

SARAT LEASING AND FINANCE PVT. LTD.
(Formerly known as SARAT LEASING AND FINANCE LIMITED)



MODERN[®]INDIA
ENTERPRISE

1, MITTAL CHAMBERS,
228, NARIMAN POINT,
MUMBAI 400 021

P : + 91 22 6744 4200
F : + 91 22 6744 4300
E : saratfd@gmail.com
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SARAT LEASING AND FINANCE PRIVATE LIMITED

26TH ANNUAL REPORT
2019- 2020

SARAT LEASING AND FINANCE PVT. LTD.

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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Sarat Leasing and Finance Private Limited will be held at the Corporate Office of the Company, viz. 1, Mittal Chambers, Nariman Point, Mumbai 400 021, on 31.12.2020 at **12.00 noon** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement (including Audited Consolidated Financial Statement) for the financial year ended 31st March, 2020 and the report of Directors and the Auditors thereof.

By Order of the Board of Directors

Vijay Kumar Jatia
Chairman

Mumbai, dated: 05.09.2020

Registered Office: Victor House, K. Khadye Marg, Mahalaxmi, Mumbai-400011

Corporate Office: 1, Mittal Chambers, 228, Nariman Point, Mumbai-400021

NOTES

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.

The business of ratification of Auditors, shall not be placed before the shareholders for their approval subsequent to notification of section 40 of the Companies Amendment Act, 2017 which



corresponds to section 139 of the principal Companies Act, 2013 on 07th May, 2018 by which the Company shall no longer be required to ratify the appointment of auditors at every annual general meeting.

BOARDS' REPORT

To
The Members,
Sarat Leasing and Finance Private Limited,
Mumbai.

Your Directors have pleasure in presenting their 26th Annual Report on the working of the Company together with the audited accounts for the year ended 31st March, 2020.

FINANCIAL RESULTS

Particulars	For the Year Ended 31.03.2020 (₹)	For the Year Ended 31.03.2019 (₹)
Profit/(Loss) before tax	2360996	3198963
Provision for tax	230430	324476
Profit/(Loss) after tax	2130566	2874487
Add : Balance B/f from last year	60399824	58182154
Balance C/f to Balance Sheet	62530390	60399824
Basic/Diluted Earning per Share	1.70	2.30

GENERAL INFORMATION ABOUT THE COMPANY & REVIEW OF OPERATIONS

Sarat Leasing and Finance Private Limited, based in Mumbai is an NBFC company registered with the Reserve Bank of India and is actively involved in trading, investment and finance activity

The Total Revenue earned is ₹4409437 as compared to ₹49,50,225 in the previous year, the profit after tax is ₹2130566 compared to ₹28,74,487 in the previous year. Our business model has potential to flourish more and this will soon start reflecting in our results and in the growth of the bottom line of your Company in the coming years.

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In order to prevent the outbreak of the Corona virus in the country, the Government had announced 21 days lockdown throughout the nation starting from 23rd of March, 2020 which was eventually extended. However in order to revive the business which was affected due to the lockdown, the Government announced a phased manner of unlocking. It is expected that the economy will be largely disrupted due to the coronavirus pandemic in India.

NO MAJOR EVENTS HAS OCCURRED AFTER THE BALANCE SHEET DATE.

There are no changes in the nature of Business during the year under review and no major events has occurred after balance sheet date.

DIVIDEND & APPROPRIATIONS:

In order to strengthen the internal resources of the Company, your Directors propose to carry forward the sum of **₹62530390** and, therefore, they do not recommend any dividend on Equity Shares for the year ended 31st March, 2020.

BOARD MEETINGS AND ATTENDANCE

Details of the Directors, their meetings, attendance is given below :

Names of the Directors	No. of Board Meetings Held	No of Board Meetings Attended	Last AGM Attendance (Yes/No)
Shri Vijay Kumar Jatia	6	6	Yes
Smt Gauri Jatia	6	6	Yes
Shri Vijay Mittal	6	1	No
Shri Nawal Kishore Deora	6	6	No
Shri Ashok Raj Birla	6	6	No
Shri Subhash Bajaj	6	6	No

DIRECTORS AND KEY MANAGERIAL PERSONNEL :

There has been no change in the Board of Directors and the provisions of Section 203 of the Companies Act 2013, with regards to KMP doesn't apply to our company.

COMMITTEES OF THE BOARD

No separate committee has been formed, all major decisions are taken at the Board level which are effectively implemented.

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The Company doesn't fall under Preview of Section 135 of the Companies Act 2013 and hence no corporate social responsibility committee has been formed.

The Company has adopted the prevention of sexual harassment policy

VIGIL MECHANISM:

Though not required as a good practice, employees are encouraged to bring to the notice of the Management any discrepancies, wrong doings, alleged fraud, etc which will be dealt with very firmly.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii) appropriate accounting policies have been selected and applied them consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at **31st March, 2020** and of its profit for the year ended as on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.
- v) Internal Financial Control have been followed by the Company and that such Internal Financial Controls are adequate and are operating effectively.
- vi) Directors have devised proper system to ensure Compliance with the Provisions of all applicable laws and that such system are adequate and operating effectively.

SUBSIDIARY COMPANIES

The Company doesn't have any subsidiary.

ASSOCIATE COMPANIES

Pursuant to Section 2(6) of the Companies Act, 2013 Modern Indian Limited, would qualify as an Associate Company & subsequently its accounts are consolidated with our results.

EXTRACT OF ANNUAL RETURN



As required pursuant to Section 92(3) of the Companies Act,2013 and rules 12(1) of the Companies (Management and Administration) Rules,2014, an extract of Annual Return in MGT-9 is annexed to this Report as Annexure 1).

AUDITORS:

M/s M. L. Sharma & Co, Chartered Accountant as Statutory Auditor the existing Statutory Auditor of the Company was appointed as auditor by the Members to hold office from conclusion of 23rd Annual General Meeting until conclusion of 28thAnnual General Meeting.

SECRETARIAL AUDIT REOPRT

The provisions of Secretarial Audit doesn't apply to the Company.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS.

In compliance with the provisions of Section 134 read with Companies (Accounts) Rules, 2014, a statement giving requisite information is given in Annexure 'A' forming part of this Report.

FIXED DEPOSITS:

The Company has not accepted any "deposits" from the public during the year under review.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No orders have been passed by the regulators or Court or Tribunals against the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls helps in ensuring optimal utilization and protection of resources.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company have duly complied with the provision of Section 186 of the Companies Act, 2013 and it has taken/given

SECURED LOANS: NIL

UNSECURED LOANS: NIL

UNSECURED LOANS(given) ₹2,92,95,225

CURRENT/NON CURRENT INVESTMENTS:₹4,84,85,852

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GUARANTEES: NONE

SECURITIES EXTENDED: NIL

RISK MANAGEMENT POLICY:

The Management is working on a risk management policy which will help in mitigating the various risks faced by the Company, currently the Board is regularly updated with various risk faced by the Company and the steps taken to mitigate the same.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Corporate Social Responsibility Policy is not applicable to our Company

PARTICULARS OF CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any contracts or arrangements with any related party hence form AOC 2 doesn't apply.

DISCLOSURE ABOUT COST AUDIT

Cost Audit is not Applicable to the Company

RATIOS OF REMUNERATION TO EACH DIRECTOR

No Directors is paid sitting fees/Remunerations.

REPLY TO STATUTORY AUDITORS QUALIFICATION

There are no qualifications in the Statutory Auditors Report.

DEFERRED TAX: NIL

PARTICULARS OF LOANS AND GUARANTEES GIVEN / TAKEN BY THE COMPANY.

No Loans and Advances have been taken by the Company. Unsecured Loans and Advances given at 9%

MANAGEMENT DISCUSSION AND ANALYSES

This is not Applicable to the Company.

