

**SHREE RANI SATI INVESTMENT &  
FINANCE PVT. LTD.**  
(Formerly known as Shree Rani Sati Investment & Finance Ltd.)



**MODERN<sup>®</sup>INDIA**  
E N T E R P R I S E

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

P : + 91 22 6744 4200  
F : + 91 22 6744 4300  
E : srs@shreeranisati.com  
W : www.shreeranisati.com

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 42<sup>nd</sup> Annual Report along with Audited statement of Accounts for the Financial Year ended 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS**

| Particulars                              | For the Year<br>Ended<br>31.03.2020 | For the Year<br>Ended<br>31.03.2019 |
|--|-------------------------------------|-------------------------------------|
|  | (₹)                                 | (₹)                                 |
| Profit/(Loss) before tax                 | 3087314                             | 5560683                             |
| Provision for tax (incl MAT entitlement) | 12086                               | 125247                              |
| Profit/(Loss) after tax                  | 3055220                             | 5435436                             |
| Add : Balance B/f from last year         | 215499183                           | 210063747                           |
| Balance C/f to Balance Sheet             | 218554411                           | 215499183                           |
| Basic/Diluted Earning per Share          | 15.28                               | 27.18                               |

**GENERAL INFORMATION ABOUT COMPANY**

Shree Rani Sati Investment and Finance Private Limited, based in Mumbai is a Non Banking Financial company registered with the Reserve Bank of India and is actively involved in trading, investment and finance activity.

The total revenue earned is `26700238 as compared to `21153595 in the previous year, the profit after tax is `3055220 compared to `5435436 in the previous year. Our business model has potential to flourish and this has started reflecting in our results and in the growth of the bottom line your Company in the coming years.

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 23<sup>rd</sup> 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.

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

No major event has occurred subsequent to the date of the financial statements.

As informed earlier our Company along with three others had instituted a Representative Suit in the Hon'ble Bombay High Court inter alia against 63 Moons Technologies Limited (erstwhile Financial Technologies (India) Limited (FTIL)). Our suit is clubbed with other suits filed against 63 Moons Technologies Limited, NSEL and others. Furthermore, with the NSEL crises, as on date, ` 7,84,49,978/- (Net of ` 61,92,837/- recovered till date) is outstanding as on 31.03.2020 and more is expected once the Committee formed by the Court agrees to distribute monies from the funds lying with

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the Court which has been collected due to sale of the assets of 63 Moons Technologies Limited. It maybe noted that the merger of NSEL with 63 Moons Technologies Limited has been set aside by the Supreme Court.

**DIVIDEND AND APPROPRIATIONS:**

The Board of Directors is of the view that the funds of the company should be ploughed back into the business to further its growth and hence no dividend is recommended.

**BOARD MEETINGS AND ATTENDANCE**

| <b>Names of the Directors</b> | <b>No. of Board Meetings Held</b> | <b>No of Board Meetings Attended</b> | <b>Last AGM Attendance (Yes/No)</b> |
|-------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| Shri V.K. Jatia               | 6                                 | 6                                    | YES                                 |
| Smt Gauri Jatia               | 6                                 | 6                                    | YES                                 |
| Shri P.K Bubna                | 6                                 | 6                                    | NO                                  |
| Shri S C Kedia                | 6                                 | 6                                    | NO                                  |
| Shri Basant Kumar Khaitan     | 6                                 | 1                                    | NO                                  |
| Shri Deepak Bubna             | 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 regard 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.

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.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE: NOT APPLICABLE**

**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 frauds, 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.

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- 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 31<sup>st</sup> 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.

#### **INTERNAL FINANCIAL CONTROL**

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.

#### **REPLY TO AUDITORS QUALIFICATION**

With reference to the amount of ` 784.50 lakhs receivable outstanding in respect of commodity trading transactions on NSEL, the management considers the same as good for recovery and a representatives suit has been filed in the Honorable High Court at Bombay and the same is currently being heard details of which have been given under events subsequent to the date of financial statements.

#### **SUBSIDIARY COMPANIES**

The Company does not have any Subsidiary companies

#### **ASSOCIATE COMPANIES**

Pursuant to section 2(6) of the Companies Act, 2013 Modern India Limited would qualify as an Associate Company and subsequently its accounts are consolidated with our result.

#### **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-2 )

#### **AUDITORS' APPOINTMENT**

The Company had appointed M/s M. L. Sharma & Co, Chartered Accountant as Statutory Auditor at the 39<sup>th</sup> Annual General Meeting of the Company for a term of 5 years and that their appointment was subject to ratification at every Annual General Meeting. However 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 07<sup>th</sup> May, 2018 by which the Company shall no longer be required to ratify the appointment of auditors at every Annual General Meeting.

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**SECRETARIAL AUDIT REPORT: NOT APPLICABLE**

**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:** During the year under review, the Company has neither accepted nor renewed any Fixed Deposits, under Section 73 & 74 of the Companies Act, 2013.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS**

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

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company have duly complied with the Provision of Section 186 of the Companies Act, 2013 and the Company has taken

SECURED LOANS : NIL

UNSECURED LOANS : `25717168

UNSECURED LOAN (GIVEN): `116953984

NON CURRENT INVESTMENTS : `50503179

CURRENT INVESTMENT: NIL

GUARANTEES :NIL.

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: NOT APPLICABLE**

**PARTICULARS OF CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES**

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

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## **DISCLOSURE ABOUT COST AUDIT: NOT APPLICABLE**

## **RATIOS OF REMUNERATION TO EACH DIRECTOR**

No director is paid any remuneration/Sitting fees EXCEPT Smt Gauri Jatia ,being whole time director she draws remuneration of Rs. 1402900/- details of which are enumerated in **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

## **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.

## **CORPORATE GOVERNANCE: NOT APPLICABLE**

## **MANAGEMENT DISCUSSION AND ANALYSES: NOT APPLICABLE**

## **ISSUE OF SWEAT EQUITY SHARES/ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS/ISSUE OF SHARES UNDER EMPLOYEES STOCK OPTION SCHEME.**

The Company has not issued any sweat equity shares/ Issue of Shares with Differential Rights/Issue of Shares under employees stock option scheme during the year under review

## **DISCLOSURE ON PURCHASE BY COMPANY OR GIVING OF LOAN BY IT FOR PURCHASE OF ITS SHARES.**

The Company has neither purchased not given any loan to anyone for purchase of its shares.

## **BUY BACK OF SHARES**

The Company has not considered any proposal for back of shares during the year under review.

## **GREEN INITIATIVE:**

Your Company has taken the initiative of going green and minimizing the impact on the environment. The Company has been circulating the copy of the Annual Report in electronic format to all those Members whose email address is available with the Company. Your Company would encourage other Members also to register themselves for receiving Annual Report in electronic form.

