

# 79TH ANNUAL REPORT

2022-23

HINDUSTHAN  
MERCANTILE  
LIMITED

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

**Shri Bharat Kumar Jalan**  
Executive Director

**Smt. Anuradha Jalan**  
Executive Director

**Shri Ishaan Jalan**  
Whole Time Director and CFO

**Shri Dinesh Kumar Seksaria**  
Independent Director

**Shri Dinesh Kumar Sharma**  
Independent Director

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### **COMPANY SECRETARY**

Ms. Niharika Pandey

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### **STATUTORY AUDITORS**

P.K. Dhelia & Co.  
310, Commercial Point  
79, Lenin Sarani  
Kolkata-700013

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### **SECRETARIAL AUDITORS**

Ms. Puja Pujari

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### **BANKERS**

Kotak Mahindra Bank Limited  
Axis Bank Limited

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### **REGISTRAR & TRANSFER AGENT**

S. K. Infosolutions Pvt. Ltd  
D/42, Katju Nagar (Near South City Mall), Ground Floor  
Katju Nagar Bazar, Jadavpur  
Kolkata -700032.  
Contact No: (033-24120027 & 033-24120029)

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### **REGISTERED OFFICE**

4A, Shree Ganesh Business Centre  
216 A J C Bose Road  
Kolkata-700017  
Contact-033 2287 2882  
Email-hmltd.hml@gmail.com  
Website- <http://www.hindusthanmercantile.com/>

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# HINDUSTHAN MERCANTILE LIMITED

(CIN No.: L67190WB1944PLC011627)

4A SHREE GANESH BUSINESS CENTRE

216, A. J.C. BOSE ROAD, KOLKATA-700017

Telephone: (033)2287-2882 Email: hmltd.hml@gmail.com,

Website-http://www.hindusthanmercantile.com/

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 79<sup>th</sup> Annual General Meeting (AGM) of the members of the Company will be held on **Saturday, the 30<sup>th</sup> day of September, 2023 at 11:00 AM (IST)** at the registered office of the Company at 4A Shree Ganesh Business Centre, 216 Acharya J.C Bose Road, Kolkata-700017 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider, adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with the report of the Board of Directors and Auditors thereon and to pass the following resolution:

**“RESOLVED THAT** the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2023, and the Reports of the Directors and the Auditors thereon, placed before this Meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mrs. Anuradha Jalan (DIN:01132410) who retires by rotation at this meeting and being eligible, offers herself for re-appointment and pass the following resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Anuradha Jalan (DIN: 01132410), who retires by rotation at this Meeting under the provisions of the Company Act, 2013, be and is hereby reappointed as Director of the Company.”

Date:7<sup>th</sup> September, 2023

By the order of the Board,

Sd/-

Niharika Pandey

(Company Secretary)

Regd. Office: 4A Shree Ganesh Business Centre  
216 A. J.C Bose Road  
Kolkata-700017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy duly completed, stamped and signed should, however, be deposited at the registered office of the company, not less than forty eight hours before the commencement of the Meeting. Blank proxy form is enclosed and can also be obtained free of charge from the registered office of the company. Proxy so appointed shall not have the right to speak at the meeting.
2. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014 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 shareholder.
3. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting;
4. The Register of Members of the company will remain closed from 22<sup>nd</sup> September to 30<sup>th</sup> September, both days inclusive.
5. The Company is registered with Central Depository Services (India) Ltd. ('CDSL'), for dematerialization of its Equity Shares which has been allotted the **ISIN INEQEN01011**. S K Infosolutions Pvt. Ltd. having its office at D/42, Katju Nagar, Jadavpur, Kolkata- 700032 is the Registrar and Share Transfer Agent of the Company.
6. The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the meeting shall be able to exercise their right at the meeting through Ballot Paper.
7. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22<sup>nd</sup> September, 2023 (Friday).
8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;
9. The Chairman of Meeting shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present and have not availed e voting at the AGM. Mrs. Priyanka Soni, Company Secretary in Practice, had been appointed to scrutinize the voting by poll and e voting in fair and transparent manner.
10. All documents referred to in the notice are open for inspection at the registered office of the Company between business hours on all working days up to the date of the Meeting;
11. Details of Directors seeking appointment / reappointment at the 79<sup>th</sup> Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given as an Annexure to the Notice.



**ANNEXURE**

**Mrs. Anuradha Jalan**

Mrs. Anuradha Jalan is a B.Com graduate from Bombay University and having experience exceeding 5 years in accounting and related matters. She holds 8,010 equity shares in the Company. Her other Directorship in Indian Companies is as under:

Name of the Company	Date of Appointment
SOORYA INVESTMENT CO PVT LTD	30/11/2020
TEESTA VALLEY CORPN PVT LTD	30/11/2020
A D INVESTMENT CO PVT LTD	04/03/1987
T M INVESTMENT CO PVT LTD	12/04/2001
KUNJ COMMERCIAL CO LTD	07/12/2019
LUMOS LEADS PRIVATE LIMITED	31/08/2018
INVICTA HOLDINGS PRIVATE LIMITED	25/02/2019

Date: 7<sup>th</sup> September, 2023

By the order of the Board,

Sd/-  
Niharika Pandey  
(Company Secretary)

Regd. Office: 4A Shree Ganesh Business Centre  
216 A. J.C Bose Road  
Kolkata-700017

## E VOTING

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, and Circular No. 21/2021 dated December 14, 2021. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2. 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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 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 EGM/AGM without restriction on account of first come first served basis.

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

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at <http://www.hindusthanmercantile.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.cse-india.com](http://www.cse-india.com). The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before

31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 27th September, 2023 at 11AM and ends on 29th September, 2023 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

(i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
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Individual Shareholders holding securities in Demat mode with CDSL Depository

1)Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further

authentication. The users to login to Easi / Easiest are requested to visit cdsi website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab.

2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.

4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL Depository

1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS" "Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>

3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

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

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

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

Login type Helpdesk details

Individual Shareholders holding securities in Demat mode with CDSL Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Demat mode with NSDL Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

  - Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

  - If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.  
**EVSN is 230907021**

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [hmltd.hml@gmail.com](mailto:hmltd.hml@gmail.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- 1.The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
- 2.The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- 3.Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- 4.Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- 5.Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 6.Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 7.Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast \_\_\_ days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance \_\_\_ days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- 8.Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 9.Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- 10.If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.



**HINDUSTHAN MERCANTILE LIMITED**

(CIN No.: L67190WB1944PLC011627)  
 4A SHREE GANESH BUSINESS CENTRE  
 216, A. J.C. BOSE ROAD, KOLKATA-700017  
 Telephone: (033)2287-2882 Email: hmltd.hml@gmail.com,  
 Website-http://www.hindusthanmercantile.com/

**PROXY FORM**

Name of the member (s):	E-mail Id:
	No. of shares held
Registered address:	Folio No.
	DP ID*.
	Client ID*.

\* Applicable for investors holding shares in electronic form.

I/We being the member(s) of the above named Company hereby appoint:

S.No.	Name	Address	Email address	
1				or failing him
2				or failing him
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 79<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 30<sup>th</sup> day of September, 2023 at 11.00 A.M at 4A, Shree Ganesh Business Centre, 216 AJC Bose Road, Kolkata-700017 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

S.No.	Resolution	For	Against
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

\*\* It is optional to put a 'X' 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 in the manner as he/she thinks appropriate.

Signed this ..... day of..... 2023

Signature of shareholder.....

Signature of Proxy holder(s) (1).....

Signature of Proxy holder(s) (2).....

Signature of Proxy holder(s) (3).....



**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 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the company.
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. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
5. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 79<sup>th</sup> Annual General Meeting.
5. Please complete all details including details of member(s) in above box before submission.

