

## **CORPORATE GOVERNANCE REPORT**

In compliance with Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as “SEBI Listing Regulations”], a Report on Corporate Governance for the Financial Year 2019-20 is presented below:

### **1. Company’s Philosophy on Corporate Governance**

Corporate governance encompasses a set of principles, systems, and practices through which the Board of Directors of the Company ensures integrity, transparency, fairness and accountability in the Company’s relationship with all its stakeholders. The code of corporate governance is based on the principle of making all the necessary decisions and disclosures, accountability and responsibility towards various stakeholders, complying with all the applicable laws and a continuous commitment of conducting business in a transparent and ethical manner. A good corporate governance framework incorporates a system of robust checks and balances between key players; namely, the Board, the management, auditors and various stakeholders.

We at **Sonal Mercantile Limited**, have been continuously strengthening the governance practices and have followed a trustworthy, transparent, moral and ethical conduct, both internally and externally, and are committed towards maintaining the highest standards of corporate governance practices and quality of disclosures thereunder, in the best interest of all its stakeholders.

**Sonal Mercantile Limited** strives to provide all its stakeholders an access to clear, adequate and factual information relating to the Company. It promotes accountability of its management; and the Board of Directors of the Company acknowledges its responsibility towards all the stakeholders for creation and safeguarding their wealth.

Your Company confirms the compliance of corporate governance, in all material aspects, with the revised SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of which are given below:

### **2. Board of Directors**

The Board of Directors provides strategic direction and thrust to the operations of the Company, thereby enhancing the value of the stakeholders. The Board comprises of eminent persons with considerable professional experience from varied disciplines. The present strength of the Board as on March 31, 2020 is four (4) Directors. Out of these Directors, two are Independent Directors including one Woman Director, one Whole Time Director and one Non Executive Non Independent Director thus complies with the requirement of the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **a) Composition of the Board, Attendance Record, Membership of Board Committees:**

The Board of Directors of the Company has an ideal combination of Executive and Non-Executive Directors and is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The names and categories of the Directors on the Board as on March 31, 2020, their attendance at the Board Meetings held during the financial year 2019-2020 and at the last Annual General Meeting (AGM), and also the number of directorships and committee positions held by them in other public limited companies as on March 31, 2020, are as under:

Name	Category	Meeting and Attendance			No. of Directorships in other Public Limited Companies*	Committees Position#	
		Number of Board Meetings	Board Meeting Attended	Last AGM Attended		Chairman ship	Member-ship
Mr. Vikram Goyal (Whole Time Director) (DIN: <a href="#">00381115</a> )	Executive	09	09	No	Nil	Nil	Nil
Mr. Rajan Goyal (Director) (DIN: <a href="#">02600825</a> )	Non Executive – Non Independent	09	09	No	Nil	Nil	Nil
Ms. Tanisha Bhagat (Woman Director) (DIN: <a href="#">08286425</a> )	Non Executive – Independent	09	09	No	Nil	Nil	Nil
Mr. Deepak (Director) (DIN: <a href="#">07878217</a> )	Non Executive – Independent	09	09	No	Nil	Nil	Nil

\* Only Directorships of public limited companies incorporated in India have been considered.

# Only Audit Committee and Stakeholders' Relationship Committee, in other public limited Companies, have been considered for the Committee positions.

❖ **Relationships between Directors inter-se:**

Mr. Vikram Goyal and Mr. Rajan Goyal are directly related to each other. As they both are Brothers.

❖ **Changes in Directors during the financial year:**

(a) Ms. Tanisha Bhagat resigned from the position of Independent Director w.e.f. 16-03-2020

**b) Number of Board Meetings**

The Board of Directors met Nine times during the Financial Year 2019-2020. The maximum gap between any two meetings had been not more than 120 days. All meetings were well attended.