HUMAN RESOURCE /INDUSTRIAL RELATIONS

Your Company firmly believes that success of a company comes from good Human Resources. Employees are considered an important asset and key to its success. The Company aims to remain lean and dynamic in a continuing de-layered structure. The Employee relations continued to be satisfactory.

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RESTRICTION ON PURCHASE OF OWN SHARES

The Directors has confirmed to the Board of Directors that the Company has not provided funds to the employees or any other person to purchase its own shares.

CORPORATE GOVERNANCE

This is not Applicable to the Company.

GREEN INITIATIVE:

Your Company has taken the initiative of going green and minimizing the impact on the environment. The Company will hence forth be circulating the copy of the Annual Report in electronic format to all Members whose email address are available with the Company. Your Company would encourage Members to register themselves for receiving Annual Report in electronic form.

OUTLOOK:

The Company looks forward for excelling in the business endeavors and improving shareholder value.

ACKNOWLEDGMENT

Your Directors wish to place on record their sincere thanks to the Valued Customers, Suppliers, Bankers, Central Government, State Governments and various Consultants and Business Associates for their continued support, co-operation and guidance, during the year under review. Your Directors also wish to thank their employees and executives at all levels for their valuable contributions.

Mumbai

For and on behalf of the Board of Directors

Date:05.09.2020

Vijay Kumar Jatia

Chairman



SARAT LEASING AND FINANCE PRIVATE LIMITED

ANNEXURE 'A' TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 134 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2020

1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

As the Company has no manufacturing activities, the provisions of Companies (Accounts) Rule, 2014 relating to Conservation of Energy, Technology Absorption and Research & Development do not apply to your company.

2. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) - Activities relating to exports : Nil

- Initiatives taken to increase exports : Nil

- Development of new markets for : Nil

products & services & Export plans

(b) Total Foreign Exchange:

(i) Earnings : Nil

(ii) Outgoing : Nil



EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March,2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) C I N : - U 6 5 9 2 0 M H 1 9 9 4 P L C 0 7 7 7 8 1

ii) Registration Date:18/04/1994

iii) Name of the Company:SARAT LEASING AND FINANCE PRIVATE LIMITED

iv) Category / Sub-Category of the Company: Company Limited by Shares

v) Address of the Registered office and contact details:Victor House,K.Khadye Marg Mahalaxmi, Mumbai 400011.

Email : saratltd@gmail.com Tel. 67444200

vi) Whether listed Company:NO

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: NONE

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SI. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Finance and Investment	64990	100%

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SR NO	NAME AND ADDRESS OF THE COMPANY	CIN	ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Modern India Limited 1, Mittal Chambers, 228, Nariman Point, Mumbai-400 021	L17120MH1933PLC002031	ASSOCIATE	20.53	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	<u>Category</u>	No of Shares held	Percentage of Shareholding
A	Promoters' holding	12,50,000	100%
	a Indian Promoters	-	-
	b Foreign Promoters	-	-
	c Persons acting in concert	-	-
	Sub-Total (A)	-	-
B	Non-Promoters' Holding		
	Institutional Investors	-	-
	a Mutual Funds and UTI	-	-
	b Banks, Financial Institutions, Insurance Companies	-	-
	c FIIs	-	-
	Sub-Total(B)	-	-
C	Others	-	-
	a Private Corporate Bodies	-	-
	b Indian Public	-	-
	c NRIs/OCBs	-	-
	Sub-Total(C)	-	-
D	Any other (Foreign nationals)		
	Grand Total (A)+(B)+(C)	12,50,000	100.00

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(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Share holding at the end of the year		
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares
1	Gauri Jatia	25000	2.00	-
2	Vijay Kumar Jatia	499000	39.92	-
3	Mudit Jatia	12000	0.96	-
4	Sidhant Jatia	12000	0.96	-
5	Shree Rani Sati Investment & Finance Pvt Ltd	202000	16.16	-
6	Candescent Traders Pvt Ltd	100000	8.00	-
7	Camellia Mercantile Pvt Ltd	100000	8.00	-
8	Alcyone Trading Co Pvt Ltd	100000	8.00	-
9	Ignatius Trading Co Pvt Ltd	100000	8.00	-
10	F Pudumjee Investment Co Pvt Ltd	100000	8.00	-
	Total	1250000	100	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change): **NO CHANGE IN PROMOTERS SHAREHOLDING**

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): **NA**

(v) Shareholding of Directors and Key Managerial Personnel:

KMP provisions are not applicable to the Company.

Name of Directors	Number of shares held
Shri Vijay Kumar Jatia	499000
Smt Gauri Jatia	25000



(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	Nil	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	Nil	NIL	NIL	NIL



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

No Remuneration is paid to any Director. The Company doesn't have any Key Managerial Personnel.

B. REMUNERATION TO OTHER DIRECTORS:

Directors are not paid any remuneration / sitting fees.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

NA

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There have been no penalties or punishment levied on the Company and no compounding of offences has been done by the Company.

FOR SARAT LEASING AND FINANCE PRIVATE LTD

VijayKumar Jatia
Director
Address:1,Mittal Chambers,228,Nariman Point,Mumbai-400021
DIN:00096977



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Associate

Sr No.	Information in respect of each subsidiary	Associate Company
		Modern India Limited
1	Reporting period for the Associate concerned, if different from the holding company's reporting period	N A
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N A
		(₹) in lakhs
3	Share capital	750.86
4	Reserves & surplus	1336.16
5	Total assets	20297.08
6	Total Liabilities	20297.08
7	Investments	10637.80
8	Turnover	7658.17
9	Profit/(Loss) before taxation	(838.32)
10	Profit/(Loss) after taxation	(535.82)
11	Proposed Dividend	12%
12	% of shareholding	22.11

FOR SARAT LEASING AND FINANCE PRIVATE LTD

Vijaykumar Jatia
Director
Address:1,Mittal Chambers,228,Nariman Point,Mumbai-400021
DIN:00096977

SARAT LEASING AND FINANCE PRIVATE LIMITED

26th ANNUAL REPORT
2019 - 2020

SARAT LEASING AND FINANCE PRIVATE LIMITED

BOARD OF DIRECTORS

VIJAY KUMAR JATIA
GAURI JATIA
VIJAY MITTAL
NAWAL KISHORE DEORA
ASHOK RAJ BIRLA
SUBHASH L BAJAJ

BANKER

PUNJAB NATIONAL BANK
CITI BANK NA
YES BANK LIMITED

AUDITORS

M/S M.L. SHARMA & COMPANY

REGISTERED OFFICE

VICTOR HOUSE,
K KHADYE MARG,
MAHALAXMI,
MUMBAI - 400 011

CORPORATE OFFICE

1, MITTAL CHAMBERS,
228, NARIMAN POINT,
MUMBAI - 400 021



M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS

107, Chartered House, 297 - 299, Dr. C. H. Street, Behind Dolours Church, Marine Lines, Mumbai - 400 002.
☎ : (022) 2201 0808, 2201 1010 • Fax : (022) 2201 1414 • Resi. : (022) 2613 4916 • E-mail : mlsharma@mlsharma.in

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
SARAT LEASING AND FINANCE PRIVATE LIMITED

Report on the Financial Statements

We have audited the financial statements of **SARAT LEASING AND FINANCE PRIVATE LIMITED**, ("the company") which comprises the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss and the Cash Flow Statement 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 financial statements give the information required by the companies Act, 2013 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, 2020, and **Profit** 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 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director report, but does not include the financial statements and our auditor's report thereon.

The Director report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and report it to respective regulatory authorities.



Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 implementation and maintenance of 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 financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, (hereinafter referred to as the "Order"), and on the basis of such checks of the books & records of the company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 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 purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow 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 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) This report does not include a statement on adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, since the same is exempted by way of notification no. (F. No. 1-1-2014-CL-V) Dated 13/06/2017 issued by the MCA, being a Private Limited company having turnover less than rupees 50 crore and not having any Borrowings from Banks or financial institution or any Body Corporate at any point of time during the financial year.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year accordingly the provisions of section 197 of the Act are not applicable to the company; and
- (h) 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:
- The company did not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There was no amount, which were required to be transferred, to the investor Education and Protection Fund by the Company.