## **OUTLOOK**

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

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Mumbai

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

Date: 04.09.2020

Vijaykumar Jatia  
Chairman

**Registered Office:** Victor House, K Khadye Marg, Mahalaxmi, Mumbai- 400 011.

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

**SHREE RANI SATI INVESTMENT 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 31<sup>ST</sup> MARCH, 2020.**

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

The nature of the Company's activities is such that the particulars under the provisions of Section 134 of the Companies Act, 2013 read the provisions of Companies (Accounts) Rule, 2014 relating to Conservation of Energy, Technology Absorption and Research & Development do not apply to your company

There is no foreign technology involved.

The Company did not earn foreign exchange by way of export.



**ANNEXURE ' 2 '**  
**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>ST</sup> 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 7 1 2 0 M H 1 9 7 8 P T C 0 2 0 4 6 1**
- ii ) Registration Date: 03/07/1978**
- iii ) Name of the Company: SHREE RANI SATI INVESTMENT & FINANCE PRIVATE LTD**
- iv ) Category / Sub-Category of the Company: NBFC**
- v ) Address of the Registered office and contact details: Victor House, K Khadye Marg, Mahalaxmi, Mumbai- 400011. Email: [srs@shreeranisati.com](mailto:srs@shreeranisati.com); Ph.No. 022-67444200; fax:67444300; website: [www.modernindia.co.in](http://www.modernindia.co.in)**
- vi ) Whether listed company: NO**
- vii ) Name, Address and Contact details of Registrar and Transfer Agent, if any:-  
N A**

All the business activities contributing 10 % or more of the total turnover of the company is stated

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | INVESTMENT AND FINANCE                           | 64990                            | 100                                |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

| Sr No | NAME AND ADDRESS OF THE COMPANY | CIN                   | ASSOCIATE | % OF SHARES | APPLICABLE SECTION |
|-------|---------------------------------|-----------------------|-----------|-------------|--------------------|
| 1     | Modern India Limited            | L17120MH1933PLC002031 | ASSOCIATE | 22.11       | 2(6)               |

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

|   | <u>Category</u>                                      | No of Shares held | Percentage of Shareholding |
|---|--|-------------------|----------------------------|
| A | Promoters' holding                                   |                   |                            |
|   | a Indian Promoters                                   | 56150             | 28.07                      |
|   | b Foreign Promoters                                  | -                 | -                          |
|   | c Persons acting in concert including Trust          | 93800             | 46.9                       |
|   | <b>Sub-Total (A)</b>                                 | <b>149950</b>     | <b>74.975</b>              |
| B | Non-Promoters' Holding                               |                   |                            |
|   | Institutional Investors                              | -                 | -                          |
|   | a Mutual Funds and UTI                               | -                 | -                          |
|   | b Banks, Financial Institutions, Insurance Companies | -                 | -                          |
|   | c FIIs   | -                 | -                          |
|   | <b>Sub-Total(B)</b>                                  | <b>-</b>          | <b>-</b>                   |
| C | Others   | -                 | -                          |
|   | a Private Corporate Bodies including trust           | 50050             | 25.025                     |
|   | b Indian Public                                      | -                 | -                          |
|   | c NRIs/OCBs  | -                 | -                          |
|   | <b>Sub-Total(C)</b>                                  | <b>50050</b>      | <b>25.02</b>               |
| D | Any other (Foreign nationals)                        | -                 | -                          |
|   | <b>Grand Total (A)+(B)+(C)</b>                       | <b>200000</b>     | <b>100%</b>                |

**(ii) Shareholding of Promoter**

| S.No. | Shareholder's Name                      | Shareholding at the beginning of the year |                                  | Share holding at the end of the year |                                  |
|-------|---|---|----------------------------------|--------------------------------------|----------------------------------|
|       |   | No. of Shares                             | % of total Shares of the company | No. of Shares                        | % of total Shares of the company |
| 1     | MR. VIJAY KUMAR JATIA / MRS.GAURI JATIA | 41350                                     | 20.68                            | 41350                                | 20.68                            |
| 2     | MRS.GAURI JATIA/MR. VIJAY KUMAR JATIA   | 7400                                      | 3.70                             | 7400                                 | 3.70                             |
| 3     | MR. SIDHANT JATIA/ MRS. GAURI JATIA     | 3500                                      | 1.75                             | 3500                                 | 1.75                             |
| 4     | MR. MUDIT JATIA / MRS. GAURI JATIA      | 3400                                      | 1.70                             | 3400                                 | 1.70                             |
| 5     | CAMELLIA MERCANTILE PRIVATE LIMITED     | 36500                                     | 18.25                            | 36500                                | 18.25                            |

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|    |   |       |      |       |      |
|----|---|-------|------|-------|------|
| 6  | IGNATIUS TRADING CO.<br>PRIVATE LIMITED           | 19000 | 9.50 | 19000 | 9.50 |
| 7  | CANDESCENT TRADERS<br>PRIVATE LIMITED             | 19000 | 9.50 | 19000 | 9.50 |
| 8  | ALCYONE TRADING CO.<br>PRIVATE LIMITED            | 19000 | 9.50 | 19000 | 9.50 |
| 9  | MR. VIJAY KUMAR JATIA                             | 200   | 0.1  | 200   | 0.1  |
| 10 | MRS. GAURI V. JATIA                               | 200   | 0.1  | 200   | 0.1  |
| 11 | MR. MUDIT JATIA / MRS. GAURI<br>JATIA             | 100   | 0.05 | 100   | 0.05 |
| 12 | GYAN VENTURES PVT LTD                             | 100   | 0.05 | 100   | 0.05 |
| 13 | LEXICON CONSTRUCTION PVT<br>LTD                   | 50    | 0.03 | 50    | 0.03 |
| 14 | GAYATRI JATIA TRUST                               | 50    | 0.03 | 50    | 0.03 |
| 15 | VIR JATIA TRUST                                   | 50    | 0.03 | 50    | 0.03 |
| 16 | F. PUDUMJEE INVESTMENT<br>COMPANY PRIVATE LIMITED | 50    | 0.03 | 50    | 0.03 |

**(i) Change in Promoters' Shareholding ( please specify, if there is no change)**

NO CHANGES IN PROMOTERS SHAREHOLDING DURING THE PERIOD UNDER REVIEW

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## (V) INDEBTEDNESS

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

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| <b>i) Principal Amount</b>                                 | NIL                              | 15147003        | NIL      | 15147003           |
| <b>ii) Interest due but not paid</b>                       | NIL                              | NIL             | NIL      | NIL                |
| <b>iii) Interest accrued but not</b>                       | NIL                              | -               | NIL      | NIL                |
| <b>Total (i+ii+iii)</b>                                    | NIL                              | 15147003        | NIL      | 15147003           |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| • <b>Addition</b>  | -                                | -               | -        | -                  |
| • <b>Reduction</b>   | -                                | 6375114         | -        | 6375114            |
| <b>Net Change</b>  |                                  | 6375114         |          | 6375114            |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| <b>i) Principal Amount</b>                                 | NIL                              | 25717168        | NIL      | 25717168           |
| <b>ii) Interest due but not paid</b>                       | NIL                              | NIL             | NIL      | NIL                |
| <b>iii) Interest accrued but not due</b>                   | NIL                              | NIL             | NIL      | NIL                |
| <b>Total (i+ii+iii)</b>                                    | NIL                              | 25717168        | NIL      | 25717168           |

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**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Company does not have Managing Director and Manager however Smt Gauri Jatia is Whole time Director of the Company. The Directors also do not receive any sitting fees for attending Board Meeting.