❖ **Attendance in the Board meetings (F.Y. 2019-2020):**

S. No.	Date of Board Meetings	Total Strength of the Board	No. of Directors Present
1	17-04-2019	4	4
2	30-05-2019	4	4
3	12-06-2019	4	4
4	10-08-2019	4	4
5	14-08-2019	4	4
6	14-11-2019	4	4
7	04-01-2020	4	4
8	13-02-2020	4	4
9	16-03-2020	4	4

❖ **Familiarization Programme**

At the time of appointment, Independent Directors are made aware of their roles, rights and responsibilities through a formal letter of appointment which also stipulates the various terms and conditions of their engagement. At Board and Committee Meetings, the Independent Directors are on regular basis familiarized with the business model, regulatory environment in which it operates strategy, operations, functions, policies and procedures of the Company. Directors were invited to attend conferences held with

objectives to guide corporate directors in carrying governance and compliance responsibilities amidst complex demands placed upon by the Act and SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.

The Familiarization Programme formulated by the Company for Independent Directors has been uploaded on the Company's website, the web link for which is <http://www.sonalmercantile.in/investors-information.php>.

❖ **Number of shares and convertible instruments held by Non-Executive Directors during the Financial Year 2019-2020.**

Serial No.	Name of Non-Executive Director	Number of Shares
1.	Mr. Rajan Goyal (Non Independent Director)	0
2.	Ms. Tanisha Bhagat (Independent Director)	0
3.	Mr. Deepak (Independent Director)	27000

❖ **Evaluation of Performance**

Pursuant to the provisions of Section 134(3)(p), Schedule IV of the Act read with Regulations 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal evaluation process of its performance during the year as well as that of its committees, the individual Directors, Chairman and the Independent Directors. The Independent Directors assessed the executive directors on the basis of the contributions made by such Directors in the achievement of business targets, development and successful execution of the business plans, their management of relationship with the Members of the Board of Directors (the "Board") and management personnel as well as creating a performance culture to drive value creation.

The Chairman of the Company was assessed on the basis of his contribution in the growth of the Company by his strategic directions on the expansion, diversification and business plans as well as successful execution of business plans and managing the relationship with the members of the Board and Management.

The Independent Directors were assessed by taking into account their objective independent judgement on the Board deliberations, overall contribution and engagement in the growth of the Company, their active role in monitoring the effectiveness of Company's Corporate Governance practices and adherence to the code of conduct.

Based on the conclusions drawn on the evaluation of the Board and the Directors, it is expected that Board and the Directors will continue to play an even more meaningful role in the enhancement of shareholder value in the ensuing years.

❖ **Exclusive Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on *March 25, 2020* to review the performance of Non-independent Directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

❖ **Minutes of the Board Meeting**

The minutes of the proceedings of every Board and all committee meetings are prepared and approved/initialed by the Chairman within 30 days from the conclusion of the respective meeting.

#### ❖ Information supplied to the Board

The Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

- Quarterly, Half yearly and Yearly Results of the Company.
- Minutes of the Audit Committee and other Committee meetings.
- Details of Agreements entered into by the Company.
- Particulars of Non-Compliance of any statutory or listing requirement.

#### c) Code of Conduct & Declaration

This is to confirm that the Board of Directors has laid down a code of conduct for all Directors and senior management personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have duly complied with the Company's Code of Conduct during the financial year 2019-20, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A declaration to this effect signed by the Whole Time Director is given in as **Annexure-A** to this report.

### 3. Committees of the Board

The Board of Directors has set up committees of Directors to deal with various matters of specific nature which require concentrated and more focused attention and to arrive at quick and timely decisions in these matters.

The Board of Directors has delegated its certain powers to the committees of Directors and these committees shall exercise such power and give the report of the output to the Board for approval at subsequent meetings. The Board has constituted four committees viz. **Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee.**

The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors. All decisions pertaining to the constitution of the committees, appointment of members and fixing of terms of reference for the committee is taken by the Board of Directors.