Place of Signature: Mumbai
Date: - 5 SEP 2020



For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS
(Signature)
(S. M. Bandi) Partner
Membership No. 109101
UDIN: 20109101AAAACP6249

The Annexure "A" referred to in our Report of even date to the Members of SARAT LEASING AND FINANCE PRIVATE LIMITED (on the financial statements for the year ended 31st March, 2020. We report that:

1. The Company does not own any fixed assets during the financial year under review. Therefore, comments regarding maintenance of proper records, Physical verification of Fixed Assets by the management and title of the immovable Properties are not required and accordingly the provisions of clause 3 (i) (a) to (c) of the order are not applicable to the Company.
2. The company Inventory Comprising of Equity Shares and the same has been held by the Company in de-materialised form with Systematix Shares & Stocks (I) Limited and CITI Bank NA and the same is verified with the confirmation received from them at the year end. No material discrepancies were noticed on such physical verification.
3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.
4. According to the information and explanations given to us, the company is a registered Non-Banking Finance Company with the Reserve Bank of India under section 45-IA of the RBI Act, 1934, accordingly provision of section 185 and 186 of the companies Act, 2013 are not applicable to the company hence, provision of clause 3 (iv) of the order, is not applicable to the Company.
5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.
6. In our opinion and according to the information and explanations given to us the Company is not required to maintain cost records specified by the central government under section 148 (1) of the Companies Act, 2013.
- 7.a According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance Sales Tax and GST are not applicable to the company. The company is regular in depositing Income tax and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2020 for a period exceeding six months from the date they became payable.
- 7.b According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, GST and Cess etc.
8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year as well as in the earlier years and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.



9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and Term Loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.
10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees have been noticed or reported during the year.
11. The Company is a Private Limited Company accordingly provision of section 197 read with schedule V of the companies Act, 2013 as well as disclosure requirement in respect of the provision of clause 3 (xi) of the order is not applicable to the Company.
12. In our opinion, the company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.
13. In our opinion, and according to the information and explanations given to us, the company has not carried out any transactions with the related parties as defined in section 177 and 188 of the companies Act, 2013. However, the details of related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.
16. The Company is carrying out Business of Non-Banking Finance and dully Registered as a Non-Banking Finance Company vide its Certificate of Registration under Section 45-IA of the Reserve Bank of India Act, 1934 from the Reserve Bank of India, Mumbai vide Registration No. 13.00168 dated 02nd March, 1998 to carry on the business of a Non-Banking Financial Company (NBFC).

Place of Signature: Mumbai
Date: - 5 SEP 2020



For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

(Signature)
(S. M. Bandi) Partner
Membership No.109101
UDIN: 20109101AAAACP6249

SARAT LEASING AND FINANCE PRIVATE LIMITED
CIN : U65920MH1994PTC077781
BALANCE SHEET AS AT 31ST MARCH, 2020

	<u>Note No</u>	<u>As at 31st</u> <u>March, 2020</u> ₹	<u>As at 31st</u> <u>March, 2019</u> ₹
<u>Equities & Liabilities</u>			
Shareholders' Fund			
Share Capital	1	12500000	12500000
Reserve & Surplus	2	75080390	72949824
		87580390	85449824
Non Current Liabilities			
Other Non current liabilities	3	85500	85500
		85500	85500
Current Liabilities			
Other current liabilities	4	104640	41300
		104640	41300
TOTAL		87770530	85576624
<u>Assets</u>			
Non Current Assets			
Non current investments	5	48485852	48664984
Long Term Loans & Advances	6	5000000	5000000
Other Non current assets	7	1817139	1937115
		55302991	55602099
Current Assets			
Inventories	8	2752973	3340667
Cash & Cash equivalents	9	216851	354016
Short term loans & advances	10	29295225	26134272
Other current assets	11	202490	145570
		32467539	29974525
TOTAL		87770530	85576624

Significant Accounting Policies, Notes on Accounts 19

As per our report of even date
For **M.L. SHARMA & COMPANY**
Firm Regd No **109963W**
Chartered Accountants



(Signature)
(S M BANDI) Partner
Membership No : 109101
Place : Mumbai
Dated : - 5 SEP 2020

For and on behalf of the Board

(Signature)
VIJAYKUMAR
MAHABIRPRASAD
JATIA
Director
DIN : 0000096977

(Signature)
GAURI JATIA
Director
DIN : 0000096786

SARAT LEASING AND FINANCE PRIVATE LIMITED
CIN : U65920MH1994PTC077781
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>Note No</u>	<u>Current Year</u> ₹	<u>Previous Year</u> ₹
<u>Income</u>			
Revenue from Operation	12	4409437	4945490
Other Income	13	6080	4735
Total Revenue		4415517	4950225
<u>Expenses</u>			
Purchases		-	30569
Changes in inventories of Stock-in-trade	14	587694	253848
Employee benefits expense	15	1004283	1163595
Other expenses	16	283412	124118
Depreciation		179132	179132
Total Expenses		2054521	1751262
Profit before taxation		2360996	3198963
Tax Expense	17		
Current Tax		232000	330000
Tax Adjustment of prior years		(1570)	(5524)
Profit/ (Loss) for the year		2130566	2874487
Earning Per Share	18	1.70	2.30
Significant Accounting Policies, Notes on Accounts	19		

As per our report of even date
For **M.L. SHARMA & COMPANY**
Firm Regd No **109963W**
Chartered Accountants


(S M BANDI) Partner
Membership No : 109101
Place : Mumbai
Dated : = 5 SEP 2020



For and on behalf of the Board


VIJAYKUMAR
MAHABIRPRASAD
JATIA
Director
DIN : 0000096977


GAURI JATIA
Director
DIN : 0000096766

SARAT LEASING AND FINANCE PVT LTD
CIN : U65920MH1994PTC077781
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>2019-2020</u>	<u>2018-2019</u>
	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extraordinary items	2360996	3198963
Adjustment for :		
Dividend from Long Term Investments	(1849800)	(2312250)
Depreciation	179132	179132
Interest	-	-
Operating Profit before working capital changes	690328	1065845
Adjustment for :		
Trade and other receivables	(3158953)	(3380183)
Inventories	587694	253848
Trade payables	63340	5900
Cash generated from operation	(1817591)	(2054590)
Direct Taxes	(169374)	(249057)
Interest Paid	-	-
Cash flow before extraordinary items	(1986965)	(2303647)
NET CASH FROM OPERATING ACTIVITIES	(1986965)	(2303647)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Dividend from Long Term Investments	1849800	2312250
NET CASH USED IN INVESTING ACTIVITIES	1849800	2312250
C CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowing/Repayment of/for Short Term Borrowings	-	-
NET CASH USED IN FINANCING ACTIVITIES	-	-
Net increase in cash and cash equivalents	(137165)	8603
Cash and cash equivalents (Opening)	354016	345413
Cash and cash equivalents (Closing)	216851	354016

- 1 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash flow Statement".
- 2 The previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with figures of current financial year.

As per our report of even date
For **M.L. SHARMA & COMPANY**
Firm Regd No **109963W**
Chartered Accountants



(S M BANDI) Partner
Membership No : 109101
Mumbai, Dated : - 5 SEP 2020

For and on behalf of the Board

(Signature)
VIJAYKUMAR
MAHABIRPRASAD
JATIA
Director
DIN : 0000096977

GAURI JATIA
Director
DIN : 0000096766

SARAT LEASING AND FINANCE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note No - 1		
Share Capital		
Authorised		
1840000 (P/Y - 1840000) Equity Shares of ₹ 10/- each	18400000	18400000
116000 (P/Y - 116000) 10% Redeemable Non Cumulative Preference Shares of ₹ 100/- each	11600000	11600000
	30000000	30000000
Issued, Subscribed & Paid Up		
1250000 (P/Y - 1250000) Equity Shares of ₹ 10/- each fully paid up	12500000	12500000
	12500000	12500000

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

<u>Equity Shares</u>	As at 31st March 2020		As at 31st March 2019	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	1250000	12500000	1250000	12500000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1250000	12500000	1250000	12500000

(ii) The Company has only one class of Equity Shares having a par value of ₹ 10 par Share. Each Shareholder is eligible for One Vote Per Share.

