are set out below:

EVEN (E-Voting Event Number)	User ID	Password

The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the Notice dated September 1, 2022 convening the Meeting.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	09:00 a.m. (IST) on Monday, September 26, 2022
End of remote e-voting	05:00 p.m. (IST) on Thursday, September 29, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of aforesaid period.

Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his/her share in the paid-up equity share capital of the Company as on the cut-off date, i.e., Friday, September 23, 2022.

This communication forms an integral part of the Notice dated September 1, 2022 convening the Meeting. The Annual Report 2021-22 of the Company inter alia comprising the said Notice and this

communication is provided herewith and also made available on the website of the Company: www.vml.org.in.

Yours faithfully,
For Varun Mercantile Limited

Yogesh S. Kadam
Company Secretary

Mumbai
September 1, 2022

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

N O T I C E

NOTICE IS HEREBY GIVEN THAT THE THIRTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF VARUN MERCANTILE LIMITED WILL BE HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2022 AT 10:30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 147, 14TH FLOOR, ATLANTA, NARIMAN POINT, MUMBAI-400021 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and, in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Shri Sanjay T. More, who retires by rotation, as a Director and, in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Sanjay T. More (DIN: 07711625), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

By Order of the Board of Directors

Yogesh S. Kadam
Company Secretary

Place: Mumbai
Dated: September 01, 2022

Notes:

1. **Generally, 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. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy holder shall prove his identity at the time of attending the Meeting.

2. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. The prominent landmark for the venue is Vidhan Bhavan.

3. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

4. In terms of the provisions of Section 152 of the Companies Act, 2013 (the "Act"), Shri Sanjay T. More, Director, retires by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company commend his re-appointment. Shri Sanjay T. More is interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his re-appointment. The relatives of Shri Sanjay T. More may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 and 2 of the Notice.

5. Details of Director retiring by rotation / seeking appointment at this Meeting is provided in the "Annexure" to the Notice.

6. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

DESPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

8. In compliance with the MCA Circulars and SEBI Circular dated May 13, 2022, Notice of the Annual General Meeting (AGM) along with the Annual Report for 2021-22 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Registrar and Transfer Agents / Depository Participants. Members may note that the Notice and Annual Report for 2021-22 will also be available on the Company's website: www.vml.org.in, website of the Stock Exchange, i.e., BSE Limited at: www.bseindia.com and on the website of Company's Share Transfer Agent, KFin Technologies Limited ("KFinTech") at: https://evoting.kfintech.com/.

9. For receiving all communication (including Annual Report) from the Company electronically:

(a) Members holding shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same

by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at dsplmca3@servicesnext.com or to KFinTech at vml@kfintech.com.

(b) Members holding shares in dematerialised mode are requested to register / update their e-mail address with the relevant Depository Participant.

PROCEDURE FOR 'REMOTE E-VOTING' AND E-VOTING AT THE AGM ('INSTA POLL'):

10. **A. E-VOTING FACILITY:**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act, read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting''). Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and the members attending the meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

The Company has engaged the services of KFinTech as the agency to provide e-voting facility. The manner of voting, including voting remotely by (i) individual shareholders holding shares of the Company in demat mode, (ii) shareholders other than individuals holding shares of the Company in demat mode, (iii) shareholders holding shares of the Company in physical mode, and (iv) Members who have not registered their e-mail address is explained in the instructions given under C and D hereinbelow.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	09:00 a.m. (IST) on Monday, September 26, 2022
End of remote e-voting	05:00 p.m. (IST) on Thursday, September 29, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his/her/ its shareholding in the paid-up equity share capital of the Company as on the cut-off date, i.e., Friday, September 23, 2022 ("Cut-off Date").

The Board of Directors of the Company has appointed Shri Devesh C. Vasavada, a Practising Chartered Accountant, Mumbai, as Scrutiniser to scrutinise the remote e-voting and Insta Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

B. INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:

i. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.

ii. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

iii. A Member can opt for only single mode of voting, that is, through remote e-voting or voting at the Meeting (Insta Poll). If a Member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

iv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting, participation at the AGM and voting through Insta Poll. A person who is not a member as on the Cut-off Date, should treat the Notice for information purpose only.

v. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the Members holding shares as on the Cut-off Date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

C. REMOTE E-VOTING:

vi. <u>INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY INDIVIDUAL SHAREHOLDERS HOLDING SHARES OF THE COMPANY IN DEMAT MODE</u>

As per circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, **all "individual shareholders holding shares of the Company in demat mode" can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. The procedure to login and access remote e-voting, as devised by the Depositories / Depository Participant(s),** is given below:

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

Procedure to login through websites of Depositories

National Securities Depository Limited ("NSDL")	Central Depository Services (India) Limited ("CDSL")
1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure: i. Type in the browser / Click on the following e-Services link: **https://eservices.nsdl.com** ii. Click on the button **"Beneficial Owner"** available for login under **'IDeAS'** section. iii. A new page will open. Enter your User ID and Password for accessing IDeAS. iv. On successful authentication, you will enter your IDeAS service login. Click on **"Access to e-Voting"** under **Value Added Services** on the panel available on the left hand side. v. You will see Company Name: "Varun Mercantile Limited" on the next screen. **Click on the e-Voting link available against Varun Mercantile Limited or select e-Voting service provider "KFinTech"** and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication. **2. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:** i. To register, type in the browser / Click on the following e-Services link: **https://eservices.nsdl.com.** ii. Select option **"Register Online for IDeAS"** available on the left hand side of the page. iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc. iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. **3. Users may directly access the e-Voting module of NSDL as per the following procedure:** i. Type in the browser / Click on the following link: **https://www.evoting.nsdl.com/**	**1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:** i. Type in the browser / Click on any of the following links: **https://web.cdslindia.com/myeasi/home/login** or **www.cdslindia.com** and click **on New System Myeasi / Login to My Easi option under Quick Login** (best operational in Internet Explorer 10 or above and Mozilla Firefox) ii. Enter your User ID and Password for accessing Easi / Easiest. iii. You will see Company Name: "Varun Mercantile Limited" on the next screen. **Click on the e-Voting link available against Varun Mercantile Limited or select e-Voting service provider "KFinTech"** and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication. **2. Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:** i. To register, type in the browser / Click on the following link: **https://web.cdslindia.com/myeasi/ Registration/EasiRegistration** ii. Proceed to complete registration using your DP ID Client ID (BO ID), etc. iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. **3. Users may directly access the e-Voting module of CDSL as per the following procedure:** i. Type in the browser / Click on the following links: **https://evoting.cdslindia.com/Evoting/EvotingLogin**

National Securities Depository Limited ("NSDL")	Central Depository Services (India) Limited ("CDSL")
ii. Click on the button **"Login"** available under **"Shareholder/ Member"** section. iii. On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/ through generation of OTP (in case your mobile/email address is registered in your demat account) and Verification Code as shown on the screen. iv. You will see Company Name: "Varun Mercantile Limited" on the next screen. **Click on the e-Voting link available against Varun Mercantile Limited or select e-Voting service provider "KFinTech"** and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication. **4. NSDL Mobile App - Speede** 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	ii. Provide Demat Account Number and PAN. iii. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. iv. On successful authentication, you will enter the e-voting module of CDSL. **Click on the e-voting link available against Varun Mercantile Limited or select e-voting service provider "KFinTech"** and you will be re-directed to the e-voting page of KFinTech to cast your vote without any further authentication.

Procedure to login through their demat accounts / Website of Depository Participant

Individual shareholders holding shares of the Company in Demat mode can **access e-Voting facility provided by the Company using their login credentials of their demat accounts** (online accounts) through their demat accounts/ **websites of Depository Participants** registered with NSDL/CDSL. An option for **"e-Voting"** will be available once they have successfully logged-in through their respective logins. Click on the option **"e-Voting"** and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). **Click on the e-Voting link available against Varun Mercantile Limited or select e-Voting service provider**

"KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast their vote without any further authentication.

Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID"/ "Forgot Password" options available on the websites of Depositories / Depository Participants

Contact details in case of any technical issue on NSDL Website	**Contact details in case of any technical issue on CDSL Website**
Members facing any technical issue during login can contact NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or call at toll free nos.: **1800 1020 990 / 1800 22 44 30**	Members facing any technical issue during login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at **022- 23058738 or 022-23058542-43.**

vii. Information and instructions for remote e-voting by (i) shareholders other than individuals holding shares of the company in demat mode and (ii) all shareholders holding shares of the Company in physical mode

I A. In case member receives an e-mail from the Company / KFinTech [for Members whose e-mail address is registered with the Company / Depository Participant(s)]:

(a) Launch internet browser by typing the URL: **https://evoting.kfintech.com/**

(b) Enter the login credentials **(User ID and password provided in the e-mail)**. The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. If you are already registered with KFinTech for e-voting, you can use the existing password for logging in. If required, please visit: https://evoting.kfintech.com or contact toll-free number 1800-309-4001 (from 9:00 a.m. to 6:00 p.m. on all working days) for assistance on your existing password.

(c) After entering these details appropriately, click on "LOGIN".

(d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Varun Mercantile Limited.

(g) On the voting page, enter the number of shares as on the Cut-off Date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total

shareholding as on the Cut-off Date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(h) Members holding shares under multiple folios/ demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

(j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(l) Once you confirm, you will not be allowed to modify your vote.

(m) Corporate / Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail id varun.scrutinizer@kfintech.com with a copy marked to evoting.varun@kfintech.com. Such authorisation shall contain necessary authority for voting by its authorised representative(s). It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVEN".

I B. In case of a member whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Members holding shares in physical mode, who have not registered / updated their email address with the Company, are requested to register / update the same by clicking on: https://rkarisma.kfintech.com/shareholders or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at dsplmca3@servicesnext.com or to KFinTech at vml@kfintech.com.

(b) Members holding shares in dematerialized mode who have not registered their e-mail address with their Depository Participant(s) are requested to register/ update their e-mail address with the Depository Participant(s) with which they maintain their demat accounts.

(c) After due verification, the Company / KFinTech will forward your login credentials to your registered e-mail address.

(d) Follow the instructions at I(A) (a) to (m) to cast your vote.

II. Members can also update their mobile number and e-mail address in the "user profile details" in their e-voting login on: https://evoting.kfintech.com.

III. Any person who becomes a Member of the Company after despatch of the Notice of the Meeting and holding shares as on the Cut-off Date/ any Member who has forgotten the User ID and Password, may obtain/generate/retrieve the same from KFinTech in the manner as mentioned below:

(a) If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the member may send SMS: **MYEPWD <SPACE>** E-Voting Event Number+Folio No. or DP ID Client ID to **9212993399**

Example for NSDL: MYEPWD<SPACE> IN12345612345678

Example for CDSL: MYEPWD<SPACE> 1402345612345678

Example for Physical: MYEPWD<SPACE> XXXX123456789

(b) If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of: https://evoting.kfintech.com, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(c) Member may call on KFinTech's toll-free number 1800-309-4001 (from 9:00 a.m. to 6:00 p.m. on all working days).

(d) Member may send an e-mail request to evoting.varun@kfintech.com. After due verification of the request, User ID and password will be sent to the member.

(e) If the Member is already registered with KFinTech's e-voting platform, then he/she/ it can use his/her/its existing password for logging in.

IV. In case of any query on e-voting, Members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of KFinTech's website for e-voting: https://evoting.kfintech.com or contact KFinTech as per the details given under sub-point no. V below.

V. **Members are requested to note the following contact details for addressing e-voting related grievances:**

Shri S. P. Venugopal,
Vice President,
KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad 500 032, India
Toll-free No. : 1800-309-8998
(from 9:00 a.m. to 6:00 p.m. on all working days)
E-mail : evoting.varun@kfintech.com

D. INSTA POLL:

viii. Information and instructions for Insta Poll:

Facility to vote through Insta Poll will be made available at the Meeting and will be activated once the Insta Poll is announced at the Meeting. Once the voting at the Meeting is announced by the Chairman, Members who have not cast their vote using remote e-voting will be able to cast their vote through Insta Poll.

E. E-VOTING RESULT:

ix. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: www.vml.org.in and on the website of KFinTech at: https://evoting.kfintech.com. The result will simultaneously be communicated to the stock exchange.

x. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Friday, September 30, 2022.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Saturdays, Sundays and Public Holidays) during business hours up to the date of the AGM. The aforesaid documents will also be available for inspection by members at the Meeting.

OTHER INFORMATION

13. As mandated by the Securities and Exchange Board of India **("SEBI")**, shares of the Company can be transferred/ traded only in dematerialised form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

14. SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 ("SEBI Circulars") mandated furnishing of Permanent Account Number ('PAN'), KYC details viz. Contact Details (Postal Address, Mobile Number and E-mail), Bank Details, Nomination etc. by holders of physical securities. Any service request shall be entertained by KFinTech only upon registration of the PAN, KYC details and the nomination. Further, in absence of the above information on or after April 1, 2023, the folio(s) shall be frozen by KFinTech in compliance with the aforesaid SEBI Circulars. If the folio(s) continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by KFinTech/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

15. Members holding shares in physical mode are required to submit their Permanent Account Number (PAN) and bank account details to the Company / KFinTech at: https://rkarisma.kfintech.com/shareholders, if not registered/updated with the Company/KFinTech, as mandated by SEBI. Alternatively, such Members may write to the Company at dsplmca3@servicesnext.com or to KFinTech at vml@kfintech.com along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque leaf.

16. Members holding shares in electronic mode are requested to submit their PAN and bank account details to their respective Depository Participants **("DPs")** with which they are maintaining their demat accounts.

17. The Register of Members and Transfer Books of the Company will be closed from September 19, 2022 to September 22, 2022 (both days inclusive).

By Order of the Board of Directors

Yogesh S. Kadam
Company Secretary

Place: Mumbai
Dated: September 01, 2022

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

Annexure to the Notice dated September 01, 2022

Details of Director / KMP retiring by rotation / seeking appointment at the Meeting:

Shri Sanjay T. More

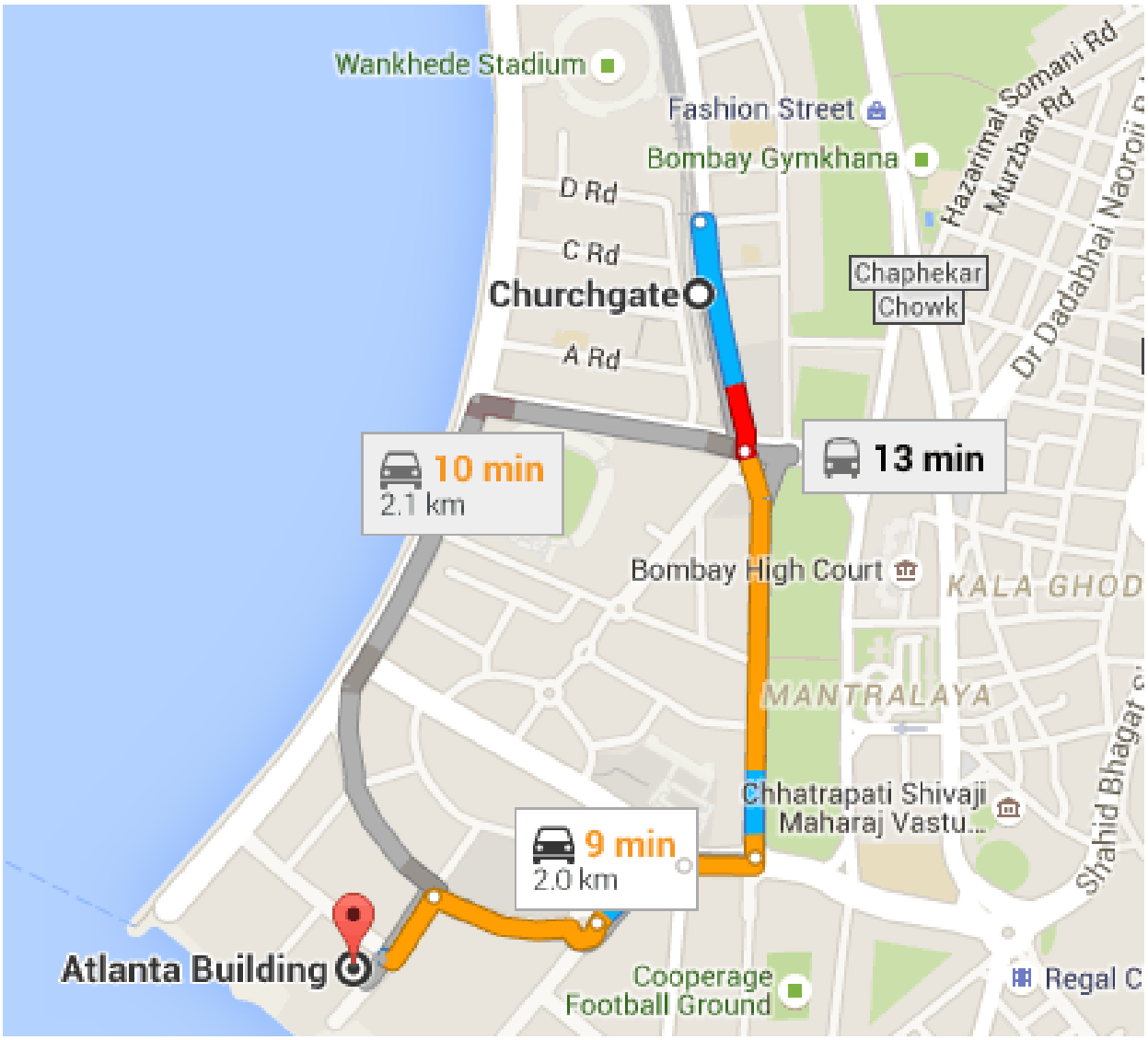
Sr. No.	Particulars	Details
1	Age	53 years
2	Qualification	B.com
3	Experience (including expertise in specific functional area) / Brief Resume	More than 15 years of rich and varied experience in the field of Banking and Treasury
4	Terms and Conditions of re-appointment	In terms of Section 152(6) of the Companies Act, 2013 Shri Sanjay T. More, is liable to retire by rotation.
5	Remuneration last drawn (FY 2021-22)	NIL
6	Remuneration proposed to be paid	NIL
7	Date of first appointment on the Board	Appointed as an Additional Director w.e.f. May 10, 2021.
8	Shareholding in Company as on March 31, 2022	17,000 equity shares
9	Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel.
10	Number of meetings of the Board attended during the financial year (2021-22)	7
11	Directorship(s) of other Boards as on March 31, 2022	• Padma Raga Commercials Private Limited
12	Membership / Chairmanship of Committees of other Boards as on March 31, 2022	NIL

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

ROUTE MAP OF THE ANNUAL GENERAL MEETING VENUE



ATTENDANCE SLIP

Varun Mercantile Limited

CIN: L51909MH1985PLC321068
Registered Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai-400021.
Tel: +91 22 22800131; Fax: +91 22 22800130; Website: www.vml.org.in

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional slip at the venue of the Meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER:

I hereby record my presence at the **THIRTY-SEVENTH ANNUAL GENERAL MEETING** of the members of the Company held on Friday, September 30, 2022 at 10:30 a.m. at the Registered Office of the Company at 147, 14th Floor, Atlanta, Nariman Point, Mumbai-400021.

_____
Signature of Shareholder / Proxy

*Applicable for investors holding shares in electronic form.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Varun Mercantile Limited

CIN: L51909MH1985PLC321068
Registered Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai-400021.
Tel: +91 22 22800131; Fax: +91 22 22800130; Website: www.vml.org.in

Name of the member(s): Registered address:		e-mail Id: Folio No./*Client Id: *DP Id:

I/We, being the member(s) of _____ shares of Varun Mercantile Limited, hereby appoint:

1) _____ of _____ having e-mail id _____ or failing him
2) _____ of _____ having e-mail id _____ or failing him
3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Thirty-Seventh Annual General Meeting** of the members of the Company to be held on Friday, September 30, 2022 at 10:30 a.m. at the Registered Office of the Company at 147, 14th Floor, Atlanta, Nariman Point, Mumbai-400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above proxy to vote in the manner as indicated in the box below:

Resolutions	**For**	**Against**
1. Consider and adopt Audited Financial Statement of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon		
2. Appointment of Shri Sanjay T. More who retires by rotation as a Director		

*Applicable for investors holding shares in electronic form.

Signed this _____ day of _____ 2022

Affix a Revenue Stamp

_____
Signature of shareholder

_____ _____ _____
Signature of first proxy holder | Signature of second proxy holder | Signature of third proxy holder

Notes:

(1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting.**

(2) **A Proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.**

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**(4) This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote (on poll) at the Meeting in the manner he/she thinks appropriate.

(5) Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy will stand automatically revoked.

(6) In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

(7) This form of proxy shall be signed by the appointer or his attorney duly authorizing in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

(8) This form of Proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.

(9) Undated proxy form will not be considered valid.

(10) If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068
Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.
Tel.: 22800131, Fax 22800130.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Thirty-Seventh Annual Report and the Company's audited financial statements for the financial year ended March 31, 2022.

Financial Results:

The Company's financial performance, for the year ended March 31, 2022 is summarized below:

(Rs. In Lakhs)

Particulars	Current Year (2021-22)	Previous Year (2020-21)
Income	24.77	29.70
Less: Expenses	15.98	17.60
Profit / (Loss) before Tax	8.79	12.10
Less: Tax Adjustments	6.21	7.48
Profit / (Loss) After Tax	2.58	4.62

Working and State of Company's Affairs:

During the year under review, your Company earned a net profit of Rs. 2.58 lakhs after incurring necessary expenditure and providing for tax. Your Directors continue their efforts to improve the working of the Company.

There has been no change in the nature of business of the company.

Dividend:

Your Directors have not recommended any dividend on Equity Shares for the year under review.

Reserves:

In order to conserve the resources, there is no transfer of profits to reserves during the year.

Net worth:

The net worth of the Company as on March 31, 2022 was Rs. 509.12 Lakhs (Rs. 506.54 Lakhs as on March 31, 2021).

Material changes and commitments affecting the financial position of the company which have occurred between the end of the year and the date of the Report:

There are no material changes and commitments that have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

Management's Discussion and Analysis Report:

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is as under.

Industry Structure, Developments, Opportunities and Outlook:

With the Government undertaking structural reforms and measures to improve productivity, increased thrust on development of physical infrastructure coupled with lower interest rates and its "Make in India" initiative by creating a conducive business environment, it is expected that this will spur activity in the trading sector.

The Company will continue to keep its focus in the trading of general commodities.

Segment-wise or product-wise performance:

The Company is involved only in trading of general commodities and does not have segments.

Challenges, Risks and Concerns:

Some of the challenges that hinder progress of the general commodities sector are easy access to finance, availability of materials and delays in logistics leading to cost and time overruns. However, the Government has undertaken some key reforms that include stronger co-operation between the private and public sectors, enforcing of a unified legal framework, creation of better dispute resolution mechanisms and removing bottlenecks. As a part of the overall risk management strategy, the Company consistently insures its assets wherever necessary and generally follows a conservative financial profile by following prudent business practices.

Internal Controls:

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- providing assurance regarding the effectiveness and efficiency of operations;
- efficient use and safeguarding of resources;
- compliance with policies, procedures and applicable laws and regulations; and
- transactions being accurately recorded and promptly reported.

The Company continues to have periodical internal audits conducted of all its functions and activities to ensure that systems and processes are followed across all areas.

The Audit Committee of Directors of the Company regularly reviews the adequacy of internal control systems through such audits. The Internal Auditor reports directly to the Audit Committee.

Internal Financial Controls:

Internal Financial Controls are an integrated part of the risk management framework and process that address financial and financial reporting risks. The Company has in place adequate internal financial controls with reference to financial statement.