Details on the role and composition of these committees, including number of meetings held during the financial year and the attendance of the members at these meetings, are provided below:

#### a) Audit Committee

##### ❖ Composition of Audit Committee

The Audit Committee comprises of three members viz. Mr. Deepak (Chairman), Ms. Tanisha Bhagat, (Resigned w.e.f 16-03-2020) (Member) and Mr. Rajan Goyal (Member). In compliance with Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, two members of the Audit Committee including the Chairman of the committee are Independent Directors. All the members are 'financially literate' as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have accounting or related financial management knowledge.

The Senior Management team, Internal Auditor and the Statutory Auditors are invited for the meetings of the Audit Committee. Mrs. Rachna Bhasin, Company Secretary is the Secretary to this Committee till January 04, 2020.

❖ **Terms of Reference:**

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

❖ **Review of information by Audit Committee**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

❖ **Meetings of the Committee and Attendance of the Members during 2019-20**

During the year, total four Audit Committee meetings were held respectively on May 30, 2019, August 10, 2019, November 14, 2019 and February 13, 2020. The attendance of the members of the committee mentioned as follows:

Name of Member	No. of Meetings Held	Meetings Attended
Mr. Deepak	4	4
Ms. Tanisha Bhagat	4	4
Mr. Rajan Goyal	4	4

**b) Nomination and Remuneration Committee:**

❖ **Composition of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee comprises of three members viz. Ms. Tanisha Bhagat (Resigned w.e.f 16-03-2020) (Chairperson), Mr. Rajan Goyal (Member) and Mr. Deepak (Member).

❖ **Terms of Reference**

The Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company.

The Non-Executive Directors of the Company are not entitled for any remuneration. Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors as may be recommended to it. The Company has a regular appraisal Policy for all employees.

❖ **Meetings of the Committee and Attendance of the Members during 2019-2020**

During the year, total five meetings were held respectively on June 05, 2019, August 06, 2019, November 14, 2019 and February 13, 2020. The attendance of the members of the committee mentioned are as follows:

Name of Member	No. of Meetings Held	Meetings Attended
Mr. Deepak	4	4
Ms. Tanisha Bhagat	4	4
Mr. Rajan Goyal	4	4

❖ **Role of committee shall, inter-alia, include the following:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**c) Stakeholders Relationship Committee:**

❖ **Composition of Stakeholders Relationship Committee:**

The Company has a Board level Stakeholders Relationship Committee to examine and redress shareholders complaints. The status on complaints, if any reported to the Board in quarterly meetings.

The Stakeholders Relationship Committee comprises of three non executive Directors as its members viz. Mr. Deepak (Chairman), Ms. Tanisha Bhagat (Resigned w.e.f 16-03-2020) (Member) and Mr. Rajan Goyal (Member).

❖ **Terms of reference**

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends. In addition to the above, the committee shall also:

1. Oversee and review all matters connected with the transfer of the Company's securities.

2. Monitor redressal of investors' / shareholders' / security holders' grievances.
3. Oversee the performance of the Company's Registrar and Transfer Agents.
4. Recommend methods to upgrade the standard of services to investors.
5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

❖ **Meetings of the Committee and Attendance of the Members during 2019-20**

During the year, total four meetings were held respectively on May 25, 2019, September 12, 2019, November 14, 2019 and February 13, 2020. The attendance of the members of the committee mentioned are as follows:

Name of Member	No. of Meetings Held	Meetings Attended
Mr. Deepak	4	4
Ms. Tanisha Bhagat	4	4
Mr. Rajan Goyal	4	4

During the year under review, no complaint was received from any shareholder. There were no pending complaints either at the beginning or at the end of the year.

The Board has delegated the power of share transfer to the Registrar and Share Transfer Agent viz. **Skyline Financial Services Private Limited**, D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, who process the share transfer applications.

