



**Ray & Co.**

Chartered Accountants

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Shakespeare Court  
21A, Shakespeare Sarani, Flat 8C, 8th Floor, Kolkata-700 017

Our Reference.....

Date..02.09.2020

**Independent Auditor's Report on Unaudited Standalone Quarterly Financial Results of the Company  
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,  
2015 (as amended).**

To the Board of Directors of  
M/s ADARSH MERCANTILE LIMITED

**Opinion**

1. We have reviewed the accompanying statement of unaudited standalone quarterly financial results ('the Statement') of **M/s Adarsh Mercantile Limited** ('the Company') for the quarter ended 30 June 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) Presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit and other comprehensive income and other financial information of the Company for the quarter ended 30 June 2020.

**Basis for Opinion**

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in Auditor's Responsibilities for the Review of the Standalone Financial Results 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 ("ICAI") together with the ethical requirements that are relevant to our review of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We have not performed an audit and accordingly, we do not express an audit opinion.





#### **Emphasis of Matter**

4. We draw attention to note no 2 of the Statement, as regards to the management evaluation of impact of COVID-19 on the future performance of the company.

Further, due to the prevailing COVID-19 pandemic, the Government has ordered lock down whereby the physical movement has been restricted and as a law abiding professional, our firm is in complete compliance of the same. Thus, we could not visit the Company's office and as a result the whole audit has been conducted from a remote location through electronic media. In view thereof, no physical verification or inspection of the relevant documents and records could be possible and as such we have relied upon the soft and scanned copies of documents and the information made available to us electronically.

Our opinion is not modified with respect to the above matter.

#### **Responsibilities of Management and Those Charged with Governance for the Statement**

5. This Statement has been prepared on the basis of the standalone quarterly unaudited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Review of the Statement**

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from





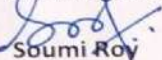
fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Director'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 Statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.

**For Ray & Co.**

Chartered Accountants

Firm Registration No.: 313124E

  
**Soumi Roy**

Partner

Membership No. 301747

UDIN: 20301747AAAAAP9780

Place: Kolkata

Date: 02.09.2020





STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2020 PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (Ind-AS)					
STATEMENT of Standalone Un-audited Financial Results for the Quarter ended 30th June, 2020					
Sl No.	Particulars	3 months ended on 30/06/2020	Preceding 3 months 31/03/2020	Corresponding 3 months ended in the previous year on 30/06/2019	Previous Year 31/03/2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income from Operations				45.11
	(a) Revenue from operations	0.17	(0.36)	-	-
	(b) Other income	6.81	6.21	8.46	28.38
	Total Income from operations (net)	6.98	5.85	8.46	28.38
2	Expenses				
	a) Cost of Material Consumed	-	-	-	-
	b) Purchases of Stock-in-Trade	1.94	0.22	0.22	44.35
	c) Changes in inventories of finished goods and work-in-progress	(12.95)	10.85	6.06	17.27
	d) Employee benefits expense	2.28	2.25	2.22	9.75
	e) Finance costs	5.46	2.36	4.35	19.16
	f) Depreciation and amortization expense	-	-	-	-
	g) Other expenses	4.06	0.72	3.98	5.33
	Total expenses	0.78	16.40	16.83	95.86
3	Profit before exceptional items and tax (1-2)	6.20	(10.55)	(8.37)	(22.37)
	Exceptional items	-	-	-	-
4	Profit before tax (3-4)	6.20	(10.55)	(8.37)	(22.37)
5	Tax expense				
	a) Current Taxes	-	-	-	-
	b) Deferred Tax	-	-	-	-
	Total Tax Expenses	-	-	-	-
6	Total Profit (Loss) for Period	6.20	(10.55)	(8.37)	(22.37)
7	Other Comprehensive Income (net of tax)				
	(a) Items that will not be reclassified to profit or loss	20.20	(39.38)	(0.64)	(54.73)
	(b) Impact of tax relating to items that will not be reclassified to profit or loss	-	-	(0.08)	(0.09)
	Total Other Comprehensive Income (net of tax)	20.20	(39.38)	(0.55)	(54.64)
8	Total Comprehensive Income for the period	26.40	(49.93)	(8.92)	(77.01)
9	Details Equity Share Capital				
	Paid-up equity share capital	367.50	367.50	367.50	367.50
	Face Value of Equity Share Capital	10.00	10.00	10.00	10.00
10	Earnings per equity share				
i	Earnings per equity share for Continuing Operations				
	Basic earnings (loss) per share from continuing operations	0.17	(0.29)	(0.23)	(0.61)
	Diluted earnings (loss) per share from continuing operations	0.17	(0.29)	(0.23)	(0.61)
ii	Earnings per equity share for discontinued operations				
	Basic earnings (loss) per share from discontinued operations	-	-	-	-
	Diluted earnings (loss) per share from discontinued operations	-	-	-	-
iii	Earnings per equity share				
	Basic earnings (loss) per share from continuing and discontinued operations	0.17	(0.29)	(0.23)	(0.61)
	Diluted earnings (loss) per share from continuing and discontinued operations	0.17	(0.29)	(0.23)	(0.61)