Assurance on the effectiveness of internal financial controls is obtained through management reviews and self-assessment, continuous control monitoring by functional experts as well as testing of the internal financial control systems by the Statutory Auditors and Internal Auditors during the course of their audits.

The Company believes that these systems provide reasonable assurance that the Company's internal financial controls are adequate and are operating effectively as intended.

Risk Management:

The Company has in place a Risk Management Policy which provides for a robust risk management framework to identify and assess risks such as safety, health and environment, operational, strategic, financial, security, property, regulatory, reputational, operational and other risks and put in place an adequate risk management infrastructure capable of addressing these risks.

There is an adequate risk management infrastructure in place capable of addressing these risks.

Financial Performance and Operational Performance:

Employee benefit expenses and tax expenses of the Company have decreased in comparison to the previous year. Due to decrease in other Income of the Company, the profit after tax of the Company has decreased in comparison to previous year.

During the year, the Board of Directors explored various avenues to increase its general trading activities and its operations.

Human Resource Development:

The Company does not have any employees on the pay roll of the Company.

Disclosure of Accounting Treatment:

In the preparation of financial statements, no treatment different from that prescribed in an Accounting Standard has been followed.

Significant changes in key financial ratios, along with detailed explanations:

The changes in the key financial ratios are as indicated below:

Particulars	Current Year (2021-22)	Previous Year (2020-21)	% Change
Debtors Turnover (Days)	-	-	-
Inventory Turnover (Days)	-	-	-
Interest Coverage Ratio	-	-	-
Current Ratio	325.97	41.91	678%
Debt Equity Ratio (Gross)	-	-	-
Debt Equity Ratio (Net)	-	-	-
Operating Profit Margin (%)	-	-	-
Net Profit Margin (%)	-	-	-
Return on Net Worth (%)	0.51	0.91	44%

Subsidiary, Associate and Joint Ventures:

The Company has no Subsidiary, Associate and Joint Venture companies.

Report on the highlights of performance of Subsidiary, Associates and Joint Venture Companies and their contribution to overall performance of the Company:

The Company has no Subsidiary, Associate and Joint Venture Companies and therefore report on the highlights of performance of such companies and their contribution to overall performance of the Company is not given.

Policy for determination of material subsidiaries:

The Company has formulated a policy for determining material subsidiaries.

Secretarial Standards:

The Company has followed applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

Directors' Responsibility Statement:

Your Directors state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 ("the Act"), 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 the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Contracts and arrangements with Related Parties:

Your Directors draw attention of the members to Note No. 19 to the financial statement which sets out related party disclosures pursuant to Ind AS 24. The transactions disclosed therein are in the ordinary course of business and are at an arm's length basis. There are no related party transactions with any person or entity belonging to promoter/ promoter group during the year under review. Hence, they are not required to be reported in Form No. AOC-2 in terms of section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Corporate Governance:

As per Regulation 15 of the Listing Regulations, the listed companies having paid up equity share capital and net worth on the last day of the previous financial year not exceeding rupees ten crores and rupees twenty five crores respectively, are exempted to comply with provisions relating to Corporate Governance.

Since, the paid up equity share capital and net worth of the Company as on the last day of the financial year i.e. March 31, 2022 does not exceed rupees ten crores and rupees twenty five crores respectively, the Company is exempted from compliance of provisions relating to Corporate Governance.

Directors and Key Managerial Personnel:

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Sanjay T. More (DIN: 07711625), Director of the Company, retires by rotation at the ensuing Annual General Meeting. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee ("NRC"), has recommended his appointment.

During the year under review, Shri Baskar A. Moduthagam ceased to be the Manager of the Company with effect from September 02, 2021. However, Ms. Kirti Chaudhari was appointed as Manager of the Company with effect from September 02, 2021.

During the year under review, Ms. Forum Shah ceased to be the Company Secretary of the Company with effect from March 30, 2022. However, after the close of the financial year, Shri Yogesh S. Kadam was appointed as Company Secretary of the Company with effect from April 01, 2022.

The Company has received declarations from all the Independent Directors of the Company confirming that:

i. they meet the criteria of independence prescribed under the Act and the Listing Regulations; and

ii. they have registered their names in the Independent Directors' Data bank.

The Company has devised, inter alia, the following Policies:

a. Policy for selection of Directors and determining Directors' Independence; and

b. Remuneration Policy for Directors, Key Managerial Personnel and other employees.

The aforesaid policies are available on the Company's Website and can be accessed at http://www.vml.org.in.

The Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the NRC for identifying persons who are qualified to become Directors and to determine the independence of Directors, while considering their appointment as independent Directors of the Company. The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations. There has been no change in the aforesaid policy during the year under review.

The Remuneration Policy for Directors, Key Managerial Personnel and other employees sets out the guiding principles for the NRC for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. There has been no change in the policy during the year under review.

Performance Evaluation:

The Company has a Policy for performance evaluation of the Board, Committees and individual Directors (including Independent Directors) which includes criteria for performance evaluation of Non-executive Directors.

In accordance with the manner of evaluation specified by the Nomination and Remuneration Committee (NRC), the Board carried out annual performance evaluation of the Board and individual Directors. The NRC carried out performance evaluation of the Committees of the Board based on the evaluation reports submitted by each Committee and the report of such evaluation was presented to the Board. The Independent Directors carried out annual performance evaluation of the Board as a whole. A consolidated report was shared with the Board for review and giving feedback to each Director.

Auditors and Auditors' Report:

Statutory Auditors

M/s. Priti V. Mehta & Company, Chartered Accountants, were appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 28, 2018. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Maintenance of Cost Records:

The provisions of Section 148 of the Act relating to maintenance of cost records as specified by the Central Government are not applicable to the Company.

Secretarial Auditor:

The Board has appointed Ms. Rakhi Jethlia, a Practising Company Secretary, to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith and marked as **Annexure 'I'** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Disclosures:

Meetings of the Board:

Eight meetings of the Board of Directors were held during the year. The details of Board meetings held are given below:

Date	Board Strength	No. of Directors Present
16.04.2021	4	4
10.05.2021	4	4

28.06.2021	4	4
10.08.2021	4	4
02.09.2021	4	4
14.11.2021	4	4
10.02.2022	4	4
30.03.2022	4	4

Attendance of Directors at Board meetings, last Annual General Meeting (AGM) and number of other Directorship(s) of each Director in various companies:

Name of the Director	Attendance at meetings during 2021-22		No. of Other Directorship(s) as on March 31, 2022
	Board Meetings	Last AGM (30/09/2021)	
Lopamudra Dixit	8	Yes	1
Mehul R. Shah	8	Yes	0
Ambalal T. Jain	8	Yes	2
Sanjay T. More	7	Yes	1

Audit Committee:

As on the end of the financial year, the Audit Committee comprised of Shri Mehul R. Shah (Chairman), Ms. Lopamudra Dixit, as Independent Directors and Shri Sanjay T. More, Director.
Five meetings of the Committee were held during the year on April 16, 2021, June 28, 2021, August 10, 2021, November 14, 2021 and February 10, 2022.

Attendance of each Member at the Audit Committee meetings held during the year:

Name of the Committee Member	No. of meetings attended
Lopamudra Dixit	5
Mehul R. Shah	5
Sanjay T. More	4

During the year all the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee:

As on the end of the financial year, the Nomination and Remuneration Committee comprised of Ms. Lopamudra Dixit (Chairperson), Shri Mehul R. Shah as Independent Directors and Shri Sanjay T. More, Director.

Three meetings of the Nomination and Remuneration Committee were held on April 16, 2021,May 10, 2021 and June 28, 2021

Attendance of each Member at the Nomination and Remuneration Committee meetings held during the year:

Name of the Committee Member	No. of meetings attended
Lopamudra Dixit	3
Mehul R. Shah	3
Sanjay T. More	1

During the year all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

Corporate Social Responsibility:

The provisions of Section 135 of the Act are not applicable to the Company and hence no committee is constituted and the Company has not spent any amount on Corporate Social Responsibility.