**d) Risk Management Committee:**

❖ **Composition of Risk Management Committee:**

The Company is not required to constitute a risk management committee as per the SEBI LODR Regulations but for the better governance the Board has constituted the Risk Management Committee to eliminate the risk associated with the business of the Company.

As on March 31, 2020 the Risk Management Committee comprises of three Directors as its members viz. Mr. Deepak (Chairman), Mr. Rajan Goyal (Member) and Mr. Vikram Goyal (Member).

❖ **Meetings of the Committee and Attendance of the Members during 2019-2020**

During the year, total two meetings were held respectively on June 12, 2019, September 25, 2019, November 14, 2019 and February 13, 2020. The attendance of the members of the committee mentioned are as follows:

Name of Member	No. of Meetings Held	Meetings Attended
Ms. Tanisha Bhagat	4	4
Mr. Rajan Goyal	4	4
Mr. Vikram Goyal	4	4



4. General Body Meetings

a) Details of last three Annual General Meeting are given below:

Year	Day, Date and Time	Venue of the Meetings	Whether Special Resolutions Passed
2019	Friday July 12, 2019 at 02:00 P.M.	372, Vardhman Plaza, III Floor, Sector-3, Rohini, New Delhi-110085	Yes, special resolution has been passed in this Meeting
2018	Saturday, 29th September, 2018 at 09:00 a.m	372, Vardhman Plaza, III Floor, Sector-3, Rohini, New Delhi-110085	Yes,, special resolution has been passed in this Meeting
2017	Thursday, 28th September, 2017 at 10:00 a.m	105/33, Vardhman Golden Plaza, Road No. 44, Pitampura, Delhi - 110034.	No, special resolution has not been passed in this Meeting

b) During the year under review, no resolutions were passed through Postal Ballot

5. Means of Communication

The Company’s website [www.sonalmercantile.in](http://www.sonalmercantile.in) contains a separate section viz. “Investor Info” under which shareholders information is available in a user friendly and downloadable form.

❖ Quarterly Results

Quarterly Standalone Results are normally published in “Financially Express– All Editions” and “Jansatta – Hindi Edition, Delhi” newspapers and the same are posted on Company’s website i.e. [www.sonalmercantile.in](http://www.sonalmercantile.in)

❖ Annual Report

Annual report containing the Audited Standalone & Consolidated Accounts together with Auditors’ Reports, Directors Reports, Corporate Governance reports and Management Discussion and Analysis is posted on the Company’s website i.e. [www.sonalmercantile.in](http://www.sonalmercantile.in)

Apart from quarterly results and annual reports of the Company, the Company’s website also contains corporate governance reports, shareholding patterns for last 5 years and contact information.

6. General Shareholder Information

❖ Annual General Meeting Schedule	: Friday, October 16, 2020 at 02:00 P.M. through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’)
❖ Financial Calendar (2019-20) (Tentative)	: The Financial Year of the Company will be April 01, 2019 to March 31, 2020.
❖ Book Closure Dates	: October 09, 2020 to October 16, 2020 (Both Dates inclusive)
❖ Dividend Payment Date	: Not Applicable
❖ Listing at Stock Exchanges	: BSE Limited, Dalal Street Fort, Mumbai-400001 and also on Delhi Stock Exchange but now this stock exchange is not operative.
❖ Listing Fees	: The Listing fees for the year 2019-2020 paid to BSE Limited