**HINDUSTHAN MERCANTILE LIMITED**

(CIN No.: L67190WB1944PLC011627)  
 4A SHREE GANESH BUSINESS CENTRE  
 216, A. J.C. BOSE ROAD, KOLKATA-700017  
 Telephone: (033)2287-2882 Email: [hmltd.hml@gmail.com](mailto:hmltd.hml@gmail.com),  
 Website-<http://www.hindusthanmercantile.com/>

**REPORT OF THE DIRECTORS**

For the year ended 31<sup>st</sup> March, 2023

To,  
 The Members,

Your Directors are pleased to present the 79<sup>th</sup> Annual Report and the Company's audited financial statements for the Financial Year ended March 31, 2023.

**FINANCIAL HIGHLIGHTS OF THE COMPANY**

The highlights of the company's performance are as under:

Particulars	Rupees in Thousands	
	Year ended 31.03.2023	Year ended 31.03.2022
Total Revenue	1691.50	1610.26
<b>Profit before Taxation</b>	<b>(3201.92)</b>	<b>275.35</b>
Less: Provision for Taxation		
Current Tax Including Tax Relating to Previous Year	30.00	67.50
Deferred Tax	5.32	6.35
Excess Provision for Tax written back	-	83.91
<b>Profit for the year</b>	<b>(3237.24)</b>	<b>117.60</b>
Balance brought forward from previous year	<b>3444.80</b>	<b>3327.20</b>
<b>Balance Available for appropriation</b>	<b>207.56</b>	<b>3444.80</b>
Less: Appropriation		
Transfer to Statutory Reserve	NIL	NIL
<b>Balance of Profit carried forward</b>	<b>207.56</b>	<b>3444.80</b>

**STATEMENT OF AFFAIRS:**

There has been no change in the business of the Company during the financial year ended 31st March, 2023.

**DIVIDEND:**

No dividend were declared for the current financial year due to loss incurred by the company.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review is appended below:

**A. BUSINESS ACTIVITIES:**

The overall revenue for the year 2022-23 was Rs. 1691.50 thousands as compared to Rs 1610.26 Thousands in previous year. During the year 2022-23, there was a net loss of Rs. 3237.24 thousands as against net profit of Rs. 117.60 thousands in the previous year. The loss was mainly because the company has written off/made provision for the very old receivable of Rs. 3407.48 Thousands which is either no longer realizable or the realization of which is doubtful.

**B. REVIEW OF OPERATIONS & FUTURE PROSPECTS**

The Board of your Company is exploring alternatives for improving its operations for long term growth.

**C. OPPORTUNITIES AND THREATS, RISKS AND CONCERNS**

Your Company's objective is to effect improvement in its operations. However, the Company is exposed to threats and risks, as faced by other organizations in general and those engaged in similar business, like adverse changes in the general economic and market conditions, changes in Government policies and regulations etc.

**D. INTERNAL CONTROL SYSTEM**

The Company has Internal control procedures commensurate with the nature of its business and size of its operations. The objectives of these procedures are to ensure efficient use and protection of Company's resources, accuracy in financial reports and due compliance of applicable statutes and Company's norms, policies and procedures.

**E. DEPOSITS**

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Rules made thereunder and therefore, no amount of principal or interest was outstanding as on the date of Balance Sheet.

**F. HUMAN RESOURCES**

There was no loss of work or any human resource related problem during the year.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mrs. Anuradha Jalan (DIN-01132410) retires by rotation at the ensuing Annual General Meeting and being eligible offer herself for re-appointment.

Ms. Niharika Pandey (Membership No-A61978) was appointed as the Company Secretary and Compliance Officer with effect from 28<sup>th</sup> November, 2022.

The brief resume of the Director seeking appointment/re-appointment at the ensuing AGM is attached to the Notice of the said Meeting.

**POLICY FOR DIRECTORS APPOINTMENT:**

The Company believes that in order to ensure that the Board of Directors can discharge their duties and responsibilities effectively; it aims to have a Board with optimum combination of experience and commitment with the presence of Independent Directors. Such Board can provide a long term plan for the Company's growth, improve the quality of governance and increase the confidence of its shareholders. The Company has a policy in terms of Section 178(3) of the Companies Act, 2013 on directors' appointment and remuneration including the criteria for determining their qualifications, positive attributes and independence.

**BOARD EVALUATION:**

The Board has evaluated the effectiveness of its functioning and that of the Committees and of individual Directors by seeking inputs on various aspects of Board/Committee Governance and considered and discussed in details the inputs received from the Directors

**DIVERSIFICATION OF BOARD:**

During the period under review, no changes has been made in the composition of the Board of Directors. The current provisions is to have an appropriate mix of executive, non-executive, a woman and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of March 31, 2023, the Board had five members, three

of them are Executive director and next two of them are Non-Executive. Out of two Non-Executive Directors, both of them are Independent Directors. None of the Directors of our Company is disqualified under provisions of Section 164(2) (a) and (b) of the Companies Act, 2013.

**BOARD MEETINGS:**

The Board of Directors met five times during the year under review i.e., on 27<sup>th</sup> April, 2022, 19<sup>th</sup> July 2022, 7<sup>th</sup> September 2022, 25<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023.

**AUDIT COMMITTEE:**

The Board constituted an Audit Committee as per requirement of section 177 of the Companies Act, 2013 as follows:

Mr. Dinesh Kumar Seksaria	Chairman
Mr. Bharat Kumar Jalan	Member
Mr. Dinesh Kumar Sharma	Member

The committee met on the following dates during the period under review:

1. 16<sup>th</sup> April, 2022
2. 12<sup>th</sup> August, 2022
3. 2<sup>nd</sup> November, 2022
4. 20<sup>th</sup> February 2023

**NOMINATION AND REMUNERATION COMMITTEE:**

The Board constituted Nomination and Remuneration Committee as per requirement of section 178 of the Companies Act, 2013 as follows:

Mr. Dinesh Kumar Seksaria	Chairman
Mr. Bharat Kumar Jalan	Member
Mr. Dinesh Kumar Sharma	Member

The committee met once on 18<sup>th</sup> November, 2022 during the period under review.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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 had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**INDEPENDENT DIRECTORS DECLARATION:**

The Independent Directors meet the criteria of being Independent (as prescribed in the Companies Act, 2013 and the Listing Regulations) and declaration of Independence from them has been obtained.

**RISK MANAGEMENT POLICY:**

Pursuant to the provision of clause (n) of sub section (3) of Section 134 of the Companies Act, 2013, the Directors state that:

Your Company has established a comprehensive Risk Management System to ensure and safe guard company's objectives. To mitigate risks, actions are identified that would assist to make the risk to an acceptable level. Monitoring and reporting process has been defined to update Board of Directors. There are no risks identified by the Board which may threaten the existence of the company.

**LOANS, GUARANTEES OR INVESTMENTS:**

The company did not grant any loans or give guarantees nor made any investments in other body corporate exceeding the limit prescribed under Section 186 of the Companies Act, 2013.

**ANNUAL RETURN:**

As provided under Section 134(3) (a) of the Companies Act, 2013, the Annual Report as on 31<sup>st</sup> March, 2023 will be made available on the website of the Company [www.hindusthanmercantile.com](http://www.hindusthanmercantile.com).

**STATUTORY AUDITORS:**

M/S P. K. Dhelia & Co., Chartered Accountants, (Firm Registration No. 314150E), continues to act at the Statutory Auditors of the Company as they were appointed for a term of 5 years commencing from year 2021-22. The certificate as required under Section 139 of the Companies Act, 2013, has been obtained.

**AUDITOR'S REPORT:**

The Auditors' observations have been dealt with in the notes which are self-explanatory and do not call for further clarification.

**SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules there under, the Board of Directors of the Company has appointed CS Puja Pujari (Membership No.- 54368, COP No-20171, Peer Review No-3636), Kolkata, Practicing Company Secretary to conduct the Secretarial Audit of the Company for the Financial Year 2022-23. The report is annexed to the Board's Report.