**A. REMUNERATION TO WHOLE-TIME DIRECTORS**

Smt. Gauri Jatia, Whole Time Director of the Company is receiving remuneration of `1402900/- per annum

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

None of the key managerial personnel other than MD/manager/WTD receive remuneration and sitting fees.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NONE**

There are no penalties levied or punishment/ compounding of offences are done by the company

**FOR SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**

VijayKumar Jatia

Director

Address: 1,Mittal Chambers,228,Nariman Point,Mumbai-400021

DIN: 00096977

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**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                  |
| 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 SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED

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

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

**42nd ANNUAL REPORT**  
**2019 - 2020**

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

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BOARD OF DIRECTORS

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|                       |                     |
|-----------------------|---------------------|
| VIJAY KUMAR JATIA     | CHAIRMAN            |
| GAURI JATIA           | WHOLE TIME DIRECTOR |
| PRADIP KUMAR BUBNA    |                     |
| BASANT KUMAR KHAITAN  |                     |
| SUBHASH CHANDRA KEDIA |                     |
| DEEPAK BUBNA          |                     |

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BANKER

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PUNJAB NATIONAL BANK  
YES BANK LIMITED  
BNP PARIBAS  
KOTAK MAHINDRA BANK LTD  
ICICI BANK LTD

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AUDITORS

---

M/S M L SHARMA & COMPANY

---

REGISTERED OFFICE

---

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

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CORPORATE OFFICE

---

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

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**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**  
**SHREE RANISATI INVESTMENT & FINANCE PRIVATE LIMITED**  
**(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)**

**Report on the Financial Statements**

**Qualified Opinion**

We have audited the financial statements of SHREE RANISATI INVESTMENT & FINANCE PRIVATE LIMITED (Formerly SHREE RANI SATI INVESTMENT AND FINANCE 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, 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 Qualified Opinion**

The Company's Trade Receivable as on 31<sup>st</sup> March, 2020 includes an amount of Rs. 7,84,49,978/- (Net of Rs. 61,92,837/- recovered till 31.03.2020) outstanding in respect of Commodities trading transactions done on National Spot Exchange Ltd (NSEL). The Company 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.

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 qualified 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) Except for the effects of the matter described in the basis for Qualified opinion paragraph above, 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) Except for the effects of the matter described in the basis for Qualified opinion paragraph above, 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) The matter described in the basis for Qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- (f) 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.
- (g) 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.
- (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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; 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:



- a. The company did not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There was no amount, which were required to be transferred, to the investor Education and Protection Fund by the Company.

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



Place of Signature: Mumbai

Date: - 4 SEP 2020

(Vikas L. Bajaj) Partner  
Membership No.104982  
UDIN: 20104982AAAABX4405

**The Annexure "A" referred to in our Report of even date to the Members of SHREE RANI SATI INVESTMENTS & FINANCE PRIVATE LIMITED (Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED) on the Standalone 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 securities and the same has been held by the Company in de-materialised form with Edelweiss Broking Limited, India Infoline Limited, ICICI Securities Limited and BNP Paribas and the same is verified with the confirmation received from them at the year. 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 has been noticed or reported during the year.
11. In our opinion, and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the companies Act, 2013.
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. 13.01215 dated 17th March, 1999 with effect from 17th March 1999 to carry on the business of a Non-Banking Financial Company (NBFC).

**Place of Signature: Mumbai**

**Date: - 4 SEP 2020**



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

  
(Vikas L. Bajaj) Partner  
Membership No.104982  
UDIN: 20104982AAAABX4405

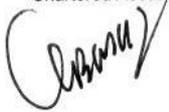
**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)  
**CIN : U67120MH1978PTC020461**  
**BALANCE SHEET AS AT 31ST MARCH, 2020**

|                                   | <u>Note No</u> | <u>As at 31st</u><br><u>March, 2020</u><br>₹ | <u>As at 31st</u><br><u>March, 2019</u><br>₹ |
|-----------------------------------|----------------|--|--|
| <b>Equities &amp; Liabilities</b> |                |  |  |
| <b>Shareholders' Fund</b>         |                |  |  |
| Share Capital                     | 1              | 2000000                                      | 2000000                                      |
| Reserve & Surplus                 | 2              | <u>274413438</u>                             | <u>271358210</u>                             |
|                                   |                | 276413438                                    | 273358210                                    |
| <b>Current Liabilities</b>        |                |  |  |
| Short term borrowings             | 3              | 25717168                                     | 15147003                                     |
| Other Current Liabilities         | 4              | <u>350685</u>                                | <u>323949</u>                                |
|                                   |                | 26067853                                     | 15470952                                     |
| <b>TOTAL</b>                      |                | <u><u>302481291</u></u>                      | <u><u>288829162</u></u>                      |
| <b>Assets</b>                     |                |  |  |
| <b>Non Current Assets</b>         |                |  |  |
| Non-current investments           | 5              | 50503179                                     | 52335418                                     |
| Deffered tax assets (Net)         |                | 20019921                                     | 20046263                                     |
| Other Non current Assets          | 6              | <u>25655504</u>                              | <u>25457010</u>                              |
|                                   |                | 96178604                                     | 97838691                                     |
| <b>Current Assets</b>             |                |  |  |
| Inventories                       | 7              | 7043763                                      | 14840749                                     |
| Trade receivables                 | 8              | 78450908                                     | 78488177                                     |
| Cash & Cash equivalents           | 9              | 3151505                                      | 1016198                                      |
| Short-term loans & advances       | 10             | 116953984                                    | 96283128                                     |
| Other current assets              | 11             | <u>702527</u>                                | <u>362219</u>                                |
|                                   |                | 206302687                                    | 190990471                                    |
| <b>TOTAL</b>                      |                | <u><u>302481291</u></u>                      | <u><u>288829162</u></u>                      |