(iii) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Nos	% of Holding	Nos	% of Holding
Mr Vijay Kumar Jatia	499000	39.92%	499000	39.92%
M/s Shree Rani Sati Investment & Finance Pvt Ltd	202000	16.16%	202000	16.16%
M/s Camellia Mercantile Pvt Ltd	100000	8.00%	100000	8.00%
M/s Ignatius Trading Compnay Pvt Ltd	100000	8.00%	100000	8.00%
M/s Candescant Traders Pvt Ltd	100000	8.00%	100000	8.00%
M/s Alcyone Trading Company Pvt Ltd	100000	8.00%	100000	8.00%
M/s F Pudumjee Investment Co Pvt Ltd	100000	8.00%	100000	8.00%

(iv) Other disclosure pursuant to Note no. 6 of Part I of Schedule III to the Companies Act, 2013 is either Nil or not applicable to the Company.

Note No - 2

Reserve & Surplus

Capital Redemption Reserve		
As per last Balance Sheet	12500000	12500000
General Reserve		
As per last Balance Sheet	50000	50000

Surplus in Statement of Profit & Loss

As per last balance sheet	60399824	58182154
Add /(Less) : Adjustment related to depreciation on Investment Property	-	(656817)
Add /(Less) : Profit/(Loss) for the year	2130566	2874487
	62530390	60399824
	75080390	72949824



SARAT LEASING AND FINANCE PRIVATE LIMITED

Note No - 5

Non Current Investments

	Face Value ₹	As at 31st March, 2020		As at 31st March, 2019	
		No of Shares	Cost ₹	No of Shares	Cost ₹
(Trade)					
<u>Investment in Equity Shares Of Associates</u>					
-Quoted					
Modern India Ltd	2	7707500	20857923	7707500	20857923
-Unquoted					
Modern Derivatives & Comm P Ltd	10	260000	2606500	260000	2606500
<u>Investment in Redeemable Non - 10% Cumulative Preference Shares of Associates</u>					
-Unquoted					
Jatia Properties Pvt Ltd	100	185000	18500000	185000	18500000
Vedant Mercantile Pvt Ltd	100	18750	1879710	18750	1879710
<u>Investment in Immovable Property</u>					
Godown at Bhiwandi (At cost less accumulated depreciation)			4641719		4820851
TOTAL			48485852		48664984
Aggregate Book Value - Quoted			20857923		20857923
Aggregate Book Value - Unquoted			22986210		22986210
Cost of Property			5656800		5656800
Market Value - Quoted			324100375		213883125

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SARAT LEASING AND FINANCE PRIVATE LIMITED

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note No - 3		
<u>Other Non Current Liabilites</u>		
Rent Deposit	85500	85500
	<u>85500</u>	<u>85500</u>
Note No - 4		
<u>Other Current Liabilites</u>		
(Other than Micro, Small & Medium Enterprises)		
TDS payable	3500	3500
Audit fees payable	37800	37800
Outstanding liabilities for expenses	63340	-
	<u>104640</u>	<u>41300</u>
Note No - 6		
<u>Long Term Loans & Advances</u>		
(Unsecured , considered good by Management)		
Capital Advances	5000000	5000000
	<u>5000000</u>	<u>5000000</u>
Note No - 7		
<u>Other Non Current Assets</u>		
MAT Credit entitlements	1817139	1937115
	<u>1817139</u>	<u>1937115</u>
Note No -8		
<u>Inventories</u>		
Equity Shares	2752973	3340667
	<u>2752973</u>	<u>3340667</u>
Note No -9		
<u>Cash & Cash Equivalent</u>		
Balance with Bank In Current Account	206851	344016
Cash on Hand	10000	10000
	<u>216851</u>	<u>354016</u>

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SARAT LEASING AND FINANCE PRIVATE LIMITED

	As at 31st March, 2020	As at 31st March, 2019
	₹	₹
Note No - 10		
<u>Short Term Loans & Advances</u>		
(Unsecured , considered good by Management)		
Loans and Advances to Other Parties	29295225	26134272
Term of Payment - On Demand Rate of Interest - 9%	<u>29295225</u>	<u>26134272</u>

As required U/s 186 of the Companies Act, 2013 the details of the Loans given as under :

<u>Name of the Party</u>	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>
Eclat Developers Pvt Ltd [8%]	2399523	1609104
Millennium Commercial Pvt Ltd [8%]	3685010	1794928
S V A India Ltd [9% & 7%]	23210692	12730240
Remi Edelstahl Tubulars Ltd [9%]	-	10000000
	<u>29295225</u>	<u>26134272</u>

- a) All the above loans have been given as Inter Corporate Deposits & for business purpose.
b) All the above loans and advances are interest bearing.
c) The Company has not given any guarantee and provided security during the year as well as in the previous year.

Note No - 11

Other Current Assets

Prepaid expenses	6950	8950
Electricity Deposit	3000	3000
Advance Income Tax & Tax Deducted at Source (Net of Provisions)	<u>192540</u>	<u>133620</u>
	<u>202490</u>	<u>145570</u>



SARAT LEASING AND FINANCE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Current Year ₹	Previous Year ₹
Note No - 12		
Revenue from Operations		
Sales	-	184395
Interest - Gross [TDS ₹ 217664/- (Previous Year ₹ 204919/-)]	2176637	2049191
Dividend - Gross		
From Non Current Investments	1849800	2312250
From Others	14000	11210
Rent received [TDS ₹ 36900/- (Previous Year ₹ 38843/-)]	369000	388444
	4409437	4945490
Note No - 13		
Other Income		
Interest - On Income tax refund	6080	4735
	6080	4735
Note No - 14		
Changes in inventories of Stock-in-trade		
<u>Opening Stock</u>		
Equity Shares	3340667	3594515
<u>Closing Stock</u>		
Equity Shares	2752973	3340667
	587694	253848
Note No - 15		
Employee Benefit Expenses		
Salaries and Wages	1004283	1163595
	1004283	1163595
Note No - 16		
Other Expenses		
Bank & Demat Charges	3313	1080
Rates & Taxes	40221	12938
Repairs & Maintenance	-	10620
Telephone & Internet Expenses	3588	-
Subscription & Membership Fees	5900	5900
Filing Fees	1200	2400
Employer's Profession Tax	2000	2000
<u>Auditors' Remuneration</u>		
For Audit Fees	41300	41300
For Others	-	11800
Miscellaneous Expenses	5550	5705
Professional Fees	180340	30090
Share Trading Expenses	-	285
	283412	124118
Note No - 17		
Tax Expenses		
Current Tax	232000	330000
Tax Adjustment of prior years	(1570)	(5524)
	230430	324476
Note No - 18		
Earning per Share		
Net Profit available for equity shareholders (₹)	2130566	2874487
Weighted average number of equity shares outstanding during the years (In Nos)	1250000	1250000
Basic/Diluted Earning Per Share (₹)	1.70	2.30



SARAT LEASING AND FINANCE PRIVATE LIMITED
CIN : U65920MH1994PTC077781
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

Note No - 19

1) Significant Accounting Policies :

A General:

The financial statements are prepared under the historical cost convention, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standard as prescribed under section 133 of the Companies Act, 2013 (Act) read with rule 7 of the Companies (Accounts) rule, 2014 and the relevant provisions of the Companies Act, 2013 as applicable to the Company.

B Property, Plant & Equipment :

Property, Plant & Equipment are stated at cost of acquisition or Construction inclusive of incidental expenses related there to less accumulated depreciation & Input Tax credit and /or accumulated impairment losses, if any.

