

# **Sonal Mercantile Limited**



**Annual Report 2022 - 2023**

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## Chairman's Message

**Dear Members**

*It's a pleasure to present the Annual Report of Financial Year 2022-2023 of your Company. This year was remarkable; your Company had earned profit after tax of Rs. 784.85 Lakhs. It's only because of your trust and loyalty on the Company. I am very thankful to you and our team.*

*Your company is engaged in providing loans and advances to individuals and Body Corporates i.e. inter corporate loans, personal loans, long term and short term loans, Trade financing, Bills Discounting, Project Appraisal, Loans against Guarantee and Properties and also engaged in Trading in shares & securities and arbitrage business in stock and commodity market. We are committed to further strengthening our capabilities that allow us to serve various financial needs of our customers – offering not only such loans but also protection and security for a better future.*

*The Company is focusing to achieve its vision and will provide best opportunities to new talents and existing personnel. This will not be possible without support of 'SML Team' and You.*

*Once again, I am very thankful to the entire 'SML Team' and to you for your support.*



**Yours Sincerely  
Vikram Goyal  
(Chairman)**

## **COMPANY'S INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Vikram Goyal	-	Chairman & Whole Time Director
Mr. Rajan Goyal	-	Non Executive Director
Mr. Deepak	-	Independent Director
Mrs. Rati Goswami	-	Independent Director
Mr. Munish Kumar Garg	-	Independent Director
Mr. Pardeep Kumar	-	Independent Director

### **CHIEF FINANCIAL OFFICER**

Mr. Rohit Saraogi	-	Chief Financial Officer
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### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

Mr. Akshay Khare	-	Company Secretary/Compliance Officer (w.e.f. 10.06.2022)
Mrs. Prabhjeet Kaur	-	Company Secretary/Compliance Officer (till 27.04.2022)

### **STATUTORY AUDITOR**

M/s. Ajay Rattan & Co. Chartered Accountants (Firm Reg No. 012063N)  
E-115, 11th Floor, Himalaya House, 23, Kasturba Gandhi Marg, Delhi - 110001  
Email: [ajay@ajayrattanco.com](mailto:ajay@ajayrattanco.com)

### **SECRETARIAL AUDITOR & SCRUTINIZER**

**Mr. Nitin Gupta (Practicing Company Secretary)**  
A-177, Ground Floor, A Block, Sector-15, Noida, Uttar Pradesh-201301  
E-mail Id: [csguptanitin@gmail.com](mailto:csguptanitin@gmail.com)

### **REGISTERED OFFICE**

365, Vardhman Plaza, III Floor, Sector-3, Rohini, New Delhi-110085 Contact No. 011-49091417  
E-mail Id: [sonalmercantile@yahoo.in](mailto:sonalmercantile@yahoo.in) Website: [www.sonalmercantile.in](http://www.sonalmercantile.in)

### **REGISTRAR AND SHARE TRANSFER AGENT**

**Skyline Financial Services Private Limited**  
D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020  
Tel No.: 011-26812682, 83  
Email Id: [admin@skylinerta.com](mailto:admin@skylinerta.com) Website: [www.skylinerta.com](http://www.skylinerta.com)

### **BANKERS OF THE COMPANY**

Union Bank of India  
HDFC Bank

### **LISTED AT- RBI REGISTRATION NUMBER - CORPORATE IDENTIFICATION NUMBER**

#### **Listed At:**

BSE Limited, Mumbai (Scrip Code: 538943)  
Delhi Stock Exchange, Delhi (Scrip Code: 5053) (*DSE is an Inoperative Stock Exchange*)  
**RBI Registration Number:** B-14.02393 Dated 19/07/2002  
**Corporate Identification Number:** L51221DL1985PLC022433