Vigil Mechanism:

The Company has established a robust Vigil Mechanism and a Whistle-blower Policy in accordance with provisions of the Act and the Listing Regulations, for Directors and employees to report genuine concerns or grievances including unethical behaviour, fraud or violation of the Company's Code of Conduct. The authority for the implementation of the Policy rests with the Board of Directors. The Vigil Mechanism and Whistle-blower policy is available on the Company's website and can be accessed at www.vml.org.in.

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle Blower Policy of the Company was received by the Company.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

The Company has not given any loans or guarantees or made any investments or provided any securities in terms of Section 186 of the Act, during the year under review.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:

A. Conservation of Energy:

i) Energy conservation measures taken: Not Applicable.

ii) Steps taken by the Company for utilising alternate sources of energy: Not Applicable.

iii) Capital investment on energy conservation equipment's: Not Applicable.

B. Technology Absorption:

i) Major efforts made towards technology absorption: Not Applicable

ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

iii) Information regarding imported technology (Imported during the last three years): Not Applicable

iv) Expenditure incurred on research and development: Nil

C. Foreign Exchange Earnings and Outgo:

i) Foreign exchange earned in terms of actual inflows- Nil

ii) Foreign exchange outgo in terms of actual outflows- Nil

Annual Return:

The Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at www.vml.org.in.

Particulars of Employees and related disclosures:

The Company has not paid any remuneration attracting the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereof. Hence, no information is required to be appended to this report in this regard.

Further the disclosure in the Board Report under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as per **Annexure 'II'** and forms part of this Report.

Prevention of sexual harassment at workplace:

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has constituted Internal Complaints Committee to address and resolve any complaints pertaining to sexual harassment in accordance with POSH Act. There were no cases/ complaints filed during the year, under the POSH Act.

General:

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

1. Details relating to deposits covered under Chapter V of the Act.

2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of shares (including sweat equity shares and ESOS) to the employees of the Company under any scheme.

4. The Company has no holding company or subsidiary company, hence the provisions of Section 197(14) of the Act relating to receipt of remuneration or commission by the Whole time Director from holding company or subsidiary company of the Company are not applicable to the Company.

5. No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and the Company's operations in future.

6. No fraud has been reported by the Auditors to the Audit Committee or the Board of Directors of the Company.

7. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

8. Appointment of a Cost Auditor.

9. There is no application made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.

10. There was no instance of one-time settlement with any Bank or Financial Institution.

Acknowledgement:

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the Government and regulatory authorities, stock exchange, banks, other business constituents and members during the year under review.

For and on behalf of the Board of Directors

Sanjay T. More
Director
DIN: 07711625

Ambalal T. Jain
Director
DIN: 01073113

Place: Mumbai
Dated: September 1, 2022

RAKHI JETHLIA B.com, ACS COMPANY SECRETARIES

Office:-
294/A, Govindwadi
Room No. 18, Kalbadevi Road
Mumbai- 400002.
Phone: - 022-22077403
7718829692

Annexure 'I'

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

To,
The Members
Varun Mercantile Limited
147, 14th Floor, Atlanta,
Nariman Point, Mumbai-400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Varun Mercantile Limited** (hereinafter called '**the Company'**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 **("the Audit Period"),** complied with the statutory provisions listed hereunder 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ending March 31, 2022 according to the provisions of:

   i. The Companies Act, 2013 **("the Act")** and the rules made thereunder;

RAKHI JETHLIA C.P. No. 13698 COMPANY SECRETARY

ii. The Securities Contracts (Regulation) Act, 1956 **('SCRA')** and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with the client;

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

2. Provisions of the following Regulations and Guidelines prescribed under the SEBI Act were not applicable to the Company during the Audit Period:-

i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India(Issue and Listing of Non-Convertible Securities) Regulations, 2021;

iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

v. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;

3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company during the Audit Period.

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

i. Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, issued by The Institute of Company Secretaries of India; and

ii. The Listing Agreement entered into by the Company with the Stock Exchange.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

All decisions at Board Meetings and Committee Meetings have unanimous consent of directors as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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 and guidelines.

I further report that during the audit period I have found that the company was generally regular in complying with various statutory compliances.

Rakhi Jethlia
Company Secretary
ACS No.: 28351
CP No.: 13698
UDIN: **A028351D000891884**

Place: Mumbai
Date: September 1, 2022

Annexure 'II'

Details pertaining to remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 as well as the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager in the financial year 2021-22 is as under:

Sr. No.	Name of Director / KMP	Remuneration of Director / KMP for financial year 2021-22 (Rs.in lakh)	Ratio of the remuneration of each Director to median remuneration of the employees	% increase in remuneration over previous year
	Non-Executive Director			
1.	Lopamudra Dixit	Nil	Nil	Nil
2.	Mehul R. Shah	Nil	Nil	Nil
3.	Ambalal T. Jain	Nil	Nil	Nil
4.	Sanjay T. More	Nil	Nil	Nil
	Company Secretary			
5.	Forum Sheth*	0.60	-	NA
	Chief Financial Officer			
6.	Deepak A. Karkera (on secondment)	#0.62	-	2.43%
	Manager			
7.	**Baskar Asirvatham Moduthagam**	7.20		**
8.	Kirti Chaudhari (on secondment)	#2.70	-	***

Paid on secondment and inclusive of Goods and Service Tax.

* Ms. Forum Sheth had resigned as Company Secretary of the Company with effect from 30/03/2022

** Shri Baskar Asirvatham Moduthagam had resigned as Manager of the Company with effect from 02/09/2022 and hence, percentage increase in remuneration is not reported.

*** Ms. Kirti Chaudhari was appointed w.e.f. 02/09/2021 (during the year 2021-22) and hence, percentage increase in remuneration is not reported.

(ii) Percentage increase in the median remuneration of employees in the financial year 2021-22: This percentage is not provided for, as the Company had no employees during the year under review.

(iii) Number of permanent employees on the rolls of the Company- The Company does not have permanent employees on the rolls of the Company.

(iv) Comparison of average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 and its comparison with the percentile increase in the managerial remuneration:

Average increase in salary of employees (other than managerial personnel)	Nil
Average increase in remuneration of managerial personnel	NA

(v) The remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sanjay T. More
Director

Ambalal T. Jain
Director

Place: Mumbai
Dated: September 1, 2022

PRITI V. MEHTA
B.COM.(HONS), F.C.A.
Proprietor

T : 022-25011046 / 47
E : mehtavipulp@gmail.com
mehtapritiv@gmail.com

PRITI V. MEHTA & COMPANY
CHARTERED ACCOUNTANTS
601/602, SURYA HOUSE,
6TH FLOOR, ROAD NO.7,
SHREE GOLVALKAR GURUJI MARG,
VIDYAVIHAR (EAST), MUMBAI - 400077.

INDEPENDENT AUDITORS' REPORT

To,

The Members of
VARUN MERCANTILE LIMTED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of **VARUN MERCANTILE LIMTED** ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the Statement of other Comprehensive Income, the cash flow statement and the statement of Changes in Equity for the year then ended, and notes to the financial statement including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Standalone Financial Statement give the information required by the Companies Act, 2013, as amended ('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, 2022, its Profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standard on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirement that are relevant to our audit of the financial statement 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 audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statement for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other Information and, in doing so, consider whether such 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.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone 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 circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in Place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists !elated to events or conditions that may cast significant doubt °tithe 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order;

2. 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 Standalone 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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

i) The company does not have any pending litigations which would impact on its Ind As financial position in its financial statements.

ii) The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor's Education and protection Fund by the company.

For PRITI V. MEHTA & COMPANY.
Chartered Accountants
Firm Registration. No. 129568W

P v mehta

PRITI V.MEHTA
Proprietor
Membership. No. : 130514
UDIN: 22130514AJUAUR8148

PLACE: MUMBAI
DATED: 28.05.2022

"ANNEXURE "1" to the Independent Auditors' Report on the Financial Statements of VARUN MERCANTILE LIMTED.

(Referred to in Paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

we report that:

(i) The Company does not have Property, Plant and Equipment and hence reporting under this clause is not applicable.

(ii) a) The Company does not have any inventory hence reporting under this clause is not required.

b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company

(iii) In our opinion and based on the information and explanation given to us the company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under section 189 of the Companies Act 2013.