❖ Scrip Code	: 538943 (BSE) and 5053 (DSE)
❖ ISIN No	: INE321M01017
❖ CIN No.	: L51221DL1985PLC022433
❖ Registrar and Share Transfer Agent (RTA)	: Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020 Contact No.011-40450193 E-mail Id: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>
❖ Share Transfer process	: The Company's shares are traded on the Stock Exchanges in compulsory demat mode. The transfer of Physical shares are processed and returned to the shareholders within a period of 15 days
❖ Plant Locations	: Not Applicable
❖ Outstanding Bonds/Convertible Instruments	: Nil
❖ Dematerialization of shares	As on March 31, 2020, 14423137 Equity Shares representing 97.86% of the Company were held in dematerialised form and 315388 Equity Shares representing 2.14% of the issued share capital were held in physical form. At the end of each quarter, reconciliation of share capital audit is conducted by a Practicing Company Secretary to reconcile the total issued capital, listed capital and capital held by the Depositories in dematerialised form.
❖ Address for correspondence	Registered Office Address: 365, Vardhman Plaza, III Floor, Sector-3, Rohini, New Delhi-110085 Contact No. 011-49091417 E-mail Id: <a href="mailto:sonalmercantile@yahoo.in">sonalmercantile@yahoo.in</a> Website: <a href="http://www.sonalmercantile.in">www.sonalmercantile.in</a>
❖ Market Price & Data	Stock Market price data for the F.Y. 2019-2020. High/ Low of daily closing market price of the Company's shares traded at BSE during each month in the financial year ended March 31, 2020 are as under.

Date	Open Price	High Price	Low Price	Close Price	WAP	No. of Shares	No. of Trades
10-Apr-19	8.43	8.43	8.43	8.43	8.43	200	2
20-May-19	8.43	8.43	8.01	8.01	8.025	140000	8
21-May-19	8.41	8.41	8.41	8.41	8.409995	142631	15
22-May-19	8.83	8.83	8.83	8.83	8.829998	144645	8
29-May-19	9.27	9.27	9.27	9.27	9.27	1000	2
30-May-19	9.73	9.73	9.73	9.73	9.73	4000	3
31-May-19	10.21	10.21	10.21	10.21	10.21	11000	1
03-Jun-19	10.72	10.72	10.72	10.72	10.72	5500	3
17-Jun-19	11.25	11.25	11.25	11.25	11.25	1000	2
18-Jun-19	11.81	11.81	11.81	11.81	11.81	1000	3

19-Jun-19	12.4	12.4	12.4	12.4	12.3998	1003	2
20-Jun-19	13.02	13.02	12.05	12.13	13.01511	9864	24
21-Jun-19	12.73	12.73	11.53	11.53	11.53403	191	6
24-Jun-19	10.96	12.1	10.96	12.1	11.06364	1100	10
25-Jun-19	12.7	12.7	12.7	12.7	12.7	300	2
26-Jun-19	13.33	13.33	12.07	13.33	12.71036	1091	17
27-Jun-19	13.99	13.99	13.99	13.99	13.99	400	6
28-Jun-19	14.68	14.68	14.68	14.68	14.67968	999	4
01-Jul-19	15.41	15.41	15.41	15.41	15.4	50	5
02-Jul-19	16.18	16.18	16.18	16.18	16.17778	225	17
03-Jul-19	16.95	16.95	16.95	16.95	16.94909	550	7
04-Jul-19	17.79	17.79	17.79	17.79	17.75	20	3
05-Jul-19	18.67	18.67	18.67	18.67	18.66842	380	2
08-Jul-19	19.6	19.6	19.55	19.6	19.5977	1479	10
09-Jul-19	20.58	20.58	18.62	20.5	19.18519	270	9
10-Jul-19	21.5	21.52	19.5	21.52	21.40945	254	8
11-Jul-19	22.59	22.59	20.45	21.23	21.30514	875	5
12-Jul-19	20.17	22.28	20.17	22.22	20.3351	4539	10
15-Jul-19	21.78	21.78	21.78	21.78	21.78	50	7
16-Jul-19	21.35	21.35	21.35	21.35	21.32143	28	6
17-Jul-19	20.93	20.93	20.93	20.93	20.93	200	1
18-Jul-19	20.52	20.52	20.52	20.52	20.51628	215	3
19-Jul-19	20.11	20.11	20.11	20.11	20.10345	29	9
22-Jul-19	19.71	19.71	19.71	19.71	19.70952	2007	6
23-Jul-19	19.32	20.1	19.32	20.1	19.32527	2066	6
24-Jul-19	20.4	20.4	20.4	20.4	20.4	100	1
25-Jul-19	20.8	20.8	20.7	20.8	20.78444	1285	6
26-Jul-19	21.21	21.21	21.21	21.21	21.208	125	2
29-Jul-19	21.63	21.63	21.63	21.63	21.6	25	1
31-Jul-19	21.8	21.9	21.8	21.9	21.8999	979	3
05-Aug-19	22.3	22.3	22.3	22.3	22.3	700	3
07-Aug-19	22.3	22.7	22	22.7	22.00713	10102	8
08-Aug-19	22.65	23.15	22.65	23	22.98894	1990	10
09-Aug-19	23.4	23.4	23.4	23.4	23.4	2500	5
13-Aug-19	23.85	23.85	23.85	23.85	23.85	1200	4
14-Aug-19	23.85	24.3	23.85	24.25	24.27158	475	4
16-Aug-19	24.3	24.7	24.3	24.7	24.33394	551	5
19-Aug-19	25.15	25.15	25	25.15	25.00938	1600	5
20-Aug-19	25.65	25.65	25.65	25.65	25.64	50	4
21-Aug-19	25.65	25.65	25.15	25.15	25.1598	2015	8
22-Aug-19	24.65	25.15	24.65	25.15	24.774	500	3
23-Aug-19	24.65	25.65	24.65	24.65	24.65549	9036	6
26-Aug-19	24.2	24.2	24.2	24.2	24.19931	873	3
27-Aug-19	23.75	23.75	23.75	23.75	23.74	50	1