C Depreciation on Investment Property:

- i) Depreciation on Property, Plant & Equipment has been provided on the Straight Line Method based on the Useful life of the assets as prescribed in Schedule II to the Companies Act, 2013
- ii) Depreciation on Additions to Property, Plant & Equipment or on Sale / Disposal of Property, Plant & Equipment is calculated on pro rata basis from the Month in which such additions or up to the Month of such sale / Disposal is made as the case may be.
- iii) Investment properties are depreciated on Pro rata Month basis using the Straight Line Method over their estimated useful life of the assets as prescribed in Schedule II of the Companies Act, 2013

D Investment and Investment Property:

- i) Investment property applies to owner-occupied property and is held to earn rentals or for capitalisation or both.
- ii) Investment property are stated at cost of Acquisition or Construction inclusive of incidental expenses related there to less accumulated depreciation and input tax credit and/or accumulated impairment losses, if any.
- iii) Long Term investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary in the value of long term investments.
- iv) Investments include shares and securities purchased with the intention of holding them as investment as per Board Resolution.

E Retirement Benefits:

Retirement benefits are not applicable to the company.

F Inventories:

Inventories of shares are valued at lower of cost or market value as at Balance Sheet date.

F Recognition of Income & Expenditure:

Income & expenditure are accounted for on accrual basis.
 Dividend Income is accounted for when the right to receive the payment is established.

G Taxation:

Provision for Income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred Income taxes are recognised for the future tax consequences attributable to timing difference between the financial statement determination of income and their recognition for tax purposes. The effect of deferred tax assets & liabilities of a change in tax rates is recognised in income using the tax rates and tax laws that have been enacted for substantively enacted by the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

H Contingent Liability:

Contingent Liabilities are not provided for in the accounts and are disclosed by way of notes, if any.

I Leases

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lesser are recognized as Operating lease. Operating lease receipts and payments are recognized as income or expense, as the case may be, in the Statement of Profit and loss on a straight-line basis over the lease term.

2) Notes on Account :

A Disclosure of related party transaction as required by para 23 of AS 18 issued by the Chartered Accountants of India :

a) List of Related Parties over which control exists:

Name of the Related Party (As Identified by the Management)	Description of Relationship
1. Modern India Ltd	Associates : Significant Influence
2. Mrs Gauri Jatia	Key Management Personels
3. Mr Vijay Kumar Jatia	Key Management Personels



SARAT LEASING AND FINANCE PRIVATE LIMITED

b) Names of the Related Parties with whom transactions were carried out during the year & descriptions of relationship:

Name of the Related Party (As Identified by the Management)	Description of Relationship
1. Modern India Ltd	Associates : Significant Influence

c) Details of transactions with Related Parties during the Financial Year ended 31.03.2020:

Description of transactions	Key Management Personnels & relatives	Associates Significant Influence
1. Dividend Received	0 (0)	1849800 (2312250)

B Information pursuant to the provisions of paragraphs 5 (ii) (b) of Para II Schedule III of the Companies Act, 2013.

Quantitative details of Purchases, Sales & Stocks of Shares :

Particulars	2019-2020	2018-2019
	Qty (Value)	Qty (Value)
a) Equity Shares (In Nos)		
Opening Stock	15089 (3340667)	17589 (3594515)
Purchases	-	300 (30569)
Sales	-	2800 (184395)
Closing Stock	15089 (2752973)	15089 (3340667)

C There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at Balance Sheet date. Further, the Company has not paid any interest to any Micro and small Enterprises during the accounting year, nor is any interest payable to any Micro and Small Enterprises on the Balance Sheet Date. 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.

D The figures have been rounded off to nearest rupee and previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with figures of current financial year

E Other additional information as required pursuant to Para (5) of Part II of Schedule III are either NIL or Not Applicable.

F Information as required in terms of Paragraph 18 of Master Direction - Non Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (Annexed herewith)

Signature to Note '1' to '19'

As per our report of even date
For **M.L. SHARMA & COMPANY**
Firm Regd No **109963W**
Chartered Accountants



(Signature)
(S M BANDI) Partner
Membership No : 109101
Place : Mumbai
Dated : - 5 SEP 2020

For and on behalf of the Board

(Signature)
VIJAYKUMAR
MAHABIRPRASAD
JATIA
Director
DIN : 0000096977

(Signature)
GAURI JATIA
Director
DIN : 0000096766

SARAT LEASING AND FINANCE PRIVATE LIMITED

Note No "19" Paragraph "G" related to Balance Sheet as at 31st March, 2020

Information as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

<u>Particulars</u>	<u>(In Lakh)</u>	
	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
<u>Liabilities Side</u>		
(1) Loans & Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid	-	-
a) Debentures :Secured	-	-
:Unsecured	-	-
(Other than falling within the meaning of public deposits*)		
b) Deferred Credit	-	-
c) Term Loans	-	-
d) Inter Corporate Loans & Borrowings	-	-
e) Commercial Paper	-	-
f) Public Deposits	-	-
g) Other Loans (Specify nature)		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
a) In the form of Unsecured debentures	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c) Other public deposits	-	-



Assets Side :

	Amount Outstanding
(3) Break up of Loans and Advances including bills receivables [other than those included in (iv) below] :	
a) Secured	-
b) Unsecured	342.95
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under Sundry Debtors :	
(a) Financial Lease	-
(b) Operating Lease	-
(ii) Stock on hire including hire charges under Sundry Debtors:	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-



(5) **Break up of Investments :**

Current Investments :

1 **Quoted :**

(i) Shares :		
	(a) Equity (Stock in Trade)	27.53
	(b) Preference	-
(ii) Debentures & Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others (Please Specify)		-

2 **Unquoted :**

(i) Shares :		
	(a) Equity	-
	(b) Preference	-
(ii) Debentures & Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others (Please Specify)		-

Long Term Investments :

1 **Quoted :**

(i) Shares :		
	(a) Equity	208.58
	(b) Preference	-
(ii) Debentures & Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others (Please Specify)		-

2 **Unquoted :**

(i) Shares :		
	(a) Equity	26.06
	(b) Preference	203.80
(ii) Debentures & Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others - Godown		46.42



(6) Borrower group - wise classification of assets financed in (3) and (4) above :

Category	Amount net of provision		Total
	Secured	Unsecured	
1. Related Parties** :			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other Related Parties	-	-	-
2. Other than Related Parties	-	342.95	342.95
TOTAL	-	342.95	342.95

(7) Investors group - wise classification of all investments (Current and Long Term) in Shares and securities (both quoted and unquoted) :

Category	Market value/ Break up or fair value or NAV	Book Value (Net of provision)
1. Related Parties** :		
a) Subsidiaries	-	-
b) Companies in the same group	3,470.87	438.44
c) Other Related Parties	-	-
2. Other than Related Parties	73.95	73.95
TOTAL	3,544.82	512.39

** As per Accounting Standard of ICAI (Please see Note 3)

(8) Other Information

Particulars	Amount
(i) Gross Non - Performing Assets	
(a) Related Parties	-
(b) Other than Related Parties	-
(ii) Net Non - Performing Assets	
(a) Related Parties	-
(b) Other than Related Parties	-
(iii) Assets Acquired in satisfaction of debt	-

Note:

- 1 As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
- 2 Provisioning norms shall be applicable as prescribed in these Directions.
- 3

All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.



SARAT LEASING AND FINANCE PRIVATE LIMITED

CONSOLIDATED ANNUAL REPORT 2019-2020



M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS

107, Chartered House, 297 - 299, Dr. C. H. Street, Behind Dolours Church, Marine Lines, Mumbai - 400 002.
☎ : (022) 2201 0808, 2201 1010 • Fax : (022) 2201 1414 • Resi. : (022) 2613 4916 • E-mail : mlsharma@mlsharma.in

INDEPENDENT AUDITOR'S REPORT

To the Members of **SARAT LEASING AND FINANCE PRIVATE LIMITED**

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the Consolidated financial statements of **SARAT LEASING AND FINANCE PRIVATE LIMITED**, ("the Holding Company") and its Associates (the Holding Company and its Associates together referred to as "the Group") which comprises the Consolidated Balance Sheet as at March 31, 2020 and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated 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 Consolidated financial statements give the information required by the Companies Act, 2013 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, 2020, and **Loss** for the year ended on that date.