Accordingly, the provisions of clause 3 (iii) (a), (b) and(c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of representations of the management which we have relied upon, the Company has not given any loans hence the provision of clause (iv) of the order are not applicable to the company.

(v) According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of sections 73 to 76 of the Companies Act, 2013 therefore reporting under this clause is not applicable.

(vi) According to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the company therefore reporting under this clause is not required.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing statutory dues as applicable, with the appropriate authorities. There are no statutory dues that are outstanding as of March 31, 2022, for a period of more than six months.

b) As of the year-end, according to the records of the Company and information and explanations given to us, there are no disputed statutory dues outstanding on the company.

(viii) In our opinion and according to the information and explanations given to us, there is no any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

(ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any loans from the financial institution and debenture holders therefore reporting of repayments of such loans under this clause is not applicable. Accordingly, the provisions of Clause 3(ix) (a), (b), (c), (d), (e) & (f) of the Order are not applicable to the Company.

(x) According to the information and explanations given to us, on an overall basis, the company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(xi) a) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. c) As auditors, we did not receive any whistle-blower complaints during the year.

(xii) Since the company is not a Nidhi company, therefore this clause is not applicable.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of The Companies Act, 2013 as applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) The Internal Audit system of the company is commensurate with the size and nature of its business.

(xv) According to the information and explanations given to us based on our examination of the record of the company, the company has not entered into any noncash transactions with directors or persons connected with him. Therefore the provisions of clause 3(xv) of the order are not applicable.

(xvi) a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The Company has not incurred cash loss in the current financial year as well as immediately preceding financial year.

(xviii) There has been no resignation of the previous statutory auditors during the year.

(xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The company has not made investments in the subsidiary company. Therefore, the company does not require to prepare a consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For PRITI V. MEHTA & COMPANY.
Chartered Accountants
Firm Registration. No. 129568W

P. V. Mehta

PRITI V.MEHTA
Proprietor
Membership. No. : 130514
UDIN No : 22130514AJUAUR8148
PLACE : MUMBAI
DATED : 28.05.2022

ANNEXURE "2" TO THE INDEPENDENT AUDITORS REPORT

Referred to in paragraph 2(f) of our Report of even date to the Members of **VARUN MERCANTILE LIMTED** for the year ended 31st March, 2022.

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

We have audited the internal financial controls with reference to Standalone Financial Statements of **VARUN MERCANTILE LIMTED as of 31st March 2022,** in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to Standalone Financial Statements 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 judgment, 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements.

A company's internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements includes those policies and procedures that (1)Pertain to the maintenance of records that, in reasonable detail ,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PRITI V. MEHTA & COMPANY.
Chartered Accountants
Firm Registration. No. 129568W

P. V. mehta

PRITI V.MEHTA
Proprietor
Membership. No. : 130514
UDIN No : 22130514AJUAUR8148

PLACE : MUMBAI
DATED : 28.05.2022

Varun Mercantile Limited

BALANCE SHEET AS AT 31st MARCH, 2022

(Amount in Lakhs)

	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
1) Non-current Assets			
a) Financial assets			
Investments	1	-	-
b) Other Non-Current Assets	2	5.51	5.51
c) Deferred Tax Assets (Net)	3	-	-
Total Non-current assets		5.51	5.51
2) Current Assets			
a) Financial assets			
i) Cash and cash equivalents	4	493.63	499.92
ii) Current Tax Assets (Net)	5	0.64	0.47
iii) Other Financial Assets	6	10.88	12.87
Total Current assets		505.15	513.26
Total Assets		510.65	518.77
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	7	199.20	199.20
b) Other Equity	8	309.92	307.34
Total Equity		509.12	506.54
Liabilities			
Current Liabilities			
a) Financial Liabilities			
Trade payables:			
i) total outstanding dues of micro enterprises and small enterprises; and			
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9	1.49	12.23
b) Lease Liabilities			
c) Other Current Liabilities	10	0.06	0.01
d) Current Tax Liabilities (Net)	11	-	-
Total Current liabilities		1.55	12.24
Total Liabilities		1.55	12.24
Total Equity and Liabilities		510.67	518.78
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 25		

As per our report of even date

For PRITI V. MEHTA & COMPANY
Chartered Accountants
Registration No. 129568W

P. V. Mehta

PRITI V.MEHTA
Proprietor
Membership No. 130514
Place: Mumbai
Date : 28.05.2022

PRITI V. MEHTA * M. No. 130514 * Chartered Accountants

For and on behalf of the Board

Sanjay T. More
Director

Ambalal T. Jain
Director

Yogesh S. Kadam
Company Secretary

Deepak A. Karkera
Chief Financial Officer

Varun Mercantile Limited

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in Lakhs)

	Notes	2021-22	2020-21
INCOME:			
Other income	12	24.77	29.70
Total Income		**24.77**	**29.70**
EXPENSES:			
Employee Benefit Expenses	13	11.12	12.57
Other expense	14	4.86	5.03
Total Expenses		**15.98**	**17.60**
Profit before tax		8.79	12.10
Tax Expenses			
- Current tax	15	6.24	7.48
- Taxes for earlier year		(0.03)	-
Profit for the year		**2.58**	**4.62**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		**2.58**	**4.62**
Earnings per equity share of face value of ₹ 10 each	16		
a) Basic		0.00	0.00
b) Diluted		0.00	0.00
Significant Accounting Policies See accompanying Notes to the Financial Statements	1 to 25		

As per our Report of even date

For PRITI V. MEHTA & COMPANY
Chartered Accountants
Registration No. 129568W

P.V. Mehta

PRITI V.MEHTA
Proprietor
Membership No. 130514
Place: Mumbai
Date : 28.05.2022

PRITI V. MEHTA * M. No. 130514 * Chartered Accountants

For and on behalf of the Board

Sanjay T. More
Director

Ambalal T. Jain
Director

Yogadam

Yogesh S. Kadam
Company Secretary

Deepak A. Karkera
Chief Financial Officer

Varun Mercantile Limited

Cash flow Statement for the year ended 31st March,2022

Amount in Lakhs

	2021-22	2020-21
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per Statement of Profit and Loss	8.79	12.10
Adjusted for:		
Interest Income	(24.77)	(29.70)
Operating (Loss) before working capital changes	(15.98)	(17.60)
Adjusted for:		
Trade and Other Payable	(8.71)	11.46
Trade and Other receivables	-	-
Cash (Used In) / Generated from operations	(24.69)	(6.14)
Taxes paid (Net)	(6.37)	(8.15)
Net Cash (Used in) Operating Activities	(31.05)	(14.29)
B CASH FLOW FROM INVESTING ACTIVITIES		
Redemption of Investments		
Interest Income	24.77	29.70
Net Cash flow from Investing Activities	24.77	29.70
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash from financial Activities	-	-
Net Increase in Cash and Cash Equivalents	(6.29)	15.41
Opening Balance of Cash and Cash Equivalents	499.92	484.51
Closing Balance of Cash and Cash Equivalents	**493.63**	**499.92**

Notes:

1 The previous year's figures have been regrouped and reclassified wherever necessary.

2 Cash and cash equivalents represent cash and bank balance.

As per our Report of even date

For PRITI V. MEHTA & COMPANY
Chartered Accountants
Registration No. 129568W

P V Mehta

PRITI V.MEHTA
Proprietor
Membership No. 130514
Place: Mumbai
Date : 28.05.2022

For and on behalf of the Board

Sanjay T. More
Director

Ambalal T. Jain
Director

Yogesh Kadam

Yogesh S. Kadam
Company Secretary

Deepak A. Karkera
Chief Financial Officer

Varun Mercantile Limited

Statement of Changes of Equity for the year ended 31st March, 2022

A EQUITY SHARE CAPITAL

	As At 1st April, 2020	Change in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Change in equity share capital during 2020-21	As At 31st March, 2021	Change in equity share capital during 2021-22	As At 31st March, 2022
Equity shares of ₹ 10/- each, fully paid up	1 99 20 000	-	-	-	1 99 20 000	-	1 99 20 000