**COST AUDIT:**

The Company is not required to maintain cost records in terms of Section 148(1) of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS:**

All contracts/arrangements/transactions entered by the Company with its Related Parties during the financial year were on arm's length basis and in the ordinary course of business. Hence the provisions of Section 188 of the Companies Act, 2013 and disclosure in Form AOC-2 are not

applicable. The transactions with Related Parties are disclosed in the Notes to the Financial Statement.

**COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:**

The company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 were not applicable to the Company during the year ended 31<sup>st</sup> March, 2023.

**ACKNOWLEDGEMENTS:**

Your Directors would like to thank shareholders, bankers and all other business associates for the continuous support given by them to the Company.

**For and on behalf of the Board of Directors**

Sd/--  
Dinesh Kumar Sharma      Sd/--  
Anuradha Jalan

Place: Kolkata

Date: 7<sup>th</sup> September 2023

## Form No. MR-3

### Secretarial Audit Report

For the financial year 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023

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

To,  
The Members of`  
**Hindusthan Mercantile Limited**  
**4A Shree Ganesh Business Centre,**  
**216 Acharya J. C. Bose Road,**  
**Kolkata-700017**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindusthan 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 **Hindusthan Mercantile Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized 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 31<sup>st</sup> March, 2023 ('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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (**The Act**) and the Rules made there under;
- (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 there under;
- (iv) 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.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (till November 9, 2018); (**Not applicable as the Company has not issued any further share capital during the period under review**)



- d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 9, 2018); **(Not applicable as the Company has not issued any further share capital during the period under review)**
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;**(Not applicable during the period under review)**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued and listed any debt securities during the financial year under review)**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as there was no reportable event during the period under review)**and
- i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the review period ;**( Not applicable as there was no reportable event during the period under review)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women director and Independent Directors as well as for the formation of various committees i.e. Audit Committee and Nomination & Remuneration Committee.

Adequate notice is 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting. All decisions are carried out unanimously as recorded in the minutes of the Meeting.

**I further report that** revocation of listing with Calcutta Stock Exchange is still under process and the company is still awaiting for the reply at their end.

**I further report that** during the year under audit there was casual vacancy of Whole-Time Company Secretary for a period of approx. seven months which was duly filled in by the company by appointing a Whole Time Company Secretary.

**I further report that,** the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

**I further report that** all the compliances w.r.t to SEBI whether it is quarterly, half yearly or yearly has been duly complied within due date except the quarterly financial results which were not filed by the company to Calcutta Stock Exchange within due time.

**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 report further that** during the audit period there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

**During the period under review** I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for the compliances under other applicable Acts, Laws and Regulations to the Company.

**Date: 11/08/2023**

**Signature:**

**Place: Kolkata**

**Sd/- Puja Pujari**

**UDIN-A054368E000787683**

**Practicing Company Secretary**

**Membership No- 54368**

**Certificate of Practice Number-20171**

**Peer Review No-3636**

**This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.**

**Annexure-A**

**To,  
The Members of  
Hindusthan Mercantile Limited  
4A, Shree Ganesh Business Centre,  
216, A. J. C. Bose Road,  
Kolkata-700017**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Date: 11/08/2023**

**Signature:**

**Sd/- Puja Pujari**

**Place: Kolkata**

**Practicing Company Secretary**

**UDIN-A054368E000787683**

**Membership No- 54368**

**Certificate of Practice Number-20171**

**Peer Review No-3636**

CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)  
CA AKHILESH KUMAR AGARWAL (B.COM, FCA)

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## INDEPENDENT AUDITORS' REPORT

To The Members of **HINDUSTHAN MERCANTILE LIMITED**

### Report on the audit of the financial statements

#### Opinion

We have audited the accompanying standalone financial statements of **HINDUSTHAN MERCANTILE LIMITED** ("the Company"), (CIN-L67190WB1944PLC011627) which comprise the balance sheet as at **March 31, 2023**, and the Statement of Profit and Loss and the Cash Flows Statements for the year then ended, and notes to the financial statements, 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 explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ('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, 2023, its loss and its cash flows for the year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.

#### **Information other than the standalone Financial Statements and Auditors' report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)  
CA AKHILESH KUMAR AGARWAL (B.COM, FCA)**

## **Management's responsibility for the financial statements**

The Company's board of directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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.

The board of directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 Companies Act, 2013, 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 related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)**  
**CA AKHILESH KUMAR AGARWAL (B.COM, FCA)**

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 financial statements of the current period 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**

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 Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

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 and the statement of profit and loss statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

(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, in our opinion and to the best of our information and according to the explanations given to us;

- I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note to the financial statements;
- II. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract including derivative contracts; and
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

**CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)**  
**CA AKHILESH KUMAR AGARWAL (B.COM, FCA)**

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IV.

- a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities including foreign entities ("Intermediaries"), With the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ;
- b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and
- c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement

V. The Company has neither declared nor paid any dividend during the year in compliance with Section 123 of the Act.

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

**For P.K. DHELIA & CO.**  
*(Chartered Accountants)*  
Firm Reg. No.314150E

Sd/-

**CA PRAMOD KUMAR DHELIA**  
PARTNER  
M.No.: 051734

**PLACE: KOLKATA**

**DATE: 7<sup>TH</sup> SEPTEMBER, 2023**

**UDIN:23051734BGPNQ02923**



CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)  
CA AKHILESH KUMAR AGARWAL (B.COM, FCA)

**Annexure A to the Independent Auditors' Report to the members of HINDUSTHAN MERCANTILE LIMITED for the year ended March 31,2023.**

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.**

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
  - c) According to the information and explanation given to us, the title deeds of the immovable properties are held in the name of the company.
  - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
2. In respect of its inventories:
  - a) The Company does not have any inventory hence the management has not conducted physical verification of inventory at reasonable intervals during the year. As informed to us, no material discrepancies were noticed on such verification..
  - b) The Company does not have any inventory and no working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
3. During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore clauses (iii) (a) to (f) of paragraph 3 of the said order are not applicable to the Company.
4. According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit.
5. The Company has not accepted any deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
6. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
7. a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as



**CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)**  
**CA AKHILESH KUMAR AGARWAL (B.COM, FCA)**

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- applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b) There are no dues in respect of income-tax or sales-tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanation given to us, company has no transactions, 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);
9. The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly.
- The Company has not taken any term loan during the year. Hence reporting under clause 9(a) of paragraph 3 of the Order is not applicable to the Company.
  - Company is not declared wilful defaulter by any bank or financial institution or other lender;
  - The Company has not taken any term loan during the year. Hence, reporting under clause 9(c) of paragraph 3 of the Order is not applicable to the Company.
  - The company has not raised any funds during the year. Hence, reporting under clause 9(d) of paragraph 3 of the Order is not applicable to the Company.
  - The Company has no subsidiary, associate or joint venture and hence reporting on clause 9(e) and (f) of paragraph 3 of the Order is not applicable to the Company.
- 10.
- The Company has not raised moneys by way of initial public offer or further public offer (Including debt instruments) during the year. Therefore, clause (10)(a) of Paragraph 3 of the said order is not applicable to the Company.
  - The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, clause (10)(b) of Paragraph 3 of the said order is not applicable to the Company.
- 11.
- According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;
  - According to the information and explanation given to us, 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;
  - According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;
12. Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company.
13. According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013.
14. In our opinion and based on our examination though the Company is required to have an internal audit system under section 138 of the Act, it does not have the same during the year.
15. According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

**CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)  
CA AKHILESH KUMAR AGARWAL (B.COM, FCA)**

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16. The company is not a Non-Banking Financial Company as registered under section 45-IA of the Reserve Bank of India Act, 1934, accordingly the provisions of sub-clause (b) of clause 3(xvi) of the Order is not applicable.
17. The Company has not incurred cash losses in the current financial year and preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
20. The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
21. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For P.K. DHELIA & CO.**  
*(Chartered Accountants)*  
Firm Reg. No.314150E

**PLACE: KOLKATA**

**DATE: 7<sup>TH</sup> SEPTEMBER, 2023**

**UDIN: 23051734BGPNQ02923**

**Sd/-**

**CA PRAMOD KUMAR DHELIA**  
PARTNER  
M.No.: 051734

CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)  
CA AKHILESH KUMAR AGARWAL (B.COM, FCA)

**Annexure B to the Independent Auditors' Report to the Members of HINDUSTHAN MERCANTILE LIMITED as of March 31, 2023 on its standalone financial statements.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section.**

We have audited the internal financial controls over financial reporting of **HINDUSTHAN MERCANTILE LIMITED** ("the Company") as of March 31, 2023 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" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

**CA PRAMOD KUMAR DHELIA (B.COM, FCA, DISA)**  
**CA AKHILESH KUMAR AGARWAL (B.COM, FCA)**

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- a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. 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
- c. 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 Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations, given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 ICAI.