Basis of Qualified Opinion

The Trade Receivable of Associate company Modern India Limited ₹ 2,76,84,294/-, (to the extent of Parent company's share), outstanding in respect of Commodities trading transactions done on National Spot Exchange Ltd (NSE). The Group has filed a representative suit in the High Court of Bombay for recovery of the same. In the meanwhile, various decrees have been passed by the High Court of Bombay against defaulters, including for sale of commodities and assets which are in process of implementation. Economic Office Wing and Enforcement Directorate are also in process of liquidating assets of defaulters. Pending outcome of the legal suit and resolution of uncertainties involved in making any reliable estimate of amount recoverable, the management has considered the receivable as good. However, in absence of appropriate audit evidence, we are unable to determine the extent of the amount to be recoverable in respect of the same.

Our Opinion is Qualified in respect of these Matters.

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 Consolidated financial statements 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 qualified opinion.



Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director report, but does not include the Consolidated financial statements and our auditor's report thereon.

The Director report is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and report it to respective regulatory authorities.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group 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 implementation and maintenance of 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 Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's Consolidated financial reporting process.



Auditor's Responsibility for the Audit of the Consolidated Financial Statements

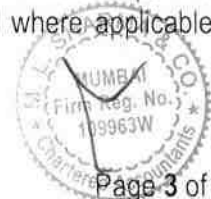
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 financial statements.

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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 consolidated 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.

Other Matters

The consolidated financial statements also include the Group's share of net loss of ₹ 1,93,63,563/- for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of **One** associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, except of the matter described in the basis for Qualified opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated 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) The matter described in the basis for Qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.



- (f) On the basis of the Written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the other auditors of its associate company, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164 (2) of the Act.
- (g) This report does not include a statement on the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, since the same is exempted to its Holding Company by way of notification no. (F. No. 1/1/2014-CL-V) Dated 13/06/2018 issued by the MCA, being a Private Limited company having turnover less than ₹ 50 crore and not having any Borrowings from Banks or financial institution or any Body Corporate at any point of time during the financial year.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year accordingly the provisions of section 197 of the Act are not applicable to the company; and
- (i) 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:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Point No. 5 of Note 19) to the consolidated financial statements.
 - The "Group" did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There was no amount, which were required to be transferred, to the investor Education and Protection Fund by the "Group".

Place of Signature: Mumbai

Date: - 5 SEP 2020



For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

(S. M. Bandi) Partner
Membership No.109101
UDIN: 20109101AAAACQ3320

SARAT LEASING AND FINANCE PRIVATE LIMITED
CIN : U65920MH1994PTC077781
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

	Note No	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Equities & Liabilities			
Shareholders' Fund			
Share Capital	1	1,25,00,000	1,25,00,000
Reserve & Surplus	2	8,48,05,611	6,44,61,147
		9,73,05,611	7,69,61,147
Non Current Liabilities			
Other Non current liabilities	3	85,500	85,500
Current Liabilities			
Other current liabilities	4	1,04,640	41,300
		1,04,640	41,300
TOTAL		9,74,95,751	7,70,87,947
Assets			
Non Current Assets			
Non current investments	5	5,82,11,073	4,01,76,307
Long Term Loans & Advances	6	50,00,000	50,00,000
Other Non current assets	7	18,17,139	19,37,115
		6,50,28,212	4,71,13,422
Current Assets			
Inventories	8	27,52,973	33,40,667
Cash & Cash equivalents	9	2,16,851	3,54,016
Short term loans & advances	10	2,92,95,225	2,61,34,272
Other current assets	11	2,02,490	1,45,570
		3,24,67,539	2,99,74,525
TOTAL		9,74,95,751	7,70,87,947

Significant Accounting Policies, Notes on Accounts 19

As per our report of even date
For **M.L. SHARMA & CO.**
Firm Regd No **109963W**
Chartered Accountants



(S. M. BANDI) Partner
Membership No : 109101
Place : Mumbai
Date : -5 SEP 2020

For and on behalf of the Board

Vijaykumar
Mahabirprasad Jatia
Director
DIN : 0000096977

Gauri Jata
Director
DIN : 0000096766

SARAT LEASING AND FINANCE PRIVATE LIMITED
CIN : U65920MH1994PTC077781
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No	Current Year ₹	Previous Year ₹
Income			
Revenue from Operation	12	44,09,437	49,45,490
Other Income	13	6,080	4,735
Total Revenue		44,15,517	49,50,225
Expenses			
Purchases		-	30,569
Changes in inventories of Stock-in-trade	14	5,87,694	2,53,848
Employee benefits expense	15	10,04,283	11,63,595
Other expenses	16	2,83,412	1,24,118
Depreciation		1,79,132	1,79,132
Total Expenses		20,54,521	17,51,262
Profit before taxation		23,60,996	31,98,963
Tax Expense	17		
Current Tax		2,32,000	3,30,000
Tax Adjustment of Earlier Years		(1,570)	(5,524)
Profit/ (Loss) for the Year before Share of Associates		21,30,566	28,74,487
Add/ (Less) : Share of Associates		(1,93,63,563)	(1,18,05,219)
Profit/ (Loss) for the Year after Share of Associates		(1,72,32,997)	(89,30,732)
Earning Per Share	18	(13.79)	(7.14)
Significant Accounting Policies, Notes on Accounts	19		

For and on behalf of the Board

As per our report of even date
For **M. L. SHARMA & CO.**
Firm Regd No **109963W**
Chartered Accountants



(Signature)
(S. M. BANDI) Partner
Membership No : 109101
Place : Mumbai
Date : - 5 SEP 2020

(Signature) + *(Signature)*
Vijaykumar
Mahabirprasad Jatia
Director
DIN : 0000096977

(Signature)
Gauri Jatia
Director
DIN : 0000096766

SARAT LEASING AND FINANCE PRIVATE LIMITED
CIN : U65920MH1994PTC077781
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>2019-2020</u>	<u>2018-2019</u>
	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extraordinary items	23,60,996	31,98,963
Adjustment for :		
Dividend from Long Term Investments	(18,49,800)	(23,12,250)
Depreciation	1,79,132	1,79,132
Operating Profit before working capital changes	<u>6,90,328</u>	<u>10,65,845</u>
Adjustment for :		
Trade and other receivables	(31,58,953)	(33,80,183)
Inventories	5,87,694	2,53,848
Trade payables	63,340	5,900
Cash generated from operation	<u>(18,17,591)</u>	<u>(20,54,590)</u>
Direct Taxes	(1,69,374)	(2,49,057)
Interest Paid	-	-
Cash flow before extraordinary items	<u>(19,86,965)</u>	<u>(23,03,647)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>(19,86,965)</u>	<u>(23,03,647)</u>
B CASH FLOW FROM INVESTING ACTIVITIES:		
Dividend from Long Term Investments	18,49,800	23,12,250
NET CASH USED IN INVESTING ACTIVITIES	<u>18,49,800</u>	<u>23,12,250</u>
C CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowing/Repayment of/for Short Term Borrowings	-	-
NET CASH USED IN FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	(1,37,165)	8,603
Cash and cash equivalents (Opening)	3,54,016	3,45,413
Cash and cash equivalents (Closing)	2,16,851	3,54,016

- 1 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash flow Statement".
- 2 The previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with figures of current financial year.

