

18 May 2018

The Manager
Department of Corporate Relations
Bombay Stock Exchange Ltd.
Dalal Street,
Mumbai 400 001.
Scrip Code: 538942

Dear Sir,

Audited Financial Results for the year ended 31 March 2018

1. Audited Financial Results

In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Audited Financial Results of our Company for the year ended 31 March, 2018, which was approved by the Board of Directors. The Report of the Auditors and the declaration regarding unmodified opinion are also enclosed.

2. Dividend


The Board has not recommended any dividend for the year ended 31 March 2018 as the profits are conserved to fund the future plans of the Company.

3. Date of AGM and Book Closure

The 17th Annual General Meeting of the Company is scheduled to be held on 10th August, 2018. In connection with the said AGM the Register of Members and Share Transfer Books of the Company will remain closed from 04th August, 2018 to 10th August, 2018 both days inclusive.

This for your information and kindly take it on record.

Thanking you
Yours Faithfully,
For Mercantile Ventures Limited


E N Rangaswami
Whole-time Director



Encl: as above

Mercantile Ventures Limited

(CIN-L65191TN1985PLC037309)

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



DPV & Associates
Chartered Accountants

"Sri Ranga" | No. 151 | First Floor
Mambalam High Road | T. Nagar |
Chennai 600 017 | India
Phone No: + 91 - 44 - 2814 4763 / 64 / 65
E-mail : ca_dpv@yahoo.co.in

To

The Board of Directors
Mercantile Ventures Limited
Chennai

We have audited the accompanying standalone financial results ('the statements') of **MERCANTILE VENTURES LIMITED** ("the Company"), for the quarter and year ended March 31, 2018, attached here with, being submitted by the company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. Attention is drawn to the fact that the figures for the quarter ended March, 31 2018 and the corresponding quarter ended in the previous year is reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the current and the previous financial year respectively. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

Management's Responsibility for the Standalone Financial Statements

The statement has been prepared on the basis of an annual financial statements and reviewed quarterly financial results up to the end of third quarter which are the responsibility of the Companies management. Our responsibility is to express an opinion on the statement based on our audit of such standalone financial statements, which have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the rules issued there under, other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) 2015.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts disclosed in the statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that audit evidence we have obtained is sufficient and appropriate to provide for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results:-

- a) Are presented in statements accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015; and





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-: 2 :-

- b) give true and fair view of the financial performance including other comprehensive income and other financial statements for the quarter ended 31st march, 2018 as well the year to date results for the period from 1st April, 2017 to 31st March, 2018.

Attention is drawn to fact that the comparative figures for the quarter and year ended 31st March, 2017 are based on the previously issued standalone financial statement, prepared in accordance with the IND AS.

For **DPV & Associates**
Chartered Accountants
(Firm's Registration No. 011688S)



CA Vaira Mutthu K
Partner
(Membership No.218791)

Chennai, 18 May 2018





DPV & Associates
Chartered Accountants

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Independent Auditor's Reports

To
The Members of
Mercantile Ventures Limited

Report on Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Mercantile Ventures Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate, for the year ended March 31, 2018 ("the Statement"), being submitted by the Holding company pursuant to requirement of the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements, 2015). The Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been complied with the Indian Accounting Standards (IND AS) referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Our Responsibility is to express an opinion on statement based on our audit of such Consolidated Financial Statements.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the statements.





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We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries, referred to in below para Other Matters, the statement :-

- a) Includes the results of the subsidiaries :-
 - i) Oasis Ventures Private Limited
 - ii) i3 Security Private Limited
 - iii) Rayce Electronics Intelligence Private Limited
- b) Is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015; and
- c) Gives a true and fair view in conformity with aforesaid IND As and other accounting principles generally accepted in India of the Net Profit and other financial information of the Group for the year ended March, 31 2018.

Other Matters

We did not audit the financial statements of the subsidiaries namely M/s. Oasis Ventures Private limited, M/s. Rayce Electronics Intelligence Private Limited, M/s.i3 Security Private Limited, whose consolidated financial statements reflect total assets of Rs.815.71 Lakhs as at 31st March, 2018, total revenue of Rs.2,484.59 Lakhs and net cash flows amounting to Rs.29.95 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

We did not audit the financial statements of the associates namely M/s. National Trust Housing Finance Limited whose unaudited financial statements reflect total assets of Rs.25,650.51 Lakhs as at 31st March, 2018, total revenue of Rs.4,230.50 Lakhs for the year ended on that date, as considered in the consolidated financial statements.





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These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and in our opinion the consolidated financial statements, in so far as it relates to amounts and disclosures included in respect of these subsidiaries and associate, is based solely upon the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors .

For **DPV & Associates**
Chartered Accountants
(Firm's Registration No. 011688S)




CA Vaira Mutthu K
Partner
(Membership No.218791)

Chennai, 18 May 2018



Mercantile Ventures Limited

CIN: L65191TN1985PLC037309

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

Statement of audited Standalone and consolidated financial results for the quarter and year ended 31/03/2018

(Rs. in Lakhs)

Sl.No.	Particulars	Standalone				Consolidated	
		Quarter ended 31/03/2018	Quarter ended 31/12/2017	Quarter ended 31/03/2017	Year ended 31/03/2018	Year ended 31/03/2017	Year ended 31/03/2017
		Audited	Unaudited	Audited	Audited	Audited	Audited
1	Income						
	Income from Operations	134.19	133.25	127.93	514.89	468.74	2714.10
	Other Income	88.15	147.24	107.09	618.00	468.20	473.39
	Total Income	222.34	280.49	235.02	1132.89	936.94	3187.49
2	Expenses						
	Cost of goods sold						4.90
	Cost of services / Material consumed	18.90	17.05	15.30	72.60	62.68	706.15
	Employee benefit expense	15.58	15.62	35.45	63.27	191.31	1377.19
	Finance costs	30.69	27.04	28.18	111.93	111.84	191.63
	Depreciation and amortisation expense	59.76	51.07	57.60	224.81	242.18	114.17
	Other expenses	124.94	110.78	136.53	472.61	608.01	366.01
	Total Expenses	97.40	169.71	98.49	660.28	328.93	2755.15
3	Profit / (Loss) from operations before exceptional items (1-2)	-	(115.19)	(3,388.96)	(98.26)	(3,081.43)	432.34
4	Exceptional Items-Expenditure/(Income)	97.40	54.52	(3,290.47)	562.02	(2,752.50)	(3,081.43)
5	Profit/(Loss) from ordinary activities before tax (3 + 4)	27.55	45.07	6.07	189.16	126.03	(2,649.09)
6	Tax Expense - Current Tax	(13.80)	(1.56)	2.76	295.53	(15.73)	168.94
	- Deferred Tax	83.65	11.01	(3,299.30)	77.33	(2,862.80)	(24.95)
7	Net Profit from Ordinary Activities after Tax (5-6)	-	-	-	-	-	(2,793.08)
8	Extraordinary Items (Net of tax expenses)	83.65	11.01	(3,299.30)	77.33	(2,862.80)	114.14
9	Net Profit/(Loss) for the period (7+8)	219.52	246.08	374.43	638.26	539.02	539.02
10	Other Comprehensive Income	303.17	257.09	(2,924.87)	715.59	(2,323.78)	(2,254.06)
11	Total Comprehensive Income for the Period(9+10)	303.17	257.09	(2,924.87)	715.59	(2,323.78)	0.12
12	Pre acquisition profit(capital reserve)						
13	Total Comprehensive Income for the Period(11+12)	11191.82	11191.82	11191.82	11191.82	11191.82	(2,254.18)
14	Paid-up equity share capital (Face value of Rs.10/- each)						11191.82
	Earnings per Share (in Rs) before and after extra-ordinary items -not annualised						
15	Basic	0.27	0.23	(2.61)	0.64	(2.08)	(2.01)
	Diluted	0.27	0.23	(2.61)	0.64	(2.08)	(2.01)



Mercantile Ventures Limited

CIN: L65191TN1985PLC037309

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

Standalone Statement of Assets & Liabilities as at 31 March 2018

(Rs. in lakhs)

Particulars	As at 31/03/2018	As at 31/03/2017
ASSETS		
Non- Current Assets		
(a) Property Plant and Equipment	8399.46	8515.91
(b) Capital work in progress	4401.62	-
Financial Assets		
(i) Investments	5733.87	6238.41
Deferred Tax Assets(net)	963.54	1259.06
	19498.49	16013.38
Current Assets		
(a) Financial Assets		
(i) Investments	567.44	7.08
(ii) Trade Receivables	138.10	152.94
(iii) Cash and Cash equivalents	69.89	101.98
(v) Other current financial assets	5045.60	8823.05
(b) Other Current Assets	639.87	1147.94
	6460.90	10232.99
Total Assets	25959.39	26246.37
EQUITY & LIABILITIES		
Equity		
(a) Equity Share Capital	11191.82	11191.82
(b) Other Equity	13447.56	13182.30
	24639.38	24374.12
Liabilities		
Non- Current Liabilities		
Financial Liabilities		
(i) Borrowings	365.02	391.88
(ii) Other financial liabilities	235.00	192.84
	600.02	584.72
Current Liabilities		
Financial Liabilities		
(i) Trade Payables	19.10	30.91
(ii) Other Financial Liabilities	46.99	98.18
(iii) Provisions	653.90	1158.44
	719.99	1287.53
Total Equity & Liabilities	25959.39	26246.37



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Consolidated Statement of Assets & Liabilities as at 31 March 2018

(Rs. in lakhs)