## **BOARD COMMITTEES**

<b>Audit Committee</b>	<b>Mr. Pardeep Kumar (Chairperson)</b>
	<b>Mrs. Rati Goswami (Member)</b>
	<b>Mr. Rajan Goyal (Member)</b>
	<b>Mr. Munish Kumar Garg (Member)</b>
	<b>Mr. Deepak (Member)</b>
<b>Nomination &amp; Remuneration Committee</b>	<b>Mrs. Rati Goswami (Chairperson)</b>
	<b>Mr. Rajan Goyal (Member)</b>
	<b>Mr. Munish Kumar Garg (Member)</b>
	<b>Mr. Pardeep Kumar (Member)</b>
	<b>Mr. Deepak (Member)</b>
<b>Stakeholders &amp; Relationship Committee</b>	<b>Mr. Munish Kumar Garg (Chairperson)</b>
	<b>Mr. Pardeep Kumar (Member)</b>
	<b>Mr. Deepak (Member)</b>
	<b>Mrs. Rati Goswami (Member)</b>
	<b>Mr. Rajan Goyal (Member)</b>
<b>Risk Management Committee</b>	<b>Mr. Munish Kumar Garg (Chairperson)</b>
	<b>Mr. Pardeep Kumar (Member)</b>
	<b>Mr. Deepak (Member)</b>
	<b>Mr. Vikram Goyal (Member)</b>
	<b>Mr. Rajan Goyal (Member)</b>
<b>Corporate Social Responsibility Committee</b>	<b>Mr. Vikram Goyal (Chairperson)</b>
	<b>Mr. Deepak (Member)</b>
	<b>Mr. Pardeep Kumar (Member)</b>
	<b>Mr. Rajan Goyal (Member)</b>

## **NOTICE**

**NOTICE** is hereby given that the **Thirty Eight Annual General Meeting (AGM)** of the members of the Company which is scheduled to be held on **Saturday, September 30, 2023 at 11.00 AM** through Video Conferencing ('VC')-Other Audio Visual Means ('OAVM') to transact the following business:

### **Ordinary Business:**

#### **1. Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements (Standalone as well as Consolidated) of the Company for the year ended March 31, 2023, along with the reports of the Board of Directors and the Auditors thereon.

#### **2. Re-appointment of Mr. Rajan Goyal as Director, liable to Retire by Rotation**

To appoint a Director in place of Mr. Rajan Goyal (DIN: 02600825) who retires by rotation & being eligible offers himself for reappointment as a Director of the Company.

### **Special Business:**

#### **3. Approval of Material Related Party Transaction**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Regulations 23 (3) & (4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee to the omnibus approval of Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), between the Company and Rudraveerya Developers Ltd an associate Company on such terms and conditions as may be mutually agreed for an aggregate value not exceeding Rs. 200 crore , during each of the financial year 2023-24 and 2024-25, on the terms and conditions as set out in the explanatory statement annexed to this notice and that such transactions already undertaken by the Company with aforesaid related parties during such period also be and is hereby ratified provided that such transaction(s)/ contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

#### **4. Re-Appointment Of Whole Time Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of

India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended and rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri Vikram Goyal (DIN:00381115) as Whole time Director of the Company for the second term of five (5) years with effect from 23rd November, 2023 (date of reappointment) upto 22nd November, 2028 on the terms and conditions including remuneration not exceeding 6 lakhs per annum and other perquisites and allowances as set out in the explanatory statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board of Directors and Shri Vikram Goyal.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts and take such steps as may be necessary, proper or expedient to give effect to this resolution."

#### **5. Re-Appointment Of Independent Director**

To consider and if, thought fit, pass with or without modification the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b), 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the performance evaluation and recommendation of the Nomination and Remuneration Committee, the approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Deepak (DIN: 07878217) as an Independent Director of the Company for the second term of five (5) years with effect from March 26, 2024 (date of reappointment) upto March 25, 2029 on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board of Directors and Shri Deepak.

**RESOLVED FURTHER THAT** the Board of Directors of the Company including any Committee thereof be and is hereby authorised to do all acts, deeds, matters and things as they may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard, in the best interest of the Company."