**For P.K. DHELIA & CO.**  
*(Chartered Accountants)*  
Firm Reg. No.314150E

**PLACE: KOLKATA**

**DATE: 7<sup>TH</sup> SEPTEMBER, 2023**

**UDIN: 23051734BGPNQ02923**

**Sd/-**

**CA PRAMOD KUMAR DHELIA**  
**PARTNER**  
M.No.: 051734

**HINDUSTHAN MERCANTILE LIMITED**  
(Formerly Known as HINDUSTHAN MERCANTILE BANK LIMITED)  
Address: 4A, SHREE GANESH BUSINESS CENTRE,  
216 A J C BOSE ROAD KOLKATA Kolkata- 700017 (W.B.)  
CIN-L67190WB1944PLC011627  
**BALANCE SHEET AS AT 31ST MARCH 2023**

(Amount in thousands)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
(1) <u>Non Current Assets</u>			
(a) Plant, Property & Equipment			
(i) Tangible Assets	4	111.91	114.74
(b) <u>Financial Assets</u>			
(i) Investments	5	1192.61	1192.61
(ii) Loans & Advances	6	71.59	3382.82
(iii) Security Deposits	7	54.74	18.65
(c) Deferred Tax Assets	8	10.10	15.42
(2) <u>Current Assets</u>			
(a) <u>Financial Assets</u>			
(i) Investments	9	3,684.91	3,684.91
(ii) Cash & Cash Equivalents	10	15581.30	14685.61
(iii) Loans	11	6,650.00	7,322.22
(iv) Others Current Assets	12	1,011.71	1,184.31
		<b>28,368.86</b>	<b>31,601.28</b>
<b>EQUITY &amp; LIABILITIES</b>			
(1) <u>Equity</u>			
(a) Equity Share Capital	13	10000.00	10000.00
(b) Other Equity	14	18107.56	21344.80
(2) <u>Current Laibilities</u>			
(a) Other Current Liabilities	15	168.72	126.39
(b) Provisions	16	92.59	130.09
		<b>28,368.86</b>	<b>31,601.28</b>

Corporate information	1
Significant accounting policies	2
Notes to Accounts	24

The accompanying notes 1 to 34 are an integral part of these financial statements

As per our report of even date attached

**FOR P. K. DHELIA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm's Reg. No.: 314150E  
UDIN No. 23051734BGNQO2923

For and on behalf of Board of Directors

Sd/-  
**BHARAT KUMAR JALAN**  
(DIRECTOR)

Sd/-  
**ISHAAN JALAN**  
(WHOLE TIME DIRECTOR  
AND CFO)

Sd/-  
**CA P.K.DHELIA,**  
Partner  
Membership No. : 051734  
310, Commercial Point  
79, Lenin Sarani  
Kolkata-700013  
Date - 7th September, 2023

DIN:00876208

DIN:03588136

Sd/-  
**Niharika Pandey**  
Company Secretary

**HINDUSTHAN MERCANTILE LIMITED**

(Formerly Known as HINDUSTHAN MERCANTILE BANK LIMITED)

Address: 4A, SHREE GANESH BUSINESS CENTRE,

216 A J C BOSE ROAD KOLKATA Kolkata- 700017 (W.B.)

CIN L67190WB1944PLC011627

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2023

(Amount in thousands)

Sr. No	Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	<b>INCOME</b>		(Amount in Rs.)	(Amount in Rs.)
I	Revenue from operations	17	1354.44	1359.20
II	Other Income	18	337.06	251.05
III	<b>TOTAL INCOME ( I + II )</b>		1691.50	1610.26
	<b>EXPENSES</b>			
	(a) Employee benefits expenses	19	1042.52	1042.70
	(b) Depreciation and amortisation expenses	20	2.83	2.94
	(c) Other expenses	21	3848.06	289.26
	<b>TOTAL EXPENSES (IV)</b>		4893.42	1334.90
V	Profit before tax (III-IV)		-3201.92	275.35
	<b>Tax Expense:</b>	22		
	(a) Current tax expense		30.00	67.50
	(b) Deferred tax		5.32	6.35
	(c) IncomeTax adjustment relating to Earlier year			83.91
VII	<b>Profit / (Loss) for the period (V-VI)</b>		-3237.24	117.60
IX	Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) (VIII+IX)		-3237.24	117.60
	<b>Earning per equity share:</b>	23		
	(1) Basic		-32.37	1.18
	(2) Diluted		-32.37	1.18

Corporate information

1

Significant accounting policies

2

Notes to Accounts

24

The accompanying notes 1 to 34 are an integral part of these financial statements

As per our report of even date attached

For and on behalf of Board of Directors

**FOR P. K. DHELIA & CO.**  
**CHARTERED ACCOUNTANTS**

Firm's Reg. No.: 314150E

UDIN No. 23051734BGPNQO2923

Sd/-

CA P.K.DHELIA,

Partner

Membership No. : 051734

310, Commercial Point

79, Lenin Sarani

Kolkata-700013

Date - 7th September, 2023

Sd/-

**BHARAT KUMAR JALAN**  
(DIRECTOR)

DIN:00876208

Sd/-

**ISHAAN JALAN**  
(WHOLE TIME DIRECTOR  
AND CFO)

DIN:03588136

Sd/-

Niharika Pandey

Company Secretary



# HINDUSTHAN MERCANTILE LIMITED

CIN L67190WB1944PLC011627

Address: 4A, SHREE GANESH BUSINESS CENTRE,  
216 A J C BOSE ROAD KOLKATA Kolkata- 700017 (W.B.)

## Note forming part of the Financial Statements

### Note 1 Corporate information

The Hindusthan Mercantile Limited ("the Company") is a public limited entity domiciled in India and is engaged in the business of activities auxiliary to financial intermediation..

Its registered office is situated at 4A, Shree Ganesh Business Centre, 216, A.J.C. Bose Road, Kolkata, West Bengal (700017) . The financial statements for the year ended 31st March, 2023 were approved for issue by the Board of Directors on 7th September, 2023.

The Company is registered with Securities and Exchange Board of India (SEBI) as a member of Calcutta Stock Exchange (CSE).

### Note 2 Significant accounting policies

#### 2.1 Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ('the Act'). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

#### 2.2 Basis of preparation

These financial statements have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under historical cost convention on an accrual basis, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All Ind AS issued and notified till the financial statements are approved for issue by the Board of Directors have been considered in preparing these financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II to the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest rupees in

thousands upto 2 decimals as per the requirement of Schedule III to the Act, unless stated otherwise.

#### 2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

#### 2.4 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. The Company has ascertained its operating cycle to be 12 months for the purpose of current, non-current classification of assets and liabilities.



## 2.5 Property, plant and equipment (PPE) and Depreciation

- a) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.
- b) Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

## Note 2.6 Significant accounting policies (contd.)

- c) Depreciation of these assets commences when the assets are ready for their intended use. Depreciation on items of PPE is provided on a Straight Line Method ('SLM') basis for the assets acquired on or after 1st April, 1988 and Written down value method ('WDV') for the assets acquired prior to 1st April, 1988 to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013.

