

VARUN MERCANTILE LIMITED

Corporate Identity Number: L51909MH1985PLC321068

Website: www.vml.org.in

Regd. Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.

Tel.: 22800131, Fax: 22800130.

BSE Scrip Code: 512511

June 25, 2020

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

Dear Sirs,

Sub: Audited Financial Results for the quarter / year ended March 31, 2020

We wish to inform you that the Board of Directors of the Company at its Meeting held today has:

1. Approved the Audited Financial Statements of the Company for the year ended March 31, 2020 and the Audited Financial Results of the Company for the quarter / year ended March 31, 2020, as recommended by the Audit Committee; and
2. Not recommended any dividend for the Financial Year ended March 31, 2020.

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- (a) Statement showing the Audited Financial Results of the Company for the quarter / year ended March 31, 2020; and
- (b) Auditor's Report on the Audited Financial Results.

The Report of the Auditor is with unmodified opinion with respect to the Audited Financial Results of the Company for the quarter / year ended March 31, 2020.

Kindly take the same on record.

Thanking you,
Yours faithfully,
For Varun Mercantile Limited



**Forum Sheth
Company Secretary**

Encl: as above

VARUN MERCANTILE LIMITED

Regd Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.

CIN: L51909MH1985PLC321068. Website :www.vml.org.in

AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH , 2020

(₹ In Lakh, except per share data)

Sr. No	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
	Income					
1	Revenue from Operations	0.00	0.00	0.00	0.00	0.00
2	Other Income	4.69	12.49	8.40	34.12	35.29
3	Total Income (1+2)	4.69	12.49	8.40	34.12	35.29
4	Expenses					
	(a) Employees benefits expenses	3.01	3.01	2.94	13.16	13.45
	(b) Depreciation and amortisation expenses	0.00	0.00	0.00	0.00	0.00
	(c) Other expenses					
	i) Listing Fees	0.88	0.89	0.79	3.54	2.95
	ii) Advertisement Expenses	0.06	0.12	0.13	0.39	0.76
	iii) Misc. Expenses	0.39	0.22	0.67	1.12	1.53
	Total Expenses (Total a to c)	4.34	4.24	4.53	18.21	18.69
5	Profit Before Tax (3-4)	0.35	8.25	3.87	15.91	16.60
6	Tax Expenses					
	Current Tax	0.96	3.25	2.21	8.62	8.60
	Deferred Tax	0.00	0.00	0.00	0.00	0.00
	Earlier years (Previous year Taxation Adjustment)	(0.03)	0.00	0.17	(0.03)	0.17
7	Profit / (Loss) for the Period / Year (5-6)	(0.58)	5.00	1.49	7.32	7.83
8	Other Comprehensive Income (Net of Tax)					
	(i) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	(iii) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	(iv) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
9	Total Comprehensive Income for the Period / Year (7 + 8)	(0.58)	5.00	1.49	7.32	7.83
10	Paid-up Equity Share Capital Equity Share of ₹ 10/- each	199.20	199.20	199.20	199.20	199.20
11	Other Equity (reserves) excluding revaluation reserves - as per balance sheet of previous accounting year				302.70	295.37
12	Earnings per share (Not Annualised) (Face Value of ₹10/- each)					
	Basic	(0.03)	0.25	0.07	0.37	0.39
	Diluted	(0.03)	0.25	0.07	0.37	0.39

Varun Mercantile Limited

Cash flow Statement for the year ended 31st March,2020

Amount in Lakhs

	<u>2019-20</u>	<u>2018-19</u>
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per Statement of Profit and Loss	15.92	16.60
Adjusted for:		
Interest Income	(34.13)	(32.98)
	<hr/>	<hr/>
Operating (Loss) before working capital changes	(18.21)	(16.38)
Adjusted for:		
Trade and Other Payable	3.70	(0.38)
Trade and Other receivables	(1.71)	(5.03)
	<hr/>	<hr/>
Cash (Used In) / Generated from operations	(16.22)	(21.79)
	<hr/>	<hr/>
Taxes paid (Net)	(8.61)	(8.93)
	<hr/>	<hr/>
Net Cash (Used in) Operating Activities	(24.83)	(30.72)
	<hr/>	<hr/>
B CASH FLOW FROM INVESTING ACTIVITIES		
Redemption of Investments		
Interest Income	34.13	32.98
	<hr/>	<hr/>
Net Cash flow from Investing Activities	34.13	32.98
	<hr/>	<hr/>
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash from financial Activities	-	-
	<hr/>	<hr/>
Net Increase in Cash and Cash Equivalents	9.30	2.26
	<hr/>	<hr/>
Opening Balance of Cash and Cash Equivalents	475.21	472.95
	<hr/>	<hr/>
Closing Balance of Cash and Cash Equivalents	<u>484.51</u>	<u>475.21</u>

Notes:

The above statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind As 7 'Statement of Cash Flows'.