28-Aug-19	23.3	23.3	23.3	23.3	23.25	4	1
29-Aug-19	22.85	22.85	22.85	22.85	22.8	10	1
30-Aug-19	22.4	22.4	22.4	22.4	22	1	1
04-Sep-19	22.4	22.4	22.35	22.4	22.28571	7	5
05-Sep-19	22.8	22.8	22.8	22.8	22.8	50	1
12-Sep-19	23.25	23.25	23.25	23.25	23.25	44	1
13-Sep-19	23.7	23.7	23.7	23.7	23.7	50	2
17-Sep-19	23.7	23.7	23.7	23.7	23.6	5	1
18-Sep-19	24	24	24	24	24	486	3
23-Sep-19	23.55	23.55	23.55	23.55	23.54999	85159	32
24-Sep-19	23.1	23.15	23.1	23.15	23.14995	90091	13
25-Sep-19	22.7	22.75	22.7	22.75	22.74908	81499	18
26-Sep-19	22.35	22.35	22.35	22.35	22.35	194841	26
07-Oct-19	22.75	22.75	22.35	22.35	22.35676	185	4
15-Oct-19	23.45	23.45	23.45	23.45	23.42857	7	6
22-Oct-19	24.6	24.6	24.6	24.6	24	1	1
29-Oct-19	25.8	25.8	25.8	25.8	25.79775	178	6
31-Oct-19	27.05	27.05	27.05	27.05	27.04	25	2
01-Nov-19	28.4	28.4	28.4	28.4	28.4	10	1
04-Nov-19	29.8	29.8	29.8	29.8	29.8	120	2
05-Nov-19	31.25	31.25	31.25	31.25	31.24889	225	4
06-Nov-19	32.8	32.8	32.8	32.8	32.8	35	2
07-Nov-19	34.4	34.4	34.4	34.4	34.39568	139	4
08-Nov-19	36.1	36.1	36.1	36.1	36.1	190	4
11-Nov-19	37.9	37.9	37.9	37.9	37.9	1100	8
13-Nov-19	37.9	39.75	37.9	39.75	39.63131	396	11
14-Nov-19	40	41.7	40	40	40.67273	770	12
15-Nov-19	42	42	42	42	42	40	2
18-Nov-19	44.1	44.1	44.1	44.1	44.08	25	1
19-Nov-19	46.3	46.3	46.3	46.3	46.29744	195	6
20-Nov-19	47.2	47.2	47.2	47.2	47.2	115	4
21-Nov-19	48.1	48.1	48.1	48.1	48.1	40	2
22-Nov-19	49.05	49.05	49.05	49.05	49.04968	2536	10
25-Nov-19	50	50	48.1	48.1	48.11519	21105	32
26-Nov-19	47.8	47.8	47.15	47.15	47.2381	147	7
27-Nov-19	46.25	46.25	46.25	46.25	46.25	44	5
28-Nov-19	45.35	45.35	45.35	45.35	45.33333	54	2
29-Nov-19	44.45	44.45	44.45	44.45	44.44828	29	3
02-Dec-19	43.6	43.6	43.6	43.6	43.5	4	1
03-Dec-19	43.6	43.6	42.75	42.75	43.54762	42	3
05-Dec-19	41.9	41.9	41.9	41.9	41.875	8	2
06-Dec-19	41.1	41.1	41.1	41.1	41	1	1
09-Dec-19	40.3	40.3	40.3	40.3	40	3	1
10-Dec-19	39.5	39.5	39.5	39.5	39.5	6	2