As per our report of even date
For M.L. SHARMA & CO.
Firm Regd No 109963W
Chartered Accountants



(S. M. BANDI) Partner
Membership No : 109101
Place : Mumbai
Date : -5 SEP 2020

For and on behalf of the Board

(Signature)

Vijaykumar
Mahabirprasad Jatia
Director
DIN : 0000096977

Gauri Jatia
Director
DIN : 0000096766

SARAT LEASING AND FINANCE PRIVATE LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note No - 1		
Share Capital		
Authorised		
18,40,000 (P/Y - 18,40,000) Equity Shares of ₹ 10/- each	1,84,00,000	1,84,00,000
1,16,000 (P/Y - 1,16,000) 10% Redeemable Non Cumulative Preference Shares of ₹ 100/- each	1,16,00,000	1,16,00,000
	3,00,00,000	3,00,00,000
Issued, Subscribed & Paid Up		
12,50,000 (P/Y - 12,50,000) Equity Shares of ₹ 10/- each fully paid up	1,25,00,000	1,25,00,000
	1,25,00,000	1,25,00,000

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2020		As at 31st March 2019	
	Nos	Amount	Nos	Amount
Equity Shares				
Shares outstanding at the beginning of the year	12,50,000	1,25,00,000	12,50,000	12500000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12,50,000	1,25,00,000	12,50,000	12500000

(ii) The Company has only one class of Equity Shares having a par value of ₹ 10 per Share. Each Shareholder is eligible for One Vote Per Share.

(iii) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Nos	% of Holding	Nos	% of Holding
Mr Vijay Kumar Jatia	4,99,000	39.92%	4,99,000	39.92%
M/s Shree Rani Sati Investment & Finance Ltd	2,02,000	16.16%	2,02,000	16.16%
M/s Camellia Mercantile Pvt Ltd	1,00,000	8.00%	1,00,000	8.00%
M/s Ignatius Trading Compnay Pvt Ltd	1,00,000	8.00%	1,00,000	8.00%
M/s Candescent Traders Pvt Ltd	1,00,000	8.00%	1,00,000	8.00%
M/s Alcyone Trading Company Pvt Ltd	1,00,000	8.00%	1,00,000	8.00%
M/s F Pudumjee Investment Co Pvt Ltd	1,00,000	8.00%	1,00,000	8.00%

(iv) Other disclosure pursuant to Note no. 6 of Part I of Schedule III to the Companies Act, 2013 is either Nil or not applicable to the Company.



SARAT LEASING AND FINANCE PRIVATE LIMITED

Note No - 5

Non Current Investments

	Face Value ₹	As at 31st March, 2020		As at 31st March, 2019	
		No of Shares	Cost ₹	No of Shares	Cost ₹
(Trade)					
<u>Investment in Associates</u>					
<u>In Equity Shares 'Quoted</u>					
Modern India Ltd	2	77,07,500	3,05,83,144	77,07,500	1,23,69,246
<u>In Equity Shares 'Unquoted</u>					
Modern Derivatives & Comm P Ltd	10	2,60,000	26,06,500	2,60,000	26,06,500
<u>Investment in Others</u>					
<u>Investment in Redeemable Non - 10% Cumulative Preference Shares of Others</u>					
-Unquoted					
Jatia Properties Pvt Ltd	100	1,85,000	1,85,00,000	1,85,000	1,85,00,000
Vedant Mercantile Pvt Ltd	100	18,750	18,79,710	18,750	18,79,710
<u>Investment in Immovable Property</u>					
Godown at Bhiwandi (At cost less accumulated depreciation)			46,41,719		48,20,851
TOTAL			5,82,11,073		4,01,76,307
Aggregate Book Value - Quoted			3,05,83,144		1,23,69,246
Aggregate Book Value - Unquoted			2,29,86,210		2,29,86,210
Cost of Property			56,56,800		56,56,800
Market Value - Quoted			32,41,00,375		21,38,83,125



SARAT LEASING AND FINANCE PRIVATE LIMITED

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Note No - 2		
Reserve & Surplus		
Capital Redemption Reserve	1,72,24,349	1,72,24,349
As per last Balance Sheet	27,046	-
Add /(Less) : Income from associate for earlier years	-	-
Add /(Less) : Share of associate during the year	<u>1,72,51,395</u>	<u>1,72,24,349</u>
General Reserve	50,000	50,000
As per last Balance Sheet	-	-
Add /(Less) : Income from associate for earlier years	-	-
Add /(Less) : Share of associate during the year	<u>50,000</u>	<u>50,000</u>
Capital Reserve	67,28,931	67,28,931
As per last Balance Sheet	24,718	-
Add /(Less) : Income from associate for earlier years	<u>67,53,649</u>	<u>67,28,931</u>
Foreign Currency Translation Reserve	74,02,286	74,02,286
As per last Balance Sheet	7,84,273	-
Add /(Less) : Income from associate for earlier years	32,76,699	-
Add /(Less) : Share of associate during the year	<u>1,14,63,258</u>	<u>74,02,286</u>
Surplus in Statement of Profit & Loss	3,30,55,581	4,26,43,129
As per last balance sheet	-	(6,56,817)
Add /(Less) : Adjustment related to depreciation on Investment Property	3,67,41,424	-
Add /(Less) : Income from associate for earlier years	(2,05,09,695)	(89,30,732)
Add /(Less) : Profit/(Loss) for the Year	<u>4,92,87,310</u>	<u>3,30,55,581</u>
	<u>8,48,05,611</u>	<u>6,44,61,147</u>
Note No - 3		
Other Non Current Liabilities		
Rent Deposit	<u>85,500</u>	<u>85,500</u>
Note No - 4		
Other Current Liabilities		
(Other than Micro, Small & Medium Enterprises)		
TDS payable	3,500	3,500
Audit fees payable	37,800	37,800
Outstanding liabilities for expenses	63,340	-
	<u>1,04,640</u>	<u>41,300</u>
Note No - 6		
Long Term Loans & Advances		
(Unsecured, considered good by Management)		
Capital Advances	50,00,000	50,00,000
	<u>50,00,000</u>	<u>50,00,000</u>
Note No - 7		
Other Non Current Assets		
MAT Credit entitlements	18,17,139	19,37,115
	<u>18,17,139</u>	<u>19,37,115</u>
Note No - 8		
Inventories		
Equity Shares	27,52,973	33,40,667
	<u>27,52,973</u>	<u>33,40,667</u>



SARAT LEASING AND FINANCE PRIVATE LIMITED

	As at 31st March, 2020	As at 31st March, 2019
	₹	₹

Note No - 9

Cash & Cash Equivalents

Balance with Bank In Current Account	2,06,851	3,44,016
Cash on Hand	10,000	10,000
	2,16,851	3,54,016

Note No - 10

Short Term Loans & Advances

(Unsecured , considered good by Management)

Loans and Advances to Other Parties	2,92,95,225	2,61,34,272
Term of Payment - On Demand Rate of Interest - 7% to 9%	2,92,95,225	2,61,34,272

As required U/s 186 of the Companies Act, 2013 the details of the Loans given as under :

Name of the Party	As at 31.03.2020	As at 31.03.2019
Eclat Developers Pvt Ltd [8%]	23,99,523	16,09,104
Millennium Commercial Pvt Ltd [8%]	36,85,010	17,94,928
Remi Edelstahl Tubulars Ltd [9%]	-	1,00,00,000
S V A India Ltd [9% & 7%]	2,32,10,692	1,27,30,240
	2,92,95,225	2,61,34,272

- All the above loans have been given as Inter Corporate Deposits & for business purpose.
- All the above loans and advances are interest bearing.
- The Company has not given any guamtee and provided security during the year as well as in the previous year.