Significant Accounting Policies, Notes on Accounts

20

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



(Vikas L Bajaj) Partner  
Membership No : 104982  
Mumbai, Dated : - 4 SEP 2020



For and on behalf of the Board

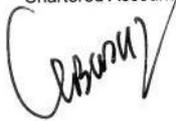
  
VIJAYKUMAR  
MAHABIRPRASAD  
JATIA  
Chairman  
DIN : 0000096977

  
GAURI JATHIA  
Director  
DIN : 0000096766

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)  
CIN : U67120MH1978PTC020461  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

|  | <u>Note No</u> | <u>Current</u><br><u>Year</u><br>₹ | <u>Previous</u><br><u>Year</u><br>₹ |
|--|----------------|------------------------------------|-------------------------------------|
| <b>Income</b>                                      |                |                                    |                                     |
| Revenue from Operation                             | 12             | 26700238                           | 21153595                            |
| Other Income                                       | 13             | 138884                             | -                                   |
| <b>Total Revenue</b>                               |                | <b>26839122</b>                    | <b>21153595</b>                     |
| <b>Expenses</b>                                    |                |                                    |                                     |
| Purchases  |                | 12548548                           | 10044824                            |
| Changes in inventories of Stock-in-trade           | 14             | 7796986                            | 1871705                             |
| Employee benefits expense                          | 15             | 2153396                            | 1899009                             |
| Finance costs                                      | 16             | 796853                             | 885559                              |
| Other expenses                                     | 17             | 476025                             | 891815                              |
| <b>Total Expenses</b>                              |                | <b>23771808</b>                    | <b>15592912</b>                     |
| <b>Profit before taxation</b>                      |                | <b>3067314</b>                     | <b>5560683</b>                      |
| <b>Tax Expense</b>                                 | 18             |                                    |                                     |
| Current Tax  |                | 200000                             | 625000                              |
| MAT Credit entitlements                            |                | (198494)                           | (616018)                            |
| Deferred Tax                                       |                | 26342                              | 223479                              |
| Tax Adjustment of prior years                      |                | (15762)                            | (107214)                            |
| <b>Profit/ (Loss) for the Year</b>                 |                | <b>3055228</b>                     | <b>5435436</b>                      |
| <b>Earning Per Share</b>                           | 19             | 15.28                              | 27.18                               |
| Significant Accounting Policies, Notes on Accounts | 20             |                                    |                                     |

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



(Vikas L Bajaj) Partner  
Membership No : 104982  
Mumbai, Dated : - 4 SEP 2020



For and on behalf of the Board



VIJAYKUMAR  
MAHABIRPRASAD  
JATIA  
Chairman  
DIN : 0000096977



GAURI JATIA  
Director  
DIN : 0000096766

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)  
CIN : U67120MH1978PTC020461  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

|  | <u>2019-2020</u>  | <u>2018-2019</u> |
|--|-------------------|------------------|
|  | ₹                 | ₹                |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>    |                   |                  |
| Net Profit before tax and extraordinary items    | 3067314           | 5560683          |
| Adjustment for :                                 |                   |                  |
| Dividend from Long Term Investments              | (1991786)         | (2489732)        |
| Profit on Sale of Mutual funds units             | (410185)          | (26580)          |
| Interest   | -                 | -                |
| Operating Profit before working capital changes  | <u>665343</u>     | <u>3044371</u>   |
| Adjustment for :                                 |                   |                  |
| Trade and other receivables                      | (20577065)        | (1522251)        |
| Inventories                                      | 7796986           | 1871705          |
| Trade payables                                   | 26736             | 241841           |
| Cash generated from operation                    | <u>(12088000)</u> | <u>3635666</u>   |
| Direct Taxes                                     | (581068)          | (383442)         |
| Interest Paid                                    | -                 | -                |
| Cash flow before extraordinary items             | <u>(12669068)</u> | <u>3252224</u>   |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>        | <u>(12669068)</u> | <u>3252224</u>   |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>    |                   |                  |
| Sale of Investments (Net)                        | 2242424           | 36580            |
| Dividend from Long Term Investments              | 1991786           | 2489732          |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>     | <u>4234210</u>    | <u>2526312</u>   |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>    |                   |                  |
| Borrowing/Repayment of/for Short Term Borrowings | 10570165          | (6375114)        |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>     | <u>10570165</u>   | <u>(6375114)</u> |
| Net increase in cash and cash equivalents        | 2135307           | (596578)         |
| Cash and cash equivalents (Opening)              | 1016198           | 1612776          |
| Cash and cash equivalents (Closing)              | 3151505           | 1016198          |

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



(Vikas L Bajaj) Partner  
Membership No : 104982  
Mumbai, Dated : - 4 SEP 2020



For and on behalf of the Board



VIJAYKUMAR  
MAHABIRPRASAD  
JATIA  
Chairman  
DIN : 0000096977



GAURI JATIA  
Director  
DIN : 0000096766

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

|   | As at 31st<br>March, 2020<br>₹   | As at 31st<br>March, 2019<br>₹   |
|---|----------------------------------|----------------------------------|
| <b>Note No - 1</b>  |                                  |                                  |
| <b>Share Capital</b>  |                                  |                                  |
| Authorised<br>500000 (P/Y - 500000) Equity Shares of ₹ 10/- each                                    | <u>5000000</u><br><u>5000000</u> | <u>5000000</u><br><u>5000000</u> |
| Issued, Subscribed & Paid Up<br>200000 (P/Y - 200000) Equity Shares of ₹ 10/-<br>each fully paid up | <u>2000000</u><br><u>2000000</u> | <u>2000000</u><br><u>2000000</u> |

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

|   | As at 31st March 2020 |         | As at 31st March 2019 |         |
|---|-----------------------|---------|-----------------------|---------|
|   | Nos                   | Amount  | Nos                   | Amount  |
| Shares outstanding at the beginning of the year | 200000                | 2000000 | 200000                | 2000000 |
| Shares Issued during the year                   | -                     | -       | -                     | -       |
| Shares bought back during the year              | -                     | -       | -                     | -       |
| Shares outstanding at the end of the year       | 200000                | 2000000 | 200000                | 2000000 |

(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                 | 41550                 | 20.78%       | 41550                 | 20.78%       |
| M/s Camellia Mercantile Pvt Ltd      | 36500                 | 18.25%       | 36500                 | 18.25%       |
| M/s Ignatius Trading Compnay Pvt Ltd | 19000                 | 9.50%        | 19000                 | 9.50%        |
| M/s Candescant Traders Pvt Ltd       | 19000                 | 9.50%        | 19000                 | 9.50%        |
| M/s Alcyone Trading Company Pvt Ltd  | 19000                 | 9.50%        | 19000                 | 9.50%        |
| M/s Eclat Developer Pvt Ltd          | 13450                 | 6.73%        | 13450                 | 6.73%        |
| M/s Eclat Mercantile Pvt Ltd         | 18000                 | 9.00%        | 18000                 | 9.00%        |

(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**

|  |                  |                  |
|--|------------------|------------------|
| General Reserve                                  | 37307439         | 37307439         |
| As per last Balance Sheet                        |                  |                  |
| Capital Reserve                                  | 18551588         | 18551588         |
| As per last Balance Sheet                        |                  |                  |
| <b>Surplus in Statement of Profit &amp; Loss</b> |                  |                  |
| As per last balance sheet                        | 215499183        | 210063747        |
| Add/(Less) : Profit/(Loss) for the Year          | 3055228          | 5435436          |
|  | <u>218554411</u> | <u>215499183</u> |
|  | <u>274413438</u> | <u>271358210</u> |