- Notes**
- The Company is dealing in one Segment only i.e. Trading in Goods, Mutual Fund, Shares & Securities.
  - The outbreak of corona virus (COVID-19) pandemic globally is causing significant disturbance and slowdown of economic activities. The Company's operations and revenue during the current quarter though impacted due to COVID-19 but the net effect was slightly positive.
  - The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to the extent required to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division III) to the Companies Act, 2013 applicable to Companies that are required to comply with Ind AS.
  - The Auditors have carried out Limited Review (LR) on the aforesaid financial results for the quarter ended 30th June, 2020 and the report was placed before the Board and the same was noted.
  - The aforesaid standalone financial results was reviewed by the Audit Committee and was approved by the Board of Directors at its meeting held on 2nd September, 2020.
  - Provision for depreciation and tax will be made at the time of finalisation of accounts for the year ending 31st March, 2021.
  - Previous period's figures have been regrouped/ rearranged wherever necessary.

Place : Kolkata  
Date : 02.09.2020



By the Board of Directors  
For Adarsh Mercantile Limited

Suchita Chhawchharia  
Executive Director  
DIN: 00844063





Our Reference.....

Date 02.09.2020

**Independent Auditor's Report on Unaudited Consolidated Quarterly Financial Results of the  
Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015 (as amended).**

**To the Board of Directors of  
M/s ADARSH MERCANTILE LIMITED**

**Opinion**

1. We have audited the accompanying unaudited consolidated quarterly financial results ('the Statement') of **M/s Adarsh Mercantile Limited** ('the Company') and its share of profit of its associate (the Company and its associates together referred to as "Group") for the quarter ended 30 June 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) Includes the quarterly share of profit of M/s Avon Credit Private Limited, its associate.
  - (ii) Presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
  - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended 30 June 2020.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of





Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

4. We draw attention to note no 5 in of the Statement, as regards to the management evaluation of impact of COVID-19 on the future performance of the company.

Further, due to the prevailing COVID-19 pandemic, the Government has ordered lock down whereby the physical movement has been restricted and as a law abiding professional, our firm is in complete compliance of the same. Thus, we could not visit the Company's office and as a result the whole audit has been conducted from a remote location through electronic media. In view thereof, no physical verification or inspection of the relevant documents and records could be possible and as such we have relied upon the soft and scanned copies of documents and the information made available to us electronically.

Our opinion is not modified with respect to the above matter.

#### **Responsibilities of Management and Those Charged with Governance for the Statement**

5. This Statement has been prepared on the basis of the consolidated quarterly unaudited financial statements and has been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Company including its associate in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Company and its associate are also responsible for 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the respective Board of Directors of the Company and its associate is responsible for assessing the Company's and its associate'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 the respective Board of Directors either





intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the Company and of its associate is also responsible for overseeing the financial reporting process of the company and of its associate.

#### **Auditor's Responsibilities for the Audit of the Statement**

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of the 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 ability of the Company and its associate 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 Statement 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 and its associate to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.



10. We communicate with those charged with governance of the Holding Company 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.
11. 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.

#### Other Matters

12. The Statement also includes the Group's share of net profit of Rs. 2.41 lakhs, and total comprehensive profit of Rs. 2.99 lakhs for the quarter ended 30 June 2020, in respect of an associate, based on their unaudited quarterly financial statements, which have not been audited by us. The report on the financial statements and financial information of this entity has been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on the reports of such management and the procedures performed by us as stated in paragraph above.

Our opinion is not modified in respect of this matter.