The estimated useful lives of Property, plant and equipment of the Company are as follows :

Buildings -	30 years
Computer & Data Processing Equipments-	3 years
Furniture and Fixtures-	10 years
Vehicles-	8 years

The estimated useful lives, residual values and method of depreciation are reviewed at each Balance sheet date and changes, if any, are treated as changes in accounting estimate.

## 2.7 Impairment of Assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

## 2.8 Revenue recognition

Revenue is recognized to the extent that it is probable that, the economic benefits will flow to the Company and the revenue can be reliably estimated and collectability is reasonably assured.

Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Unbilled revenue represents earnings on ongoing fixed price and time and material contracts over and above the amounts invoiced to customers.

- a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b) **Service income**  
Revenue in respect of maintenance services is recognized on an accrual basis, in accordance with the terms of the respective contract.
- c) **Interest income**  
Interest income is recorded on accrual basis.
- d) All other incomes are accounted for on accrual basis.

## 2.9 Provisions, contingent liabilities and contingent assets

- a) Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

- b) Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.
- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## 2.10 Employee benefits

### a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

### b) Defined contribution plans

Company's Contributions to Provident fund, Pension fund and Employee's State Insurance Corporation are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.

### c) Defined benefit plans

Gratuity is in the nature of a defined benefit plan. The cost of providing benefits under the defined benefit obligation is accounted for as and when it becomes due for payment and liability for leave encashment at the year end is accounted for on cash basis.

## 2.11 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

### i) Financial Assets

#### (a) Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

#### (b) Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (1) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
  - (2) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
  - (3) fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.
- Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**(c) Impairment**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**(d) Reclassification**

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**(e) De-recognition**

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and

the Company has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

- (i) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (ii) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**ii) Financial liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**iii) Equity instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**iv) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**v) Dividend distribution**

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**vi) Fair value measurement**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## **2.12 Taxes**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

## **2.13 Earnings per Share**

- a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **2.14 Operating Segment**

The Company is engaged in manufacturing Synthetic and Cotton yarn in India. Based on its internal organisation and management structure, the Company operates in three business segment i.e. Textile, Yarn division and Carpet but only in one geographic segment i.e. India. Accordingly there is no separate geographical reportable segments.

## **2.15 Foreign Currency Transactions**

Transactions in Foreign Currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign Currency monetary assets and liabilities at the year end are translated using closing rates whereas non monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as revenue or expenses in the Statement of Profit and Loss.

## **2.16 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/loss 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 flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **Note 3 Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### **Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(i) Useful lives of property, plant and equipment:**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(ii) Estimation of Defined benefit obligations**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**(iii) Impairment of investments**

The Company reviews its carrying value of investments carried at cost/amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**(iv) Fair value measurement**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(v) Provisions and contingent liabilities**

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

**(vi) Recent accounting pronouncements**

New and amended standards adopted by the Company

On March 23, 2022, Ministry of Corporate Affairs amended Ind AS 16 (specifying accounting of net sale proceeds generated while preparing the asset for its intended use), Ind AS 37 (specifying the composition of the cost of fulfilling the contract), Ind AS 103 (specifying the criteria for applying acquisition method for recognising assets and liabilities) and Ind AS 109 (specifying which fees to be included to apply 10 per cent test). These amendments are effective from April 1, 2022 and will not have material impact on Company's financial statements.

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**NOTE 4 - PROPERTY PLANT AND EQUIPMENT**

**a. Details of PPE**

(Amount in thousands)

Particulars	Buildings	Data Processing Equipments	Furniture and Fixtures	Vehicles	Total Tangible Assets
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at March 31, 2022	609.43	186.97	48.85	1,931.85	2,777.11
Additions Acquisition through Business Combinations Other Adjustments - Exchange Differnece - Change Due to Revaluation Disposals Capitalised					
Balance as at March 31, 2023	609.43	186.97	48.85	1,931.85	2,777.11
<b>Accumulated Depreciation</b>					
Balance as at March 31, 2022	532.43	186.22	48.25	1,895.47	2,662.36
Charge for the Year	2.83	0.00	0.00	0.00	2.83
Disposals for the Year	0.00	0.00	0.00	0.00	0.00
Changes due to Revaluation	0.00	0.00	0.00	0.00	0.00
Balance as at March 31, 2023	535.26	186.22	48.25	1,895.47	2,665.20
Carrying Amounts ( Net )					
<b>As at March 31, 2022</b>	<b>77.01</b>	<b>0.75</b>	<b>0.60</b>	<b>36.39</b>	<b>114.74</b>
<b>As at March 31, 2023</b>	<b>74.17</b>	<b>0.75</b>	<b>0.60</b>	<b>36.39</b>	<b>111.91</b>

a. No Property, Plant and Equipment are on lease

b. The title deeds of all the immovable properties as disclosed in financial statements, are held in the name of the Company.

c. the Company has not revalued its Property, Plant and Equipment during the year.

d. Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

e. there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988

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Note 5 NON- CURRENT INVESTMENTS

(Amount in thousands)