**Note No - 3**

**Short Term Borrowings**

|  |                 |                 |
|--|-----------------|-----------------|
| Loans & Advances from Directors                    |                 |                 |
| Term of Payment - On Demand Rate of Interest - 6%  | 536430          | 15147003        |
| Loans & Advances from Corporates                   |                 |                 |
| Term of Payment - On Demand Rate of Interest - 14% | 25180738        | -               |
|  | <u>25717168</u> | <u>15147003</u> |

**Note No - 4**

**Other Current Liabilities**

(Other than Micro, Small & Medium enterprises)

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| Audit fees payable                   | 97200         | 97200         |
| Outstanding liabilities for expenses | 162800        | 128443        |
| TDS payable                          | 90685         | 98306         |
|                                      | <u>350685</u> | <u>323949</u> |



**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

**Note No - 5**

**Non Current Investments**

|   | Face Value<br>₹ | As at 31st March, 2020 |                 | As at 31st March, 2019 |                 |
|---|-----------------|------------------------|-----------------|------------------------|-----------------|
|   |                 | No of Shares           | Cost<br>₹       | No of Shares           | Cost<br>₹       |
| <b>(Trade)</b>  |                 |                        |                 |                        |                 |
| <b>Investment in Equity Shares Of Associates</b>  |                 |                        |                 |                        |                 |
| <b>-Quoted</b>  |                 |                        |                 |                        |                 |
| Modern India Ltd  | 2               | 8299108                | 29150418        | 8299108                | 29150418        |
| <b>-Unquoted</b>  |                 |                        |                 |                        |                 |
| F Pudumjee Investment Co Pvt Ltd  | 10              | 50000                  | 502500          | 50000                  | 502500          |
| Sarat Leasing & Finance Pvt Ltd   | 10              | 202000                 | 2020000         | 202000                 | 2020000         |
| Modern Derivatives & Commodities Pvt Ltd  | 10              | 260000                 | 2602500         | 260000                 | 2602500         |
| <b>Investment in Equity Shares Of Others</b>  |                 |                        |                 |                        |                 |
| <b>-Quoted</b>  |                 |                        |                 |                        |                 |
| India Whizdom Fund<br>[NAV as on 31.03.2020 ` 12083001/- (PY ` 16826550/-)]                 |                 |                        | 13167761        |                        | 15000000        |
| <b>Investment in Equity Shares Of Others</b>  |                 |                        |                 |                        |                 |
| <b>-Unquoted</b>  |                 |                        |                 |                        |                 |
| Morries Energy Ltd  | 10              | 40000                  | 3000000         | 40000                  | 3000000         |
| <b>Investment in Govt Securities</b>  |                 |                        |                 |                        |                 |
| Kishan Vikas Patra (Maturity date is 31.01.2024,<br>with Magistrate Court, Delhi as surety) |                 |                        | 60000           |                        | 60000           |
| <b>TOTAL</b>  |                 |                        | <b>50503179</b> |                        | <b>52335418</b> |
| Aggregate Book Value - Quoted   |                 |                        | 42318179        |                        | 44150418        |
| Aggregate Book Value - Unquoted   |                 |                        | 8185000         |                        | 8185000         |
| Market Book Value - Quoted  |                 |                        | 361060492       |                        | 247126797       |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

|                                      | <u>As at 31st</u><br><u>March, 2020</u> | <u>As at 31st</u><br><u>March, 2019</u> |
|--------------------------------------|---|---|
|                                      | ₹                                       | ₹                                       |
| <b>Note No - 6</b>                   |   |   |
| <b>Other Non Current Assets</b>      |   |   |
| MAT Credit Entitlement               | 25655504                                | 25457010                                |
|                                      | <u>25655504</u>                         | <u>25457010</u>                         |
| <b>Note No -7</b>                    |   |   |
| <b>Inventories</b>                   |   |   |
| Equity Shares                        | 7043763                                 | 14840749                                |
|                                      | <u>7043763</u>                          | <u>14840749</u>                         |
| <b>Note No -8</b>                    |   |   |
| <b>Trade Receivables</b>             |   |   |
| (Unsecured, Considered Good)         |   |   |
| More than Six months                 | 78449978                                | 78449978                                |
| Others                               | 930                                     | 38199                                   |
|                                      | <u>78450908</u>                         | <u>78488177</u>                         |
| <b>NOTE No -9</b>                    |   |   |
| <b>Cash &amp; Cash Equivalents</b>   |   |   |
| Balance with Bank In Current Account | 3076505                                 | 941198                                  |
| Cash on Hand                         | 75000                                   | 75000                                   |
|                                      | <u>3151505</u>                          | <u>1016198</u>                          |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

|  | As at 31st<br>March, 2020<br>₹ | As at 31st<br>March, 2019<br>₹ |
|--|--------------------------------|--------------------------------|
| <b>Note No -10</b>                                       |                                |                                |
| <b>Short Term Loans &amp; Advances</b>                   |                                |                                |
| (Unsecured , considered good by Management)              |                                |                                |
| Loans and Advances to Other Parties                      | 116923984                      | 96283128                       |
| Term of Payment - On Demand Rate of Interest - 8% to 15% |                                |                                |
| Advances to Employee                                     | 30000                          | -                              |
|  | <u>116953984</u>               | <u>96283128</u>                |

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          | 6684317          | 1420294          |
| Eclat Mercantile Pvt Ltd          | 3930060          | 4360084          |
| Rudra Intexteriors P Ltd          | 13754650         | 13754650         |
| Millennium Commercial Pvt Ltd     | 26254873         | 15765096         |
| Dalmia Polypro Inds Pvt Ltd       | -                | 5000000          |
| Prime Urban Development India Ltd | 25503485         | 30000000         |
| S V A India Ltd                   | 30741272         | 25983004         |
| Emblem Holding Pvt Ltd            | 10055327         | -                |
|                                   | <u>116923984</u> | <u>96283128</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**

|   |               |               |
|---|---------------|---------------|
| Deposits  | 19000         | 18500         |
| Prepaid expenses  | 108283        | 165305        |
| Advance Income Tax & Tax Deducted at Source (Net of Provisions) | 575244        | 178414        |
|   | <u>702527</u> | <u>362219</u> |



**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
 (Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

|  | Current<br>Year<br>₹ | Previous<br>Year<br>₹ |
|--|----------------------|-----------------------|
| <b>Note No - 12</b>  |                      |                       |
| <b>Revenue from Operations</b>                               |                      |                       |
| Sales - Shares   | 17023076             | 11637365              |
| Interest - Gross [TDS ₹ 718054/- (Previous Year ₹ 685667/-)] | 7180554              | 6856666               |
| Dividend - Gross   |                      |                       |
| From Non Current Investments                                 | 1991786              | 2489732               |
| From Others  | 94637                | 143252                |
| Long Term Capital Gain                                       | -                    | 26580                 |
| Profit from Fund - Gross [TDS ₹ 57190/- (P/Y ₹ Nil)]         | 410185               | -                     |
|  | <b>26700238</b>      | <b>21153595</b>       |