B: OTHER EQUITY

As on 31st March, 2022

Particulars	Reserves & Surplus			Total
	General Reserve	Retained Earnings	Other Comprehensive Income	
Balance at beginning of the reporting period i.e. 1st April, 2021	0.10	307.23	-	307.33
Total Comprehensive Income for the year	-	2.58	-	2.58
Balance at the end of the reporting period i.e. 31st March,2022	0.10	309.81	-	309.91

As on 31st March, 2021

Balance at beginning of the reporting period i.e. 1st April, 2020	0.10	302.61	-	302.71
Total Comprehensive Income for the year	-	4.62	-	4.62
Balance at the end of the reporting period i.e. 31st March,2021	0.10	307.23	-	307.33

As per our report of even date attached

For PRITI V. MEHTA & COMPANY
Chartered Accountants
Registration No. 129568W

P. V. Mehta

PRITI V.MEHTA
Proprietor
Membership No. 130514
Place: Mumbai
Date : 28.05.2022

PRITI V. MEHTA M. No. 130514 Chartered Accountants

For and on behalf of the Board

Sanjay T. More
Director

Ambalal T. Jain
Director

Yogesh S. Kadam
Company Secretary

Deepak A. Karkera
Chief Financial Officer

A CORPORATE INFORMATION

Varun Mercantile Limited ("the company") is a Limited company incorporated in India having CIN L51909MH1985PLC320168. The register office of the Company is located at 147, 14th Floor, Atlanta, Nariman Point, Mumbai-400 021 .

The Company will Continue to keep its focus in the trading of general commodities.

B SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value amount :

Certain financial assets measured at fair value.

The financial statements of the company have been prepared to comply with the Indian Accounting standard ("Ind AS") including the Accounting Standard notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees (`), which is also its functional currency.

B.2 USE OF ESTIMATES

The preparation of the financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets & liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

B.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Provision, Contingent Liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

(b) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current Tax
Current Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred Tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(c) Revenue recognition

The Company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

Interest income from a financial asset is recognised using effective interest rate method.

Dividend is recognised when the Company's right to receive the payment has been established.

(d) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(e) Cash and Cash Equivalents:

Cash and Cash equivalents comprise cash and cash deposit with banks. The company considers all highly liquid investments with remaining maturity of the date of purchase a three months or less and that are readily convertible to the known amount or cash to be cash equivalent.

(f) Cash Flow Statement

Cash flows are reported using the indirect -method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows.The cash flows from operating, investing and Financing activities of the company are segregated.

(g) Financial instruments

1. Financial Assets

A. Initial recognition and measurement :

All financial assets and liabilities are initially recognised at fair value as and when acquired. Transaction costs that are directly attributable to the acquisation or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

B. Subsequent measurement :

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flow 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achived 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.

c) Financial assets at fair value through profit or loss (FVTPL)

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

d) Other equity instruments

All equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in "Other Comprehensive Income".

2. Financial Liabilities

A. Initial recognition and measurement :

All financial liabilities are recognised at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement :

Financial liabilities are 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.

C CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY :

The preparation of the Company's financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation and useful lives of property, plant and equipment:
Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

b) Provisions:
Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

c) Impairment of financial assets:
The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

d) Impairment of non-financial assets:
The Company assesses at each reporting date whether there is an indication that as asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is consideredinpaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Recognition of Deferred Tax Assets and Liabilities :
Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profit and business development.

D Changes in accounting standard
The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform - Phase 2: Amendments to Ind AS 109 - Financial Instruments, Ind AS 107 - Financial Instruments: Disclosures, Ind AS 104 - Insurance Contracts and Ind AS 116 - Leases

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

(iii) Ind AS 103: Business combination

(iv) Amendment to Ins AS 103 - Business combination, Ind AS 116 - COVID-19 related rent concessions, Ind AS 105 - Non-current Assets held for sale and Discontinued Operations, Ind AS 16 - Property Plant and Equipment and Ind AS 28 - Investments in Associates and Joint Ventures.

These amendments had no impact on the financial statements of the Company.

Notes on the Financial Statement for the year ended 31st March, 2022

(Amount in Lakhs)

			As at 31st March,2022	As at 31st March,2021
1	**Non Current Investments**			
			-	-
		Total	-	-
2	**Other Non Current Assets**			
	Unsecured, considered good			
	Advance Income Tax		5.51	5.51
	(Net of Provision for Taxation)			
		Total	**5.51**	**5.51**

			As at 31st March,2022	As at 31st March,2021
3	**Deferred Tax Assets (NET)**			
	Deferred Tax Liability			
	Related to Fixed Assets		-	-
	Deferred Tax Assets			
	On account of Brought Forward losses		12.76	12.76
		Total	**12.76**	**12.76**

However,deffered tax assets has not been recognized on ground of prudence.

			As at 31st March,2022	As at 31st March,2021
4	**Cash and cash equivalents**			
	Cash on hand		-	-
	Balance with banks *		493.63	499.92
		Total	**493.63**	**499.92**

* Includes fixed deposits of 4,92.25/-Lakhs (Previous year 4,99.56/-Lakhs) with maturity of more than 3 months but less than 12 months.

4.1 Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

			As at 31st March,2022	As at 31st March,2021
5	**Current Tax Assets (Net)**			
	Unsecured, considered good			
	Advance Income Tax		0.64	0.47
	(Net of Provision for Taxation)			
		Total	**0.64**	**0.47**
	Current Tax Assets (Net)			
	At start of the year		0.47	(0.05)
	Charged for the year- Current tax (Net)		(6.20)	(7.48)
	Tax paid (Net) during the year		6.37	8.00
	At the end of the year	**Total**	**0.64**	0.47

			31st March,2022	31st March,2021
6	**Other Financial Assets**			
	Interest accrued on fixed deposits and bonds		10.88	12.87
		Total	**10.88**	**12.87**

(Amount in Lakhs)

7 Share capital

	As at 31st March, 2022	As at 31st March, 2021
Authorised Capital		
30 00 000 (Previous Year: 30 00 000)		
Equity shares of ₹10/- each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid up		
19 92 000 (Previous Year: 19 92 000)		
Equity shares of ₹ 10/- each, fully paid up	199.20	199.20
Total	**199.20**	**199.20**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Name of the Shareholder	No of Shares	
Equity Shares	31st March, 2022	31st March, 2021
Shares outstandings at the beginning of	19 92 000	19 92 000
Outstanding at the end of the year	19 92 000	19 92 000

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Non of the shareholders holding more than 5% shares in the Company

7.1 Details of Promotor Shareholding

	As at 31st March 2022				As at 31st March 2021			
Sr No	Promotor Name	No of Shares	% of Total Shares	% change during the year	Promotor Name	No of Shares	% of Total Shares	% change during the year
1	Shri Lalit Shroff	-	-	-	Shri Lalit Shroff	-	-	-

(Amount in Lakhs)

8 Other Equity

		As at 31st March, 2022		As at 31st March, 2021
General Reserve				
As per Last Balance Sheet		0 10		0 10
Retained Earnings				
As per Last Balance Sheet	307.23		302 61	
Add: Profit for the year	2.58		4 62	
		309 81		307 23
Other Comprehensive Income (OCI)				
As per Last Balance Sheet	-		-	
Add: Movement in OCI during the year	-		-	
		-		-
Total		**309.91**		**307.33**

9 Trade payables	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.49	12.23
Total	**1.49**	**12.23**

9.1 There are no overdue to Micro,Small and Medium Enterprieses as at March 31,2022.

9.2 Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2022, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any,that may be payable in accordance with the provisions of the Act, is not expected to be material.