Particulars	Fair Value	Unit/No.s as at		Amount in (Rs.) Cost Value as at		Amount in (Rs.) Fair Market Value as at	
		Per Unit	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023
<b>Investments in Equity shares</b>							
<b>Quoted :</b>							
50 Equity Shares held in ABG SHIPYARD LTD at Rs10 Each ( net of impairment value of Rs 13.79( at at March 31, 2021- Rs 13.79 )	10	50	50	13.79	13.79	13.79	13.79
100 Equity Shares held in BATA INDIA LTD. at Rs 10 Each ( net of impairment value of Rs 18.462 ( at at March 31, 2021 - Rs 18.462 )	10	100	100	18.46	18.46	141.00	195.68
1931 Equity Shares held in CEAT TYRES LTD. at Rs 10 Each ( net of impairment value of Rs 153.805 ( at at March 31, 2021 - Rs 153.805 )	10	1931	1931	153.81	153.81	2,797.78	1,803.94
202 Equity Shares held in CESC LTD. at Rs 10 Each ( net of impairment value of Rs 6.87 ( at at March 31, 2021 - Rs 6.87 )	10	202	202	6.87	6.87	13.39	15.66
100 Equity Shares held in DIAMOND POWER INFRASTRUCTURE at Rs 10 Each ( net of impairment value of Rs 6.575 ( at at March 31, 2021 - Rs 6.575 )	10	100	100	6.58	6.58	6.58	6.58
77 Equity Shares held in DIAMOND POWER INFRASTRUCTURE M(BONUS) at Rs 10 Each ( net of impairment value of Rs .... ( at at March 31, 2021 - Rs ... )	10	77	77	-	-	-	-
1600 Equity Shares held in Hindalco Industries Ltd. at Rs 10 Each ( net of impairment value of Rs 394.83 ( at at March 31, 2021 - Rs 394.83 )	10	1600	1600	394.83	394.83	647.52	959.68
700 Equity Shares held in Hindalco Industries Ltd. at Rs 10 Each ( net of impairment value of Rs 67.2 ( at at March 31, 2021 - Rs 67.2 )	10	700	700	67.20	67.20	283.29	419.86
100000 Equity Shares held in India Jute & Industries Ltd. at Rs 10 Each ( net of impairment value of Rs 382.5 ( at at March 31, 2021 - Rs 382.5 )	10	100000	100000	382.50	382.50	382.50	382.50
48 Equity Shares held in J.K.Enterprises Ltd. at Rs 10 Each ( net of impairment value	10	48	48	0.72	0.72	2.13	2.90
100 Equity Shares held in KEC International Ltd.(Bonus) at Rs 2 Each ( net of impairment value of Rs .... ( at at March 31, 2021 - Rs .... )	2	100	100	-	-	-	-
50 Equity Shares held in Kilburn Chemicals Ltd. at Rs 10 Each ( net of impairment value of Rs 1.408 ( at at March 31, 2021 - Rs 1.408 )	10	50	50	1.41	1.41	1.41	1.41
1598 Equity Shares held in Master Share (UTI) at Rs 10 Each ( net of impairment value of Rs 15.75 ( at at March 31, 2021 - Rs 15.75 )	10	1598	1598	15.75	15.75	15.75	15.75
1000 Equity Shares held in Moser Bear Ltd.(Bonus) at Rs 10 Each ( net of impairment value of Rs ... ( at at March 31, 2021 - Rs .... )	10	1000	1000	-	-	-	-
250 Equity Shares held in MRPL at Rs 10 Each ( net of impairment value of Rs2.5 ( at at March 31, 2021- Rs 2.5 )	10	250	250	2.50	2.50	13.02	10.58
4480 Equity Shares held in Mysore Paper Mills Ltd. at Rs 10 Each ( net of impairment value of Rs 50.63 ( at at March 31, 2021 - Rs 50.63 )	10	4480	4480	50.63	50.63	50.63	50.63
8 Equity Shares held in Reliance industries Ltd. at Rs 10 Each ( net of impairment value of Rs 7.68 ( at at March 31, 2021 - Rs 7.68 )	10	8	8	7.68	7.68	18.34	21.38
8 Equity Shares held in Reliance industries Ltd. (Bonus) at Rs 10 Each ( net of impairment value of Rs ... ( at at March 31, 2021 - Rs.... )	10	8	8	-	-	-	-
10 Equity Shares held in Shree Cement Ltd. at Rs 10 Each ( net of impairment value of Rs 11.486 ( at at March 31, 2021 - Rs 11.486 )	10	10	10	11.49	11.49	260.16	240.89
1 Equity Shares held in Sumit Securities Ltd. at Rs 10 Each ( net of impairment value of Rs 5.944 ( at at March 31, 2021 - Rs 5.944 )	10	1	1	5.94	5.94	0.54	0.59
2200 Equity Shares held in Uniworth Ltd. at Rs 10 Each ( net of impairment value of Rs 28.831 ( at at March 31, 2021 - Rs 28.831 )	10	2200	2200	28.83	28.83	2.11	1.87
100 Equity Shares held in Zenotech Laboratories Ltd. at Rs 10 Each ( net of impairment value of Rs 12.815 ( at at March 31, 2021 - Rs 12.815 )	10	100	100	12.82	12.82	4.76	5.04
				<b>1,181.80</b>	<b>1,181.80</b>	<b>4,640.90</b>	<b>4,134.91</b>
<b>Un Quoted :</b>							
390 Equity Shares held in SGCBC Owners Asson. Pvt. Ltd. at Rs 10 Each ( net of impairment value of Rs 3.9 ( at at March 31, 2023 - Rs 3.9 )	10	390	390	3.90	3.90	3.90	3.90
100 Equity Shares held in D.N. Chowdhury Cotton Mills Ltd. at Rs 10 Each ( net of impairment value of Rs 1 ( at at March 31, 2023 - Rs 1 )	10	100	100	1.00	1.00	1.00	1.00
				<b>4.90</b>	<b>4.90</b>	<b>4.90</b>	<b>4.90</b>
<b>Investments in Debentures and Bonds</b>							
J.K.Enterprises Ltd.	10	18	18	2.16	2.16	2.16	2.16
CESC Ltd.	10	5	5	1.25	1.25	1.25	1.25
MRPL	10	25	25	2.50	2.50	2.50	2.50
				<b>5.91</b>	<b>5.91</b>	<b>5.91</b>	<b>5.91</b>
<b>Total</b>				<b>1,192.61</b>	<b>1,192.61</b>	<b>4,651.71</b>	<b>4,145.72</b>

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**Non Current Assets**

**Financial Assets**

**Note 6 Loans & Advances**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
		Rs.		Rs.
<b>Unsecured advances : Considered Good</b>				
Advance (Others)		9.00		9.00
Advance to UBI (Litigation Pending)		62.59		62.59
<b>Unsecured advances : Considered Doubtful</b>				
Other Loans and Advances (Doubtfull )	3311.23			3311.23
Less: Provsion for Doubtful Assets	3311.23	-		
<b>Total Unsecured Advances</b>		<b>71.59</b>		<b>3382.82</b>

**Note 7 Security Deposits**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
		Rs.		Rs.
Advance and Deposits		17.00		17.00
Deposit for Telephone		1.65		1.65
Prepaid Road Tax		36.10		-
<b>Total Unsecured Advances</b>		<b>54.74</b>		<b>18.65</b>

**Note 8 Deferred Tax Assets**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
		Rs.		Rs.
Tax Impact on difference between book value of depreciable assets and written down value for tax purpose		10.10		15.42
<b>Total</b>		<b>10.10</b>		<b>15.42</b>



## Current Assets

### Financial Assets

#### Note 9 Investments

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Rs.		Rs.	
<b>Investments in Mutual Funds</b> (0.957 Units Reliance Liquid Fund -Tresuary Plan )		3,684.91		3,684.91
<b>Total</b>		<b>3,684.91</b>		<b>3,684.91</b>

#### Note 10 Cash & Cash Equivalents

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Rs.		Rs.	
Fixed Deposit with Kotak Mahindra Bank Ltd		15373.27		14614.60
Balances with Banks		194.49		57.47
Cash on Hand		13.54		13.54
<b>Total</b>		<b>15581.30</b>		<b>14685.61</b>

The Term Deposit with Kotak Mahindra Bank has been provided to Kotak Mahindra Bank for granting of overdraft facility to The India Jute & Industries Ltd.

#### Note 11 Loans

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Rs.		Rs.	
<b>Unsecured advances : Considered Good</b>				
Loans and Advances to related parties		6,650.00		7,300.00
Advance to Staff		0.00		2.00
Advance to other		0.00		20.22
<b>Total</b>		<b>6,650.00</b>		<b>7,322.22</b>

#### Note 12 Other Current Assets

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Rs.		Rs.	
Current assets -				
Car Hire Charges receivable		0.00		96.25
Tax Deducted at Source		167.61		136.92
Interest Receivable		504.55		594.64
Interest Accrued on Fixed Deposit		25.02		56.49
Income Tax Refundable		284.28		237.00
Dividend Receivable		19.45		2.21
Service Charges Receivable		10.80		10.80
Rent Receivable		0.00		50.00
<b>Total</b>		<b>1,011.71</b>		<b>1,184.31</b>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**NOTE 13 - SHARE CAPITAL**

(Amount in thousands)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Rs.	Number of shares	Rs.
<b>(a) Authorised</b> Authorised share capital 2,00,000 Equity shares of Rs.100/- each with voting rights	200000	20000.00	200000	20000.00
	200000	20000.00	200000	20000.00
<b>(b) Issued</b> <b>Subscribed and fully paid up</b> 1,00,000 Equity shares of Rs.100/- each with voting rights	100000	10000.00	100000	10000.00
<b>Total</b>	<b>100000</b>	<b>10000.00</b>	<b>100000</b>	<b>10000.00</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Rs.	Number of shares	Rs.
Balance as at the beginning of the year	100000	10000.00	100000	10000.00
<b>Balance as at the end of the year</b>	<b>100000</b>	<b>10000.00</b>	<b>100000</b>	<b>10000.00</b>

The Company has only one class of equity shares of Rs. 10/- each. The holders of equity shares are entitled to receive dividend as declared from time to time and are 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 dues. The distribution will be in proportion to the number of equity shares held by the shareholder.