**Note No - 13**

**Other Income**

|                                 |               |          |
|---------------------------------|---------------|----------|
| Interest - On Income tax refund | 12884         | -        |
| Miscellaneous Income            | 126000        | -        |
|                                 | <b>138884</b> | <b>-</b> |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

|   | Current<br>Year<br>₹ | Previous<br>Year<br>₹ |
|---|----------------------|-----------------------|
| <b>Note No - 14</b>   |                      |                       |
| <b>Changes in Inventories of Stock in trade</b>                                   |                      |                       |
| Opening Stock   | 14840749             | 16712454              |
| Equity Shares   | <u>14840749</u>      | <u>16712454</u>       |
| Closing Stock   | 7043763              | 14840749              |
| Equity Shares   | <u>7043763</u>       | <u>14840749</u>       |
|   | <u>7796986</u>       | <u>1871705</u>        |
| <b>Note No - 15</b>   |                      |                       |
| <b>Employee Benefit Expenses</b>  |                      |                       |
| Directors' Remuneration   | 1402900              | 1229000               |
| Salaries and Wages  | 750496               | 670009                |
|   | <u>2153396</u>       | <u>1899009</u>        |
| <b>Note No - 16</b>   |                      |                       |
| <b>Finance Cost</b>   |                      |                       |
| Interest  | 796853               | 885559                |
|   | <u>796853</u>        | <u>885559</u>         |
| <b>Note No - 17</b>   |                      |                       |
| <b>Other Expenses</b>   |                      |                       |
| Bank & Demat Charges  | 5983                 | 6141                  |
| Printing & Stationery   | -                    | 1569                  |
| Brokerage & Commission  | 19600                | -                     |
| Electricity Expenses  | 7880                 | -                     |
| Travelling & Conveyance   | 44808                | 128384                |
| Rent Paid   | 227022               | 47145                 |
| Legal & Professional Fees   | 45850                | 552524                |
| Share Trading Expenses  | 3864                 | 24893                 |
| <b>Auditors' Remuneration</b>   |                      |                       |
| For Audit Fees  | 88500                | 88500                 |
| For Tax Audit Fees  | 17700                | 17700                 |
| For Others  | -                    | 11800                 |
| Miscellaneous Expenses  | <u>14818</u>         | <u>13159</u>          |
|   | <u>476025</u>        | <u>891815</u>         |
| <b>Note No - 18</b>   |                      |                       |
| <b>Tax Expenses</b>   |                      |                       |
| Current Tax   | 200000               | 625000                |
| MAT Credit entitlements   | (198494)             | (616018)              |
| Deferred Tax  | 26342                | 223479                |
| Tax Adjustment of prior years   | <u>(15762)</u>       | <u>(107214)</u>       |
|   | <u>12086</u>         | <u>125247</u>         |
| <b>Note No - 19</b>   |                      |                       |
| <b>Earning per Share</b>  |                      |                       |
| Net Profit available for equity shareholders (₹)                                  | 3055228              | 5435436               |
| Weighted average number of equity shares<br>outstanding during the years (In Nos) | 200000               | 200000                |
| Basic/Diluted Earning Per Share (₹)   | 15.28                | 27.18                 |



**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
 (Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)  
 CIN : U67120MH1978PTC020461  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**

Note No - 20

**I 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 Standards as prescribed under section 133 of the companies Act, 2013 ('Act') read with rule 7 of the companies (Accounts) rules, 2014 and the relevant provisions of the Companies Act, 2013 as applicable to the company.

**b) Property, Plant & Equipment :**

The Company does not own any Property, Plant & Equipment during the year.

**c) Investments :**

- 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.
- Current Investments are valued at cost or market value whichever is lower.
- Investments include shares and securities purchased with the intention of holding them as investment as per Board Resolution.

**d) Inventories :**

Inventories are valued at cost or market value whichever is lower.  
 Cost comprises of all cost of purchases & other cost incidental thereto. Cost formula used is FIFO.

**e) Recognition of Income & Expenditure :**

- Income & Expenditure are recognised on accrual basis, except the interest income on Kisan Vikash Patra, wherein interest will be recognised on maturity date. (i.e. actual basis)
- Dividend Income is accounted for when the right to receive the payment is established.

**f) Taxation :**

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

**g) Contingent Liability :**

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

**h) Intangible Assets :**

Intangible Assets are recognized by the Company only if it is probable that the future economic benefit that are attributable to the assets will flow to the enterprises and the cost of the same can be measured reliably.  
 Intangible Assets are amortized on a systematic basis over its useful life and the amortization for each period will be recognized as an expenses.

**i) Provisions :**

A provision is recognized when an enterprises has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**j) Impairment :**

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expenses in the statement of profit and loss and carrying amount of the recoverable amount.  
 Reversal of Impairment loss is recognized in prior years is recorded when there is an indication that the assets is reduced to its impairment losses recognized for the asset no longer exist or have decreased.

**k) Foreign Currency Transaction :**

Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of transaction.  
 Monetary Assets and Liabilities in foreign currency transactions remaining unsettled at the end of the year (other than forward contract transactions) are translated at the year end rates and the corresponding effect is given to the respective account.  
 Exchange differences arising on account of fluctuations in the rate of exchange is recognized in the P & L A/c's.

**l) Retirement Benefits :**

Retirement benefits are not applicable to the Company.

**II Notes on Accounts :**

1. In compliance with the AS - 22 "Accounting for taxes on Income" the company has reverse Deferred Tax Assets (Net) amounting to ₹ 26342/- for the current year and the same has been charges to statement of Profit & Loss.