Particulars	As at 31/03/2018	As at 31/03/2017
ASSETS		
Non- Current Assets		
(a) Property Plant and Equipment	8407.68	8523.63
(b) Capital work in progress	4401.62	0.00
(c) Other Intangible Assets	58.15	47.39
Financial Assets		
(a) Investments	6021.88	6408.97
(b) Deferred tax assets (Net)	975.12	1268.49
(c) Other Loans and advances	1.04	0.90
	19865.49	16249.38
Current Assets		
Inventories	0.53	3.72
(a) Financial Assets		
i) Investments	567.44	7.08
ii) Trade receivables	571.69	523.83
iii) Cash and cash equivalents	295.86	298.00
iv) Other current financial assets	5067.20	8834.35
(b) Current Tax Assets	722.58	1200.68
	7225.30	10867.66
Total Assets	27090.79	27117.04
EQUITY & LIABILITIES		
Equity	11191.82	11191.82
(a) Equity Share Capital	14185.29	13720.48
(b) Other Equity	25377.11	24912.30
Liabilities		
Non- Current Liabilities		
Financial Liabilities	365.02	391.88
(i) Borrowings	235.00	192.84
(ii) Other financial liabilities	600.02	584.72
Current Liabilities		
Financial Liabilities		
(i) Trade Payables	42.76	51.35
(ii) Other Financial Liabilities	255.03	255.66
(iii) Provisions	815.87	1313.01
	1113.66	1620.02
Total Equity & Liabilities	27090.79	27117.04



Notes :

- The results for the quarter ended 31 March 2018 are in accordance with the Indian Accounting Standards (IND AS) notified by the Ministry of Corporate Affairs, which are applicable to the Company for the accounting periods beginning after 1st April 2017. Consequently, results for the corresponding quarter and year ended 31 March 2017 have been restated as per the requirements of the said notification to comply with IND AS to make them comparable. The management has exercised necessary due diligence to ensure that the financial results provide true and fair view of the Company's affairs.
- The above results were reviewed by the Audit committee and approved by the Board of Directors at their respective meetings held on 18 May, 2018
- The figures for quarter ended 31 March 2018 and 31 March 2017 represent the difference between the audited figures in respect of the full financial years and the published figures for nine months ended 31 December 2017 and 31 December 2016
- The company operates only in one business segment namely leasing of properties
- The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below :

Particulars	(Rs in Lakhs)		
	Standalone		Consolidated
	Quarter ended	Year ended	Year ended
	31.03.2017	31.03.2017	31.03.2017
Net Profit/(Loss) after tax as per IGAAP reported earlier	(2,787.19)	(2,297.75)	(2,228.16)
Finance cost -Notional interest on Rent Deposit, Convertible Preference	(5.12)	(19.26)	(19.26)
Additional Depreciation as per IND AS - fair valuation of Fixed assets	(20.13)	(80.52)	(80.52)
Revision of profit on sale of investments based on fair valuation	(490.29)	(490.29)	(490.29)
Other Comprehensive income- fair valuation of investments(Net of Tax)	374.43	539.02	539.02
Tax impact on the above adjustments	3.42	25.02	25.02
Net Profit after tax under Ind AS	(2,924.87)	(2,323.78)	(2,254.18)

6 Reconciliation of equity as at 01 April 2016 reported as per previous IGAAP with equity restated under IND AS is summarised below:

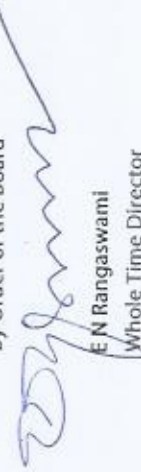
Particulars	(Rs in Lakhs)	
	Standalone	Consolidated
	As at 01 April 2016	
Equity as per previous IGAAP	15373.20	15734.86
Adjustments on account of transition to Ind AS		
Fair valuation of Fixed Assets	4270.56	4270.56
Fair valuation of Equity Investments	1590.75	1590.75
Discounting of Rental Deposits to Present Value	128.21	128.21
Recognition of Equity Component of financial instruments	40.96	40.96
Forfeited shares	2.85	2.85
Advances written off	(7,521.02)	(7,521.02)
Amortisation of Preference Shares , convertible Bonds	(19.82)	(19.82)
Reversal of Provision for taxation	32.26	32.26
Recognition of preference Dividend Income	260.00	260.00
Tax impact on the above adjustments	1320.41	1320.40
Total Other Equity as per IND AS as at 01-04-2016	15478.36	15840.01

7 The figures for the previous periods have been regrouped/reclassified wherever necessary.

Place: Chennai

Date : 18 May 2018

By Order of the Board


E N Rangaswami
Whole Time Director



18 May 2018

DECLARATION

Pursuant to second proviso to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements), 2015, we hereby declare that the Reports of the Auditors on the Financial Statements for the year ended 31 March 2018 do not contain any modified opinion.

For Mercantile Ventures Limited



V Padmanabha Sarma
Chief Financial Officer



Mercantile Ventures Limited

(CIN L65191TN1985PLC037309)

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