VARUN MERCANTILE LIMITED

Regd Office: 147, 14th Floor, Atlanta, Nariman Point, Mumbai 400 021.

CIN: L51909MH1985PLC321068. Website :www.vml.org.in

₹ in Lakh		
AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2020		
	As At 31-03-2020	As At 31-03-2019
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	-	-
Capital Work in Progress	-	-
Intangible Assets	-	-
Financial Assets	-	-
Deferred Tax Assets (Net)	-	-
Other Non Current Assets	5.36	5.37
Total Non-Current Assets	5.36	5.37
Current Assets		
Inventories	-	-
Financial Assets	-	-
Cash and Bank Balances	484.51	475.21
Other financial Assets	15.18	18.89
Current Assets (Net)	-	-
Other Current Assets	-	-
Total Current Assets	499.69	494.10
Total Assets	505.05	499.47
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	199.20	199.20
Other Equity	302.70	295.37
Total Equity	501.90	494.57
Liabilities		
Non- Current Liabilities	-	-
Total Non -Current Liabilities	-	-
Current Liabilities		
Financial Liabilities	-	-
Trade Payable	-	-
Total Outstanding dues of micro and small enterprises	-	-
Total Outstanding dues of Creditors other than micro and small enterprises	3.09	4.79
Other Financial Liabilities	-	-
Other Current Liabilities	0.01	0.03
Current Tax Liabilities (Net)	0.05	0.08
Total Current Liabilities	3.15	4.90
Total Equity and Liabilities	505.05	499.47

- The figures of the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.

The figures for the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the reviewed year- to- date figures up to the third quarter of the financial year.
- There is no impact of the CoVID-19 pandemic on the audited financial statements and business of the Company.
- The Company does not have any reportable segment as per Indian Accounting Standard "Operating Segment" (Ind AS-108). Accordingly segment reporting is not applicable.
- The Audit Committee has reviewed the above results.
- The Board of Directors has not recommended any dividend for the financial year ended 31st March, 2020.
- The Board of Directors at its meeting held on 25th June , 2020 approved the above results and its release.

For Varun Mercantile Limited

Place: Mumbai
Dated: 25th June, 2020


Girish B. Shah
Director



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF VARUN MERCANTILE LIMITED

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone quarterly financial results of Varun Mercantile Limited ("the Company") for the quarter ended 31st March, 2020 and the year to date results for the period from 1 April, 2019 to 31^s March, 2020 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter ended 31st March, 2020 and the year to date results for the period from 1 April, 2019 to 31^s March, 2020.

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 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in respect of this matter.



Emphasis of Matter

Effects of COVID-19:

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Indian government had announced countrywide lockdown from 24th March, 2020 which is continued at present. The management has assessed the potential impact of the COVID-19 on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material for and up to March 31, 2020 and there has been no material change in the controls or processes followed in the closing of the financial statements and hence the necessary effects have been captured in the financial statements.

Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

Our opinion is not modified in respect of the matters described under paragraph above.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' 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 standalone financial results that give a true and fair view and are free from material



misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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 results, 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 Directors' 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

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

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



PRITI V. MEHTA & COMPANY

CHARTERED ACCOUNTANTS

601/602, SURYA HOUSE,
6TH FLOOR, ROAD NO.7,
SHREE GOLVALKAR GURUJI MARG,
VIDYAVIHAR (EAST), MUMBAI - 400077.

to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For PRITI V. MEHTA & COMPANY

Chartered Accountants

Firm Registration. No. 129568W

PRITI
VIPUL
MEHTA

Digitally signed by
PRITI VIPUL
MEHTA
Date: 2020.06.25
14:21:21 +05'30'

PRITI V. MEHTA

Proprietor

Membership. No.: 130514

UDIN: 20130514AAAABE8793

Place: Mumbai

Dated: 25th June, 2020