Note No - 11

Other Current Assets

Prepaid expenses	6,950	8,950
Electricity Deposit	3,000	3,000
Advance Income Tax & Tax Deducted at Source (Net of Provisions)	1,92,540	1,33,620
	2,02,490	1,45,570



SARAT LEASING AND FINANCE PRIVATE LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

	Current Year ₹	Previous Year ₹
Note No - 12		
Revenue from Operations		
Sales	-	1,84,395
Interest - Gross [TDS ₹ 217664/- (Previous Year ₹ 204919/-)]	21,76,637	20,49,191
Dividend - Gross	18,49,800	23,12,250
From Non Current Investments	14,000	11,210
From Others	3,69,000	3,88,444
Rent received [TDS ₹ 36900/- (Previous Year ₹ 38843/-)]	<u>44,09,437</u>	<u>49,45,490</u>
Note No - 13		
Other Income		
Interest - On Income tax refund	<u>6,080</u>	<u>4,735</u>
	6,080	4,735
Note No - 14		
Changes in inventories of Stock-in-trade		
Opening Stock	33,40,667	35,94,515
Equity Shares		
Closing Stock	<u>27,52,973</u>	<u>33,40,667</u>
Equity Shares	5,87,694	2,53,848
Note No - 15		
Employee Benefit Expenses		
Salaries and Wages	<u>10,04,283</u>	<u>11,63,595</u>
	10,04,283	11,63,595
Note No - 16		
Other Expenses		
Bank & Demat Charges	3,313	1,080
Professional Fees	1,80,340	30,090
Telephone & Internet Expenses	3,588	-
Rates & Taxes	40,221	12,938
Repairs & Maintenance	-	10,620
Subscription & Membership Fees	5,900	5,900
Filing Fees	1,200	2,400
Employer's Profession Tax	2,000	2,000
Auditors' Remuneration		
For Audit Fees	41,300	41,300
For Others	-	11,800
Miscellaneous Expenses	5,550	5,705
Share Trading Expenses	-	285
	<u>2,83,412</u>	<u>1,24,118</u>
Note No - 17		
Tax Expenses		
Current Tax	2,32,000	3,30,000
Tax Adjustment of prior years	<u>(1,570)</u>	<u>(5,524)</u>
	2,30,430	3,24,476
Note No - 18		
Earning per Share		
Net Profit available for equity shareholders (₹)	(1,72,32,997)	(89,30,732)
Weighted average number of equity shares outstanding during the years (In Nos)	12,50,000	12,50,000
Basic/Diluted Earning Per Share (₹)	(13.79)	(7.14)



SARAT LEASING AND FINANCE PRIVATE LIMITED

NOTE-19

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS

1. PRINCIPLES OF CONSOLIDATION

- i. The Financial statements have been prepared to comply in all material aspects with Applicable Accounting principles in India, and the Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI).
- ii. **CONSOLIDATED FINANCIAL STATEMENTS** relates to “Sarat Leasing and Finance Private Limited” the Company & its Associates “Modern India Limited”. The Consolidated Financial Statements are in conformity with the Accounting Standard - 23 issued by ICAI and are prepared on the following basis:
 - a) Investment in Associate Company has been accounted under the equity method as per Accounting Standard (AS) 23 – “Accounting for investment in Associates in Consolidated Financial Statements”.
 - b) The Company accounts for its share of post-acquisition changes in net assets of associate, after eliminating unrealised profit and Loss resulting from transactions between the company and its associate to the extent of its share, through its consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
 - c) The difference between the cost of investment in the associate and the share of net asset at the time of acquisition of shares in the associates is identified in the financial statement as Goodwill or Capital Reserve as the case may be.

2. ACCOUNTING POLICIES

Most of the accounting policies of the reporting Company and that of its associate are similar and are in line with generally accepted accounting principles in India. Accounting Policies and Notes on Accounts of the financial statements of the company and the associate are set out in their respective financial statement.

The Consolidated Financial Statements comprises the Financial Statements of Sarat Leasing and Finance Private Limited and its associates.

Name of the Company	Year Ended	Status	Extent of Company's Interest 2019-20	Country of Incorporation
Modern India Limited	31 st March, 2020	Direct Associate	20.53	India

3. DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS

In compliance with the AS-18 “RELATED PARTY DISCLOSURE”, which has become mandatory, the required information is as under: -

I. LIST OF RELATED PARTIES

S.No	Name of the Related Party
I	KMP & Relatives & Enterprises of KMP
1	Vijay Kumar Jatia
2	Gauri Jatia
II	Associates : Significant Influence
1	Modern India Limited



II. NAMES OF THE RELATED PARTIES WITH WHOM TRANSACTIONS WERE CARRIED OUT DURING THE YEAR AND DESCRIPTION OF RELATIONSHIP

SR.NO	RELATED PARTIES
I	Associates : Significant Influence
1	Modern India Limited

III. DISCLOSURE OF RELATED PARTY TRANSACTIONS (₹)

Sr. No	Nature of Relationship/ Transactions	KMP/ Relatives of KMP	Associates	TOTAL
1	Dividend Received	NIL (NIL)	18,49,800 (23,12,250)	18,49,800 (23,12,250)

* Previous year's figures are given in Brackets ().

IV. AMOUNT DUE TO/FROM RELATED PARTIES AS ON MARCH 31, 2020 (₹)

NIL

4. INVESTMENT IN ASSOCIATES

I. The Group's Associates are:

Name of the Company	Extent of Company's Interest 2019-20	Country of Incorporation
Modern India Limited	20.53	India

II. Carrying cost of Investment in Associate:

Particulars	Modern India Limited
No. of Equity shares held	77,07,500 (77,07,500)
% holding	20.53% (20.53%)
Cost of Investment	2,08,57,923 2,08,57,923
Goodwill/(Capital Reserve) included in cost of Investment	-4,75,84,820 (-4,75,84,820)
Share in accumulated profit/(losses)	97,25,221 (-84,88,677)
Income from Associate for earlier years	3,75,77,461 (NIL)
Share of increase in reserve for during the year and for earlier years	-1,93,63,563 (-1,18,05,219)
Carrying cost	3,05,83,144 (1,23,69,246)

* Previous year's figures are given in Brackets ().

5. CONTINGENT LIABILITIES:

a) Parent Company: Nil

b) Associate Company (to the extent of Parent company's share):

Particulars	Amount (31 st March,2020)
Corporate Guarantee of USD 5.0 million (PY USD 5.6 million) given by the associate company to Indian Overseas Bank, Hong Kong on behalf of wholly owned subsidiary of associate company	7,73,64,507 (7,47,79,651)
Income Tax Demand for Assessment Year 2012-13 against which the	59,66,693



Company has filed an appeal with CIT (Appeal).	(NIL)
Other Income Tax Demand	2,22,682
	(NIL)
Estimated value of Contracts in Capital Account remaining to be executed and not provided	8,77,244
	(NIL)

* Previous year's figures are given in Brackets ().

6. Additional information as required under schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

Sr. No.	Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit & (Loss)	
		%	Amount	%	Amount
	Name of the Enterprise				
1	Parent Sarat Leasing and Finance Private Limited	90.01 (111.03)	8,75,80,390 (8,54,49,824)	-12.36 (-32.19)	21,30,566 (28,74,487)
2	Associate Modern India Limited	9.99 (-11.03)	97,25,221 (-84,88,677)	112.36 (132.19)	-1,93,63,563 (-1,18,05,219)
	Total	100.00 (100.00)	9,73,05,611 (7,69,61,147)	100.00 (100.00)	-1,72,32,997 (-89,30,732)

* Previous year's figures are given in Brackets ().

7. As there was no requirement of Consolidated Financial Statements during comparable period of earlier year, the comparable figures for previous year have not been reported (as per para 30 of Accounting Standard 21 "Consolidated Financial Statements") read with Accounting Standard 23 "Accounting for investment in associates in Consolidated Financial Statement".

8. Previous figures have been regrouped and rearranged to make the figures comparable.

As per our report of even date

For M. L. Sharma & Co.
Chartered Accountants
Firm Reg. No. 109963W



(Signature)
(S. M. BANDI) PARTNER
M. No: 109101

For Sarat Leasing and Finance Private Limited

(Signature)
Vijaykumar
Mahabir Prasad Jatia
Director
DIN - 0000096977

(Signature)
Gauri Jatta
Director
DIN - 0000096766

Place: Mumbai

Date: - 5 SEP 2020