**(b) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholders	No. of Shares	%	Value/Share	Total Value As at March 31, 2023
Bharat Kumar Jalan	26302	26.30	100	2,630.20
Teesta Valley Corporation Limited	9000	9.00	100	900.00
Mr. Ishaan Jalan	18467	18.47	100	1,846.70
Mrs. Anuradha Jalan	8010	8.01	100	801.00
Ramkumar Morarka & Son Pvt. Ltd	8000	8.00	100	800.00
Kunj Commercial Company Limited	7000	7.00	100	700.00
Crown Investment Private Limited	7000	7.00	100	700.00
<b>TOTAL</b>	<b>83779</b>	<b>83.78</b>		<b>8,377.90</b>

Name of Shareholders	No. of Shares	%	Value/Share	Total Value As at March 31, 2022
Bharat Kumar Jalan	26302	26.30	100	2,630.20
Teesta Valley Corporation Limited	9000	9.00	100	900.00
Mr. Ishaan Jalan	18467	18.47	100	1,846.70
Mrs. Anuradha Jalan	8010	8.01	100	801.00
Ramkumar Morarka & Son Pvt. Ltd	8000	8.00	100	800.00
Kunj Commercial Company Limited	7000	7.00	100	700.00
Crown Investment Private Limited	7000	7.00	100	700.00
<b>TOTAL</b>	<b>83779</b>	<b>83.78</b>		<b>8,377.90</b>

(c) Shares held by promoter at the end of the year 31.03.2023

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Tolaram Jalan	575	0.57%	-
Bharat Kumar Jalan	26302	26.30%	-
Anuradha Jalan	8010	8.01%	-
Ishaan Jalan	18467	18.47%	-
Soorya Inv. Co. Pvt. Ltd	3850	3.85%	-
Collieries India Pvt. Ltd	1010	1.01%	-
A.D. Inv. Co. Pvt. Ltd	1000	1%	-
B. K. Investment Co. Pvt. Ltd	1000	1%	-
T. M. Inv. Co. Pvt. Ltd	1000	1%	-
Crown Investment Co. Pvt. Ltd	7000	7%	-
<b>Total</b>	<b>68214</b>	<b>68.21%</b>	<b>-</b>

Shares held by promoter at the end of the year 31.03.2022

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Tolaram Jalan	575	0.57%	-
Bharat Kumar Jalan	26302	26.30%	-
Anuradha Jalan	8010	8.01%	-
Ishaan Jalan	18467	18.47%	-
Soorya Inv. Co. Pvt. Ltd	3850	3.85%	-
Collieries India Pvt. Ltd	1010	1.01%	-
A.D. Inv. Co. Pvt. Ltd	1000	1.00%	-
B. K. Investment Co. Pvt. Ltd	1000	1.00%	-
T. M. Inv. Co. Pvt. Ltd	1000	1.00%	-
Crown Investment Co. Pvt. Ltd	7000	7.00%	-
<b>Total</b>	<b>68214</b>	<b>68.21%</b>	<b>-</b>

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(a) Equity Share capital

For the year ended 31st March, 2023

(Amount in thousands)

Balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
10,000.00	-	10,000.00

For the year ended 31 March, 2022

(Amount in '000)

Balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
10,000.00	-	10,000.00

(b) Other equity

(Amount in '000)

Particulars	Reserves and surplus			Total
	Capital reserve	Statutory Reserve	Retained earnings	
Balance as at 1st April, 2021	1,600.00	16,300.00	3,327.20	
Profit/(loss) for the year	-		117.60	
Other comprehensive income for the year	-		-	-
<b>Balance as at 31st March, 2022</b>	<b>1,600.00</b>	<b>16,300.00</b>	<b>3,444.80</b>	<b>21,344.80</b>
Balance as at 1st April, 2022	1,600.00	16,300.00	3,444.80	
Profit/(loss) for the year	-		(3,237.24)	
Other comprehensive income for the year	-		-	-
<b>Balance as at 31st March, 2023</b>	<b>1,600.00</b>	<b>16,300.00</b>	<b>207.56</b>	<b>18,107.56</b>

The accompanying notes 1 to 32 are an integral part of the financial statements.

As per our report of even date attached.

**FOR P. K. DHELIA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm's Reg. No.: 314150E  
UDIN No. 23051734BGPNO2923

For and on behalf of Board of Directors

Sd/-

**BHARAT KUMAR JALAN**  
(DIRECTOR)  
DIN:00876208

Sd/-

**ISHAAN JALAN**  
(WHOLE TIME DIRECTOR AND CFO)  
DIN:03588136

Sd/-

**CA P.K.DHELIA,**  
Partner  
Membership No. : 051734  
310, Commercial Point  
79, Lenin Sarani  
Kolkata-700013  
Date - 7th September, 2023

Sd/-

**Niharika Pandey**  
Company Secretary

**HINDUSTHAN MERCANTILE LIMITED**  
(Formerly Known as HINDUSTHAN MERCANTILE BANK LIMITED)  
Address: 4A, SHREE GANESH BUSINESS CENTRE,  
216 A J C BOSE ROAD KOLKATA Kolkata- 700017 (W.B.)  
CIN NO.= L67190WB1944PLC011627

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTE 14-Other Equity

(Amount in thousands)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
<u>Capital Reserve</u>				
Balance as per last account		1600.00		1600.00
<u>Statutory Reserve</u>				
Balance as per last account		16300.00		16300.00
<u>Retained Earnings</u>				
Balance as per last account	3444.80		3327.20	
For the year	-3237.24	207.56	117.60	3444.80
<b>Total</b>		<b>18107.56</b>		<b>21344.80</b>

NOTE 15 - Other Current Liabilities

(Amount in thousands)

Particulars		As at		As at
		31 March, 2023		31 March, 2022
(A) Audit Fees		22.50		7.00
(B) TDS Payable		59.26		0.50
(C) Others payables:		86.96		118.89
<b>Total</b>		<b>168.72</b>		<b>126.39</b>

NOTE 16 - Provisions

(Amount in thousands)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Long-term	Short-term	Long-term	Short-term
(A) Provision for Taxation	-	30.00		67.50
(B) Provision for Expenses at UBI	-	62.59		62.59
<b>Total</b>	-	<b>92.59</b>	-	<b>130.09</b>

## HINDUSTHAN MERCANTILE LIMITED

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CIN NO.= L67190WB1944PLC011627

### Note 17 REVENUE FROM OPERATIONS

(Amount in thousands)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Rs.	Rs.
Interest Received on Loan (Gross)	546.43	660.71
Inteest Received on Bank Fixed Deposit (Gross)	808.00	698.49
<b>Total</b>	<b>1,354.44</b>	<b>1,359.20</b>

### Note 18 OTHER INCOME

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Rs.	Rs.
Dividend Income	23.11	15.85
Rental Income	300.00	225.00
Interest on IT Refund	3.76	-
Miscellaneous Income	10.20	10.20
<b>Total</b>	<b>337.06</b>	<b>251.05</b>

### Note 19 Employee Benefit Expenses

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Rs.	Rs.
Salaries	1,040.02	1,040.19
Staff Welfare	2.50	2.51
<b>Total</b>	<b>1,042.52</b>	<b>1,042.70</b>

### Note 20 Depreciation and Amortisation Expenses

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Rs.	Rs.
Depreciation on property, plant and equipment (owned assets)	2.83	2.94
<b>Total</b>	<b>2.83</b>	<b>2.94</b>

### Note 21 Other expenses

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Rs.	Rs.
Auditors Fees	22.50	7.00
Directors Sitting Fees	5.00	5.00
Listing Fees	47.20	29.50
Other Expenses for Name Change(CSE)	53.10	-
Maintenance Charges	178.55	55.22
Miscellaneous expenses	1.91	2.19
Motor Car Expenses	58.22	81.55
Printing & Stationery Charges	0.00	20.25
Professional Charges	25.59	31.81
Rates and taxes, excluding taxes on income	41.62	50.73
ROC Expenses	6.90	6.00
Bad Debts	96.25	-
Provision for Doubtful Debts	3,311.23	-
<b>Total</b>	<b>3,848.06</b>	<b>289.26</b>