11-Dec-19	39.5	39.5	38.75	38.75	39.06838	117	4
12-Dec-19	38	38	38	38	38	1	1
13-Dec-19	37.25	37.25	37.25	37.25	37	1	1
16-Dec-19	36.55	36.55	36.55	36.55	36.54545	11	2
17-Dec-19	36.55	36.55	35.85	35.85	36.37037	81	4
18-Dec-19	35.15	35.15	35.15	35.15	35	5	2
19-Dec-19	34.45	34.45	34.45	34.45	34.33333	6	2
23-Dec-19	35.1	35.1	33.8	35.1	33.90796	402	23
24-Dec-19	35.1	35.8	34.4	34.4	34.62776	317	7
26-Dec-19	34.4	34.4	33.75	33.75	34.31034	116	2
27-Dec-19	33.75	33.75	33.1	33.1	33.54667	150	5
30-Dec-19	32.5	32.5	32.45	32.45	32.4434	106	6
31-Dec-19	32.45	32.45	31.85	31.9	32.22785	79	4
01-Jan-20	31.5	31.5	31.3	31.3	31.28571	14	2
02-Jan-20	30.75	30.75	30.7	30.7	30.63636	11	2
03-Jan-20	30.1	30.7	30.1	30.7	30.18776	245	4
06-Jan-20	30.2	30.2	30.1	30.1	30.18033	122	3
07-Jan-20	30	30	29.5	29.5	29.5	22	3
08-Jan-20	29.5	29.5	29	29	29.43103	58	2
09-Jan-20	29	29	28.45	28.45	28.43478	23	4
10-Jan-20	28.45	28.45	27.9	27.9	27.91667	12	2
13-Jan-20	27.8	27.8	27.35	27.35	27.64667	150	3
14-Jan-20	27.35	27.85	26.85	27	27.24105	419	5
15-Jan-20	27.5	27.5	27.5	27.5	27.5	20	2
16-Jan-20	27	27	27	27	27	1	1
17-Jan-20	26.5	26.5	26.5	26.5	26.49123	57	1
20-Jan-20	26	26	26	26	26	1	1
21-Jan-20	25.5	25.5	25.5	25.5	25.49903	515	2
22-Jan-20	26	26	25	25	25.03661	519	5
23-Jan-20	25	25	25	25	25	1	1
24-Jan-20	25	25	25	25	25	9	2
27-Jan-20	25	25	24.5	24.5	24.998	501	4
28-Jan-20	24.5	24.5	24.05	24.05	24.42857	7	2
29-Jan-20	23.6	23.6	23.6	23.6	23.6	60	1
31-Jan-20	23.6	23.6	23.6	23.6	23.5	2	1
03-Feb-20	23.6	23.6	23.6	23.6	23.59829	117	3
07-Feb-20	22.45	22.45	22.45	22.45	22.45	200	1
10-Feb-20	22.45	22.45	21.35	22.4	22.08861	316	5
11-Feb-20	22.4	22.4	22.4	22.4	22.4	100	1
12-Feb-20	22.4	22.4	22.4	22.4	22.4	1200	1
14-Feb-20	22.4	22.4	22.4	22.4	22.4	100	2
18-Feb-20	22.4	23.5	22.4	23.5	22.40244	246	2
25-Feb-20	23.5	23.5	23	23	23.04545	220	3
27-Feb-20	23	23	23	23	23	201	1