**For Ray & Co.**

Chartered Accountants

Firm Registration No.: 313124E



**Soumi Roy**

Partner

Membership No. 301747

UDIN: 20301747AAAAAQ6214



**Place:** Kolkata

**Date:** 02.09.2020



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2020 PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS (Ind-AS)

Statement of Consolidated Unaudited Financial Results for the Quarter ended: 30th June, 2020

Sl No.	Particulars	3 months ended on 30/06/2020	Preceding 3 months 31/03/2020	Corresponding 3 months ended in the previous year on 30/06/2019	Previous Year 31/03/2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income from Operations				
	(a) Revenue from operations	0.17	(0.36)	-	45.33
	(b) Other income	6.81	6.21	8.45	28.38
	Total Income from operations (net)	6.98	5.85	8.45	73.71
2	Expenses				
	a) Cost of Material Consumed	-	-	-	-
	b) Purchases of Stock-in-Trade	1.94	0.22	0.22	44.35
	c) Changes in inventories of finished goods and work-in-progress	(12.95)	10.85	6.05	17.27
	d) Employee benefits expense	2.28	2.25	2.22	9.75
	e) Finance costs	5.46	2.35	4.35	19.16
	f) Depreciation and amortisation expense	-	-	-	-
	g) Other expenses	4.06	0.72	3.98	5.33
	Total expenses	0.78	16.40	16.83	95.86
3	Profit before exceptional items and tax (1-2)	6.20	(10.55)	(8.37)	(22.15)
	Exceptional items	-	-	-	-
4	Profit before tax (3-4)	6.20	(10.55)	(8.37)	(22.15)
5	Tax expense				
	a) Current Taxes	-	-	-	-
	b) Deferred Tax	-	-	-	-
	Total Tax Expenses	-	-	-	-
6	Net Profit for the period from continuing Operations	6.20	(10.55)	(8.37)	(22.15)
	Share of Profit(Loss) of associates	2.41	(5.14)	1.23	(2.89)
7	Total Profit (Loss) for Period	8.60	(15.69)	(7.14)	(25.04)
8	Other Comprehensive Income (net of tax)				
	(a) Items that will not be reclassified to profit or loss	23.19	(42.17)	(0.64)	(57.52)
	(b) Impact of tax relating to items that will not be reclassified to profit or loss	-	-	(0.09)	(0.09)
	Total Other Comprehensive Income (net of tax)	23.19	(42.17)	(0.73)	(57.61)
9	Total Comprehensive Income for the period	31.79	(57.86)	(7.87)	(82.65)
10	Total Profit or Loss attributable to				
	Profit or loss, attributable to owners of parent	8.60	(15.69)	(7.14)	(25.04)
11	Total Comprehensive Income for the period attributable to				
	Comprehensive income for the period attributable to owners of parent	23.19	(42.17)	(0.73)	(57.61)
12	Details Equity Share Capital				
	Paid-up equity share capital	367.50	367.50	367.50	367.50
	Face Value of Equity Share Capital	10.00	10.00	10.00	10.00
13	Earnings per equity share				
i	Earnings per equity share for Continuing Operations				
	Basic earnings (loss) per share from continuing operations	0.23	(0.43)	(0.19)	(0.69)
	Diluted earnings (loss) per share from continuing operations	0.23	(0.43)	(0.19)	(0.69)
ii	Earnings per equity share for discontinued operations				
	Basic earnings (loss) per share from discontinued operations	-	-	-	-
	Diluted earnings (loss) per share from discontinued operations	-	-	-	-
iii	Earnings per equity share				
	Basic earnings (loss) per share from continuing and discontinued operations	0.23	(0.43)	(0.19)	(0.69)
	Diluted earnings (loss) per share from continuing and discontinued operations	0.23	(0.43)	(0.19)	(0.69)





- Notes:**
- 1 The Company is dealing in one Segment only i.e. Trading in Goods, Mutual Fund, Shares & Securities.
  - 2 The aforesaid consolidated financial results was reviewed by the Audit Committee and was approved by the Board of Directors at its meeting held on 2nd September, 2020.
  - 3 The Auditors have carried out Limited Review(LR) on the aforesaid financial results for the quarter ended 30th June, 2020 and the report was placed before the Board and the same was noted.
  - 4 The Company prepares Consolidated financial statement on quarterly basis and the Consolidated Financial Result include the Company's share of profit in its Associate Company. ("the Group").
  - 5 The outbreak of corona virus (COVID-19) pandemic globally is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the current quarter though impacted due to COVID-19 but the net effect was slightly positive. The Group has taken into account the possible impact of COVID-19 in preparation of the unaudited consolidated financial results, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these unaudited consolidated financial results and current indicators of future economic conditions.
  - 6 The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to the extent required to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to Companies that are required to comply with Ind AS.
  - 7 Provision for depreciation and tax will be made at the time of finalisation of accounts for the year ending 31st March, 2021.
  - 8 Previous period's figures have been regrouped/ rearranged wherever necessary.

Place : Kolkata  
Date : 02.09.2020



By the Board of Directors  
For Adarsh Mercantile Limited

*Suchita*  
Suchita Chhawchharia  
Executive Director  
DIN: 00044063