**i) Deferred Tax Assets are the Tax effect of the following items**

|                                | <u>31.03.2020</u> | <u>31.03.2019</u> |
|--------------------------------|-------------------|-------------------|
| i) Un absorbed Business Losses | 26342             | 223479            |
|                                | <u>26342</u>      | <u>223479</u>     |

**ii) Position of Deferred Tax Assets as on Balance Sheet Date are as under**

|                                | <u>31.03.2020</u> | <u>31.03.2019</u> |
|--------------------------------|-------------------|-------------------|
| a) <b>Deferred Tax Assests</b> |                   |                   |
| i) Unabsorbed Business Losses  | 20019921          | 20046263          |
| Deferred Tax Assets            | <u>20019921</u>   | <u>20046263</u>   |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

2. Disclosure of related party transaction as required by para 23 of AS18 issued by The Institute of Chartered Accountants of India :

**a) List of Related Parties over which control exists and transactions made during the year:**

| Name of the Related Party (As identified by the Management) | Description of Relationship        |
|---|------------------------------------|
| 1. Modern India Ltd   | Associates : Significant Influence |
| 2. Vijay Kumar Jatia  | Key Management Personnel           |
| 3. Gauri Jatia  | Key Management Personnel           |

**b) Names of the with 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 |
| 2. Vijay Kumar Jatia  | Key Management Personnel           |
| 3. Gauri Jatia  | Key Management Personnel           |

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

| Description of transactions                 | Key Management Personnels & Relatives | Associates                                       |
|---|---------------------------------------|--|
| 1. Dividend Received                        | 0<br>(0)                              | 1991786<br>(2489732)                             |
| 2. Interest Paid                            | 596033<br>(885559)                    | 0<br>(0)   |
| 3. Sale of Investment                       | 0<br>(0)                              | 0<br>(36580)                                     |
| 4. Loan taken (Net)                         | -14610573<br>(-6375114)               | 0<br>(0)   |
| 5. Managerial Remuneration                  | 1402900<br>(1229000)                  | 0<br>(0)   |
| <b>Outstanding Balance as on 31.03.2020</b> |                                       | <b>₹ 536430/- Loans Taken (P/Y ₹ 15147003/-)</b> |

3. As per AS - 17 in respect of segment reporting, the only segment in which company deals is Trading in shares and commodity and investment in shares.

4. Provision involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

5. 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<br>Qty (Value) | 2018-2019<br>Qty (Value) |
|---------------------------|--------------------------|--------------------------|
| a) Equity Shares (In Nos) |                          |                          |
| Opening Stock             | 101985(14840749)         | 199505(16712454)         |
| Purchases                 | 27878(12548548)          | 26225(10044824)          |
| Sales                     | 31650(17023076)          | 123745(11637365)         |
| Closing Stock             | 98213(7043763)           | 101985(14840749)         |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

6. As on the date of the Balance Sheet, the Company was holding the following Equity Shares :

| Name of the Scrip                    | As on 31.03.2020 |                   |
|--------------------------------------|------------------|-------------------|
|                                      | Nos              | Value             |
| Aditya Birla Capital Ltd             | 2000             | 84400.00          |
| Asian Electronics Ltd                | 500              | 0.00              |
| Axis Bank Ltd                        | 200              | 75860.00          |
| Bajaj Finserv Ltd                    | 50               | 229487.50         |
| BLS Internatinal Services Ltd        | 1000             | 29200.00          |
| CDSL                                 | 500              | 107200.00         |
| CESC Ltd                             | 150              | 61320.00          |
| CESC VENTURE                         | 30               | 0.00              |
| Coromandalam International           | 750              | 407925.00         |
| DCW Ltd                              | 2000             | 14620.00          |
| Dev Credit Bank                      | 500              | 47500.00          |
| Edelweiss                            | 750              | 28612.50          |
| Edserv Softsystems Ltd               | 1000             | 0.00              |
| Federal Bank                         | 5000             | 205250.00         |
| Havells India                        | 400              | 191940.00         |
| HDFC Life Insurance Co Ltd           | 500              | 207300.00         |
| HDFC Ltd                             | 100              | 163045.00         |
| IDFC Bank Ltd                        | 3000             | 63300.00          |
| IIFL Finance                         | 200              | 14880.00          |
| IIFL Securities                      | 200              | 0.00              |
| IIFL Wealth                          | 28               | 0.00              |
| IMFA Ltd                             | 250              | 28350.00          |
| Indian Hume Pipe Co. Ltd             | 2500             | 295875.00         |
| Infosys Ltd                          | 200              | 128060.00         |
| ITC Ltd                              | 1000             | 172000.00         |
| Jindal Saw                           | 3000             | 137400.00         |
| JK Tyre Ltd                          | 1500             | 61200.00          |
| Kansai Nerolac Paints Ltd            | 500              | 193075.00         |
| Kotak Mahindra Bank                  | 150              | 194452.50         |
| Larson & Toubro Ltd                  | 500              | 403425.00         |
| LLoyds Metal & Energy Ltd            | 20000            | 115200.00         |
| Mahindra & Mahindra Ltd              | 650              | 185250.00         |
| Marico Ltd                           | 700              | 192395.00         |
| NALCO                                | 2000             | 58300.00          |
| NBCC India Ltd                       | 2000             | 32700.00          |
| Praj Industries                      | 750              | 41287.50          |
| Pudumjee Paper Product Limited       | 925              | 0.00              |
| Reliance Industries Ltd              | 300              | 333735.00         |
| Reliance Infrastructure Ltd          | 300              | 3030.00           |
| Reliance Mutual Fund EFT Liquid      | 4                | 4241.00           |
| Sadbhav Engineering Ltd              | 4000             | 113200.00         |
| Sanghvi Movers Ltd                   | 1000             | 48950.00          |
| Schneider Electric Infrastruture Ltd | 2500             | 164000.00         |
| Sintex Plastic                       | 8000             | 5280.00           |
| Skipper Ltd                          | 1000             | 18950.00          |
| South Indian Bank                    | 2000             | 11520.00          |
| Spencer Retail                       | 90               | 0.00              |
| Sun Pharma                           | 300              | 105660.00         |
| SVP Global Ventures                  | 3493             | 1041437.95        |
| Tata Motor                           | 1000             | 71050.00          |
| Technocraft Industries (India ) Ltd  | 500              | 85200.00          |
| Thacker & Co. Ltd                    | 343              | 1931.20           |
| Tilaknagar Inds Ltd                  | 7000             | 105350.00         |
| Ultratech Cement Ltd                 | 150              | 488167.50         |
| Vodafone Idea Ltd                    | 10000            | 31100.00          |
| Westlife Development Ltd             | 750              | 240150.00         |
|                                      | <b>98213</b>     | <b>7043762.65</b> |

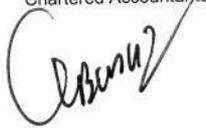


**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

7. The Company did not earn any Foreign Exchange during the current year (Previous Year ₹ Nil) by way of Export, however ₹ Nil (Previous Year ₹ 1,28,394/-) spent for the purpose of foreign travelling.
8. The Company has not received any memorandum (as required to be filled by the supplier with the notified authority under the Micro Small & Medium Enterprises Development Act, 2006) claiming their status as Micro Small & Medium Enterprises. Accordingly the amount paid/payable together with the interest, if any, have not been given.
9. An amount of ₹ 7,84,49,978/- (Net of ₹ 61,92,837/- recovered till 31.03.2020) is outstanding as receivable in respect of Commodities trading transactions done on National Spot Exchange Ltd (NSE). The Company has filed a representative suit in the Hon'ble Bombay High Court for recovery of the same. Time limit for Ministry of Corporate Affairs (MCA) to pass Order under section 396 of the Companies Act, 1956 is extended to 15th June, 2016. In the meanwhile various decrees have been passed by the High Court of Bombay against defaulters, including sale of commodities and assets is also in process. Various agencies including Economic Office Wing and Enforcement Directorate are also in process of liquidating assets of defaulters. However considering uncertainties involved in making any reliable estimate of amount recoverable provision if any, will be considered at an appropriate time on the basis of resultant outcome. Until then the dues are considered as good.
10. As per the Guidance Note on the Accounting for Credit available in respect of Minimum Alternative Tax (MAT) under the Income Tax Act, 1961 the Company has recognised the MAT credit entitlement for the current year amounting to ₹ 198494/- (Previous year ₹ 6,16,018/-) and shown under Other Non Current Assets as MAT credit entitlements and same has been credit to Statement of Profit and Loss .
11. No provision in respect of reduction in the value of the Investment of India Whizdom Fund for an amount of ₹ 10,84,760/- as at 31st March, 2020 is made as there is no permanent Diminution in value of such Investments.
12. 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
13. Other Additional information as required pursuant to Para (5) of part II of Schedule III are either NIL or Not Applicable.
14. 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 '20'**