28-Feb-20	23	23	23	23	23	300	1
02-Mar-20	23	23	23	23	23	20	1
17-Mar-20	21.85	21.85	21.85	21.85	21	1	1
18-Mar-20	20.8	20.8	20.8	20.8	20	1	1
23-Mar-20	19.8	19.8	19.8	19.8	19.8	500	2
24-Mar-20	18.85	18.85	18.85	18.85	18	1	1
25-Mar-20	17.95	17.95	17.95	17.95	17.95	100	1
30-Mar-20	17.15	17.15	17.15	17.15	17.15	400	1

❖ **Distribution of Shareholding as on March 31, 2020**

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	312	69.96	238340	0.16
5001 To 10,000	14	3.14	129110	0.09
10001 To 20,000	5	1.12	86810	0.06
20001 To 30,000	10	2.24	255000	0.17
30001 To 40,000	1	0.22	40000	0.03
40001 To 50,000	30	6.73	1460740	0.99
50001 To 1,00,000	26	5.83	1908910	1.3
1,00,000 and Above	48	10.76	143266340	97.21
<b>Total</b>	<b>446</b>	<b>100</b>	<b>147385250</b>	<b>100</b>

❖ **Shareholding Pattern as on March 31, 2020**

Category	Number of Equity Shares held	% of Shareholding
Promoters and Promoters Group	3672396	24.92
Public	11066129	75.08
<b>Total</b>	<b>14738525</b>	<b>100</b>

**7. Other Disclosures**

- ❖ The Company did not have any material significant related party transaction having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the Notes to accounts.
- ❖ The financial statements have been prepared in accordance with the applicable accounting standards and policies generally accepted in India and are unqualified.
- ❖ There were no instances of non-compliance by the Company on any matter related to the capital markets, resulting in disciplinary action against the Company by the Stock Exchanges or Securities & Exchange Board of India (SEBI) or any other statutory authority, during the last three years.
- ❖ The Company has a Whistle Blower Policy for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct or ethics policy and confirms that no personnel have been denied access to the Audit Committee.
- ❖ The Company has complied with the corporate governance requirements as prescribed in Regulations 17 to 27, 46(2) (b) to (i) and para C, D and Schedule V of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- ❖ The Policy on Related Party Transactions are available at <http://www.sonalmercantile.in/investors-information.php>
- ❖ **CFO Certification:** The CFO and the Whole Time Director have certified to the Board, the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with, with regard to the financial statements forms part of this Report as **Annexure - B**.
- ❖ **Compliance Certificate:** Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Mr. Nitin Gupta, Practicing Company Secretary, certifying the compliance by the Company with the provisions of the Corporate Governance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report as **Annexure - C**.
- ❖ **Certificate:** Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Mr. Nitin Gupta, Practicing Company Secretary with regard to Non-disqualification of directors, forms part of this Report as **Annexure - D**.

**For and on Behalf of the Board  
Sonal Mercantile Limited**

**Date: September 19, 2020**  
**Place: New Delhi**

**Vikram Goyal**  
**Whole Time Director**  
**DIN: [00381115](#)**

**Rajan Goyal**  
**Director**  
**DIN: [02600825](#)**