Trade Payables ageing schedule: As at 31st March 2022

	Outstanding for following periods from due date of payment				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME					
ii) Others	1.49				1.49
iii) Disputes dues-MSME					
iv) Diputed dues -Others					

Trade Payables ageing schedule: As at 31st March 2021

	Outstanding for following periods from due date of payment				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME					
ii) Others	11.95	0.14	0.14		12.23
iii) Disputes dues-MSME					
iv) Diputed dues -Others					

10 Other Current Liabilities	As at 31st March, 2022	As at 31st March, 2021
Statuory Dues	0.04	0.01
Others	0.02	-
Total	**0.06**	**0.01**

11 Current Tax Liabilities (Net) Unsecured, considered good	As at 31st March, 2022	As at 31st March, 2021
Provision for Taxation (Net of Advance Income Tax)	-	-
Total	-	-

(Amount in Lakhs)

12 Other income

	2021-22	2020-21
Interest Income on		
Bank Fixed Deposits (Net)	24.77	29.70
Total	**24.77**	**29.70**

13 Employee Benefit Expenses

	2021-22	2020-21
Salaries	11.12	12.57
Total	**11.12**	**12.57**

14 Other expense

	2021-22	2020-21
Auditor's Remuneration (Refer Note No.25)	0.14	0.14
Advertisement	0.28	0.29
Filing Fees	0.06	0.02
Listing Fees	3.54	3.54
Legal & Professional Charges	0.75	0.63
Maintenance Charges	-	0.35
Rates and Taxes	0.03	0.03
General Expenses	0.07	0.03
Total	**4.86**	**5.03**

15 Taxation

	2021-22	2020-21
Income Tax recognised in statement of Profit and Loss		
Current Tax	6.24	7.48
Deferred Tax	-	-
Total Income Tax expenses recognised in the current year	**6.24**	**7.48**
The income tax expenses for the year can be reconciled to the accounting profit as follows		
Profit Before Tax	8.79	12.10
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expenses	2.21	3.04
Tax effects of :		
Exempted Income	-	-
Expenses Disallowed	4.03	4.44
Other Item	0.00	0.00
Current Tax Provisions	**6.24**	**7.48**
Effective Tax Rate	71.06%	61.88%

16 Earning per share (EPS)

	2021-22	2020-21
Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders	2.58	4.62
Weighted average number of equity shares used as denominator for calculating Basic EPS	19 92 000	19 92 000
Total Weighted Average Potential Equity Shares	19 92 000	19 92 000
Weighted average number of equity shares used as denominator for calculating Diluted EPS	19 92 000	19 92 000
Basic earning per share	0.00	0.00
Diluted earning per share	0.00	0.00
Face Value per equity share	10	10

17 The Previous year figures have been regrouped / reclassified whereever necessary to confirm to the current year presentation

18 The Income -Tax assessment of the Company has been completed upto Assessment Year 2018-19. The demand upto the said Assessment year is NIL

19 As per Ind AS 24, the disclosure of transaction with related parties are given below :

i) List of related parties where control exists and whom transactions have been taken place and relationships :

Sr. No.	Name of Related Party	Relationship
1	Ms. Forum J. Sheth (Upto 30.03.2022)	Key Managerial Personnel
2	Ms Lopamudra Dixit	Key Managerial Personnel
3	Shri Baskar Asirvatham Moduthagam	Key Managerial Personnel
4	Shri Mehul R Shah	Key Managerial Personnel
5	Shri Ambalal T. Jain	Key Managerial Personnel
6	Shri Girish B.Shah (Upto 10.05.2021)	Key Managerial Personnel
7	Shri Sanjay T. More (From 10.05.2021)	Key Managerial Personnel
8	Shri Deepak A. Karkera	Key Managerial Personnel

ii) Transactions during the year with related parties :

(Amount in ₹)

Sr. No.	Nature of Transaction	Key Managerial Personnel	Total
1	Salaries Paid	11.12	11.12
		(12.57)	(12.57)

20 **Segment Reporting :**

The Company's operating segment are established on the basis of those components of the company that are evaluted regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments') in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting system.

Since the Company is holding investments and that other activities are incidental thereto, in the opinion of the management there are no reporatable segment. Therefore information relating to segment reporting has not been furnished.

21 The Board has not been recommended dividend.

22 **Financial Instruments**

Valuation

All financial instruments are initially recoznised and subsequently re-measured at fair value as described below :

a) The fair value of investment in Subsidiary and associates in measured at cost

b) The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.

c) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair Valuation Measurement hierarchy

(Amount in Lakhs)

Particulars	As at 31st March, 2022				As at 31st March, 2021			
	Carrying Amount	Level of input used in 1	2	3	Carrying Amount	Level of input used in 1	2	3
Financial Assets								
At Amortised Cost								
Cash and Cash Equivalents	493.63	-	-	-	499.92	-	-	-
Other Financial Assets	10.88	-	-	-	12.87	-	-	-
	-	-	-	-	-	-	-	-
At FVTPL Investments								
Financial Liabilities								
At Amortised Cost								
Trade Payable	1.49	-	-	-	12.23	-	-	-

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below :

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities: and

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Lever 3 : Inputs that have a significant effect on the recorded fair value that are not based on observable market data.

23 **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. The Company's financial risk management policy is set by the Management Board.

Market Risk

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the price of a financial instrument. The value of a financial instrument may 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 investment and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through its treasury department, which evaluate and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since entire borrowings of the company is interest free, the Company is not exposed to significant interest risk as at the respective reporting dates.

Foreign Currency Risk

The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

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 liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts on the basis of expected cash flows.

Credit Risk

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

The company considers the possibility 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 a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

24 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders The company manages its capital structure and adjustment in light of changes in business condition The overall strategy remains unchanged as compare to last year

The Gearing ratio at end of the reporting period was as follows

(Amount in ₹)

	As at 31st March, 2022	As at 31st March, 2021
Debt	-	-
Cash and bank balance (Including liquid investments)	493.63	499.92
Net debt (A)	(493.63)	(499.92)
Total Equity (as per Balance Sheet) (B)	509.12	506.54
Net Gearing ratio (A/B)	(0.97)	(0.99)

25 **Auditors Remuneration**

	As at 31st March, 2022	As at 31st March, 2021
Statutory Audit Fees	0.12	0.12
Certification	0.02	0.02
	0.14	0.14

26 **Additional Regulatory Information**

Clause (i), (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi), (xiii), (xiv) of additional regulatory information is not applicable to the company.

27 Financial Ratio

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Remarks for variance more than 25%
Current Ratio (in times)	Current Assets	Current Liabilities	325.97	41.95	-677%	Decrease in Current Liabilities
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	Not Applicable	Not Applicable		Not Applicable
Debt Service Coverage Ratio (in times)	Earnings before Interest and Tax	Debt Service	Not Applicable	Not Applicable		Not Applicable
Return on Equity Ratio(%)	Net profit After Tax	Shareholder's Equity	0.51%	0.91%	44%	Decrease in interest income
Inventory turnover ratio(in times)	Cost of Goods Sold	Average Inventory	Not Applicable	Not Applicable	-	Not Applicable
Trade Receivables turnover ratio (in times)	Net Credit Sales/ Services	Average Accounts Receivables	Not Applicable	Not Applicable	-	Not Applicable
Trade Payables turnover ratio (in times)	Purchases/Services Utilised	Average Accounts Payables	0.00	0.00	0.86	Not Applicable
Net capital Turnover raton(in times)	Net Credit Sales / Services	Working Capital	Not Applicable	Not Applicable		Not Applicable
Net Profit Ratio(%)	Net profit after tax	Net Credit Sales / Services	Not Applicable	Not Applicable		Not Applicable
Return on Capital Employed(%)	Earnings before Interest and Tax	Capital Employed	1.73%	2.39%	28%	Decrease in Profitability of the Company
Return on Investment (%)	Income Generated from investments	* Average Investment	0.00%	0.00%	17%	Not Applicable

* Investment includes Fixed Deposits

28 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

29 The Company is not covered under section 135 of the Companies Act with respect to Corporate Social Responsibility (CSR).

30 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

As per our report of even date

For PRITI V. MEHTA & COMPANY
Chartered Accountants
Registration No. 129568W

PRITI V.MEHTA
Proprietor
Membership No. 130514
Place: Mumbai
Date : 28.05.2022

For and on behalf of the Board

Sanjay M. More
Director

Ambalal T. Jain
Director

Yogesh S. Kadam
Company Secretary

Deepak A. Karkera
Chief Financial Officer