**By Order of the Board of Directors  
For Sonal Mercantile Limited**

**Date: September 01<sup>st</sup>, 2023  
Place: New Delhi**

**Akshay Khare  
Company Secretary**

**Notes:**

- 1.** General Instructions for accessing and participating in the 38th AGM through VC-OAVM facility and voting through electronic means including remote e voting.
- a)** The Ministry of Corporate Affairs, Government of India (“MCA”) has vide its circulars dated December 28, 2022; May 5, 2022; December 14, 2021; January 13, 2021; May 5, 2020; April 13, 2020; and April 8, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting”) through Video Conferencing facility/ Other Audio Visual Means (“VC/OAVM”), on or before September 30, 2023, without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India (“SEBI”) vide its circulars dated January 5, 2023; May 13, 2022; January 15, 2021 and May 12, 2020 and other applicable circulars issued in this regard have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). In compliance with the provisions of the Companies Act, 2013 (“the Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 38th AGM of the Company is being held through VC/OAVM. The deemed venue for the 38th AGM shall be registered office of the Company. Hence, Members can attend and participate in the ensuing AGM through VC-OAVM.
- b)** The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“Act”), relating to the Special Business mentioned above is annexed hereto.
- c)** Pursuant to the Circulars, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC-OAVM and participate there at and cast their votes through e-voting.
- d)** The Members can join the AGM in the VC-OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC-OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- e)** The attendance of the Members attending the AGM through VC-OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- f)** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 and other applicable circulars by MCA and SEBI the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- g)** Members holding shares in Dematerialized Form are requested to intimate immediately any change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., as follows:

- a) For shares held in electronic form: to their Depository Participants (DPs).
- b) For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021
- h)** As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company's Registrar and Transfer Agent, Skyline Financial Services Pvt. Ltd at <https://www.skylinerta.com/> It may be noted that any service request can be processed only after the folio is KYC Compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transmission and transposition shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Skyline Financial Services Pvt. Ltd. for assistance in this regard.
- i)** SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated 16th March, 2023 mandated the physical shareholders to furnish their PAN, KYC and nomination details by October 1, 2023. Hence, the shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, Skyline Financial Services Pvt. Ltd, either by e-mail to [admin@skylinerta.com](mailto:admin@skylinerta.com) or by post at D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020,
- In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents.
- j)** As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to LIPL, in case the shares are held in physical form.
- k)** Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent of the Company for consolidation of the folios along with the requisite KYC documents for consolidating the holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form
- l)** In line with the Ministry of Corporate Affairs (MCA) Circular No. 17-2020 dated April 13, 2020, and other applicable circulars by MCA and SEBI. the Notice calling the AGM has been uploaded on the website of the Company at [www.sonalmercantile.in](http://www.sonalmercantile.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia](http://www.bseindia). and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- m)** In terms of section 152 of the Act, Mr. Rajan Goyal (DIN: 02600825), Director, retire by rotation at the

meeting and being eligible, offer himself for re appointment.

Details of Director retiring by rotation, appointment-re appointment as required to be provided pursuant to the provision of (i) the Securities and Exchange Board of India (LODR) Regulation, 2015 and (ii) Secretarial Standard on General Meeting (SS-2), issued by the institute of Company Secretaries of India and approved by the Central Government are provided in Annexure to the Notice.

- n) AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular and No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021. and other applicable circulars by MCA and SEBI.
- o) The remote e-voting period begins on **27th September, 2023 at 09.00 A.M. and ends on 29th September, 2023 at 05.00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **23rd September, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **23rd September, 2023**. The Register of Members and Share Transfer Books of the Company will remain closed from **24th September 2023 to 30th September 2023** (both days inclusive).
- p) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. **23rd September, 2023**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **23rd September, 2023** may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.
- q) Members seeking to inspect such documents can send an email to Company at [sonalmercantile@yahoo.in](mailto:sonalmercantile@yahoo.in) mentioning their name, Folio No./DP ID and Client ID and the documents that they seek to inspect, with a self-attested copy of their PAN card attached.

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

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

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

##### **Step 1: Access to NSDL e-Voting system**

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

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

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