### Of above, payment to Auditors includes:

Statutory Audit	12.50	-
Other Services	10.00	7.00

**Note No. : 22 Tax expense**

Particulars	For the year ended 31 March, 2023 Rs.	For the year ended 31 March, 2022 Rs.
<b>A. Amount recognised in profit or loss</b>		
Current tax	30.00	67.50
Deferred tax	-	-
<b>Total</b>	<b>30.00</b>	<b>67.50</b>
<b>B. Amount recognised in Other Comprehensive Income</b>		
<b>Deferred tax</b>		
On items that will not be reclassified to profit or loss		
Remeasurement gains/(losses) on defined benefit plans		
<b>Total</b>		
<b>Reconciliation of Tax Expense</b>		
Profit/(loss) before tax	(3,201.92)	275.35
Add: Provision for Doubtful Debts	3,311.23	-
Net Taxable Profit/(Loss)	109.31	275.35
Applicable tax rate	26.00%	26.00%
<b>Computed tax expense (A)</b>	<b>28.42</b>	<b>28.00</b>
<b>Adjustments for:</b>		
Tax effects of carry forward losses	-	39.30
<b>Net adjustments (B)</b>	<b>-</b>	<b>39.30</b>
<b>Tax expense (A+B)</b>	<b>28.42</b>	<b>67.50</b>

**Note No. : 23 Earnings per share**

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Amount used as the numerator (Amount in 'thousands)		
Profit/(loss) for the year - (A)	(3,237.24)	117.60
Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share - (B)	1,00,000	1,00,000
Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share - (C)	1,00,000	1,00,000
Nominal value of equity shares (Rs.)	100	100
Basic earnings per share (Rs.) (A/B)	(32.37)	1.18
Diluted earnings per share (Rs.) (A/C)	(32.37)	1.18

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CIN L67190WB1944PLC011627

(Amount in Thousands)

**Note 24**     **Payment to Auditors Include**  
Statutory Audit Fees  
Limited Review Report Fees

For the year ended 31st March, 2023		For the year ended 31st March, 2022	
12.50		7.00	
10.00	22.50	0.00	7.00
	22.50		7.00

**Note 25**     **Disclosures of related party transactions (as identified & certified by the management):**

As per Accounting Standard-18- 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below :

a) Associate/Joint Ventures

Nil

b) Key Managerial Personnel

Mr. Bharat Kumar Jalan	Director
Mrs. Anuradha Jalan	Director
Mr. Ishaan Jalan	Whole Time Director & CFO
Ms. Niharika Pandey	Company Secretary

c) Enterprise owned or significantly influenced by : The India Jute & Industries Ltd  
Collieries India Private Limited  
Crown Investment Private Ltd  
Soorya Investment Company Pvt. Ltd  
T. M. Investment Company Pvt Ltd.  
A. D. Investment Company Pvt. Ltd.

d) Key Management Personnel and their relatives

Nature of Transactions	KMP	Directors	Enterprise owned or significantly influenced by KMP
<u>Mangerial Remuneration Paid</u>			
Mr. Ishaan Jalan	720000		
Ms. Niharika Pandey	136242		
<u>Director Sitting Fees</u>			
Mr. Bharat Kumar Jalan		1000	
Mrs. Anuradha Jalan		1000	
<u>Loan Paid/(Refund)</u>			
The India Jute & Industries Ltd			-650000
<u>Service Charges Receivable</u>			
Collieries India Private Limited			600
Crown Investment Private Ltd			3600
Soorya Investment Company Pvt. Ltd			600
T. M. Investment Company Pvt Ltd.			600
A. D. Investment Company Pvt. Ltd.			600
	856242	2000	-644000

**NOTE 26 :**

Previous year's figures have been regrouped / re-arranged wherever considered necessary. Figures are rounded off to nearest rupees in thousands.

For and on behalf of Board of Directors

**FOR P. K. DHELIA & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm's Reg. No.: 314150E  
UDIN No. 23051734BGPNO2923

Sd/-

**BHARAT KUMAR JALAN**  
(DIRECTOR)  
DIN:00876208

Sd/-

**ISHAAN JALAN**  
(WHOLE TIME DIRECTOR & CFO)  
DIN:03588136

Sd/-

**CA P.K.DHELIA,**  
Partner  
Membership No. : 051734  
310, Commercial Point  
79, Lenin Sarani  
Kolkata-700013  
Date - 7th September, 2023

Sd/-

Niharika Pandey  
Company Secretary



**HINDUSTHAN MERCANTILE LIMITED**  
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CIN L67190WB1944PLC011627

**Note 27 Micro, Small and Medium Enterprises**

There are no Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as on 31st March 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note 28 Short Term Borrowings**

There are no short term borrowings taken by the company.

**Note 29 Contingent Liabilities**

There are no contingent liabilities.

**Note 30 Fixed Deposits & Interest Income**

The company has fixed deposit of Rs. 1, 53, 73, 273 on which interest received during the year is Rs. 8,08,001. Out of the total interest Rs. 27,798/- is accrued but not received.

**Note : 31 Provision for Doubtful Advances**

In the current year, the company has created provision for doubtful advances of Rs. 33,11,229.58 against Loans given to Nandan Construction, Duncan Industries Ltd and Interest receivable which is doubtful. Again, the company has written off the Car Hire Charges Receivable as the same is not realizable.

**Note 32 Long term Loans and Advances**

Balances of loans and advances incorporated in the books as per balances appearing are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management however is of the view that there will be no material discrepancies in this regard.

**Note 33 Impairment of Assets**

On the basis of physical verification of assets and cash generation capacity of those assets in the management perception, there is no impairment of assets as on 31st March 2023.

**Note 34** Previous year's figure have been regrouped/recastes and rearranged wherever considered necessary.

**HINDUSTHAN MERCANTILE LIMITED****Address: 4A, SHREE GANESH BUSINESS CENTRE,  
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CIN L67190WB1944PLC011627

(Amount in thousands)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022	Variance	Reasons for Variance
	Rs.	Rs.	Rs.	Rs.
<b>Note 19</b>				
<b>Key ratios</b>				
(a) Current Ratio	103.05	104.79	(1.74)	
- Current Assets	26,927.92	26,877.05	50.88	
- Current Liabilities	261.30	256.48	4.82	
(b) Debt-Equity Ratio				
- Total Debt				
- Shareholders Equity				
(c) Debt Service Coverage Ratio				
-Earnings available for debt service				
-Debt Service				
(d) Return on Equity Ratio	(10.89)	0.38	(11.27)	
- Net Profits after taxes – Preference Dividend (if any)	(3,237.24)	117.60	(3,354.83)	
- Average Shareholder's Equity	29,726.18	31,286.00	(1,559.82)	
(e) Inventory turnover ratio				
- Cost of Goods Sold or Sales				
- Average Inventory				
(f) Trade Receivables turnover ratio				
- Net Credit sales				
- Average Trade Debtors / Accounts receivable				
(g) Trade payables turnover ratio,				
- Net Credit Purchases				
- Average Trade Payables				
(h) Net capital turnover ratio,				
- Net Sales				
- Average Working Capital				
(i) Net profit ratio,				
- Net profit				
- Net Sales				
(j) Return on Capital employed,	(11.39)	0.88	(12.27)	
- Earnings Before Interest and tax	(3,201.92)	275.35	(3,477.27)	
- Capital employed	28,107.56	31,344.80	(3,237.24)	
(k) Return on investment.	(11.52)	0.38	(11.89)	
- Net Profits after taxes – Preference Dividend (if any)	(3,237.24)	117.60	(3,354.83)	
- Shareholder's Fund	28,107.56	31,344.80	(3,237.24)	
Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.				

For and on behalf of Board of Directors

FOR P. K. DHELIA & CO.  
CHARTERED ACCOUNTANTS  
Firm's Reg. No.: 314150E  
UDIN No. 23051734BGNQO2923

Sd/-  
CA P.K.DHELIA,  
Partner  
Membership No. : 051734  
310, Commercial Point  
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