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



(Vikas L Bajaj) Partner  
Membership No : 104982  
Mumbai, Dated : - 4 SEP 2020



For and on behalf of the Board

  
V. MAHABIRPRASAD  
JATIA  
Chairman  
DIN : 0000096977

  
GAURI JATIA  
Director  
DIN : 0000096786

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED****(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)****Note No "20" Paragraph "15" 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> |
| <b>Liabilities Side</b>   |                           |                       |
| (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   | 251.81                    | -                     |
| e) Commercial Paper   | -                         | -                     |
| f) Public Deposits  | -                         | -                     |
| g) Other Loans (From Directors )  | 5.36                      | -                     |
| (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  | -                         | -                     |



| <u>Assets Side :</u>   | Amount<br>Outstanding |
|--|-----------------------|
| (3) Break up of Loans and Advances including bills receivables [other than those included in (iv) below] : |                       |
| a) Secured   | -                     |
| b) Unsecured   | 1,169.54              |
| (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 (Including Stock in Trade) | 70.44 |
|                             | (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     | 423.18 |
|                             | (b) Preference | -      |
| (ii) Debentures & Bonds     |                | -      |
| (iii) Units of Mutual Funds |                | -      |
| (iv) Government Securities  |                | -      |
| (v) Others (Please Specify) |                | -      |

2 **Unquoted :**

|                             |                |       |
|-----------------------------|----------------|-------|
| (i) Shares :                |                |       |
|                             | (a) Equity     | 81.25 |
|                             | (b) Preference | -     |
| (ii) Debentures & Bonds     |                | -     |
| (iii) Units of Mutual Funds |                | -     |
| (iv) Government Securities  |                | 0.60  |
| (v) Others - Godown         |                | -     |



(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  | -                       | 1,169.54        | 1,169.54        |
| <b>TOTAL</b>                   | <b>-</b>                | <b>1,169.54</b> | <b>1,169.54</b> |

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

| Category                       | Market value/<br>Break up or fair<br>value or NAV | Book Value<br>(Net of provision) |
|--------------------------------|---|----------------------------------|
| 1. Related Parties** :         |   |                                  |
| a) Subsidiaries                | -   | -                                |
| b) Companies in the same group | 3,541.02  | 342.75                           |
| c) Other Related Parties       | -   | -                                |
| 2. Other than Related Parties  | 221.87  | 232.72                           |
| <b>TOTAL</b>                   | <b>3,762.89</b>                                   | <b>575.47</b>                    |

\*\* 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.



SHREE RANI SATI INVESTMENT 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 : 2201 1011 • **INDEPENDENT AUDITOR'S REPORT** • E-mail : mlsharma@mlsharma.in

**To the Members of SHREE RANISATI INVESTMENT & FINANCE PRIVATE LIMITED (Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)**

**Report on the Consolidated Financial Statements**

**Qualified Opinion**

We have audited the Consolidated financial statements of **SHREE RANISATI INVESTMENT & FINANCE PRIVATE LIMITED (Formerly SHREE RANI SATI INVESTMENT AND FINANCE 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.

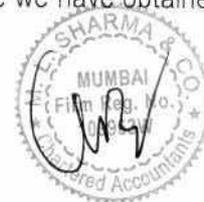
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles 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 Company's Trade Receivable as on 31<sup>st</sup> March, 2020 includes an amount of ₹ 7,84,49,978/- (Net of ₹ 61,92,838/- recovered till date) as well as Trade Receivable of Associate company Modern India Limited ₹ 2,98,14,893/-, (to the extent of Parent company's share), outstanding in respect of Commodities trading transactions done on National Spot Exchange Ltd (NSEL). 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 ₹ 2,54,35,264/- for the year ended 31<sup>st</sup> 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.



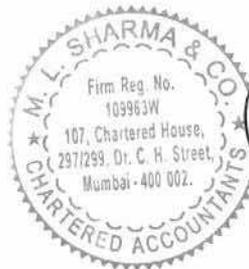
- (f) On the basis of the Written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the other auditors of its associate company, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure - A**.
- (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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; 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. 6 of Note 21**) 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: - 4 SEP 2020



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

*(Signature)*  
(Vikas L. Bajaj) Partner  
Membership No.104982  
UDIN: 20104982AAAABY5129

**The Annexure – “A” referred to in our Report of even date to the Members of SHREE RANI SATI INVESTMENTS & FINANCE PRIVATE LIMITED (Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED) for the year ended 31st March, 2020. We report that:**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended March 31, 2020, We have audited the internal financial controls over financial reporting of SHREE RANISATI INVESTMENT & FINANCE PRIVATE LIMITED (Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED (“the Holding Company”) and its Associates companies which are incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Holding company and its Associates companies which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, the Holding Company and its Associates companies which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place of Signature: Mumbai

Date: - 4 SEP 2020



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

*(Signature)*  
(Vikas L. Bajaj) Partner  
Membership No.104982  
UDIN: 20104982AAAABY5129

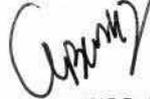
**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
**(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)**  
**CIN : U67120MH1978PTC020461**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020**

|                                   | Note No | As at 31st<br>March, 2020<br>₹ | As at 31st<br>March, 2019<br>₹ |
|-----------------------------------|---------|--------------------------------|--------------------------------|
| <b>Equities &amp; Liabilities</b> |         |                                |                                |
| <b>Shareholders' Fund</b>         |         |                                |                                |
| Share Capital                     | 1       | 20,00,000                      | 20,00,000                      |
| Reserve & Surplus                 | 2       | 27,81,99,859                   | 26,37,55,260                   |
|                                   |         | <u>28,01,99,859</u>            | <u>26,57,55,260</u>            |
| <b>Current Liabilities</b>        |         |                                |                                |
| Short Term Borrowings             | 3       | 2,57,17,168                    | 1,51,47,003                    |
| Other Current Liabilities         | 4       | 3,50,685                       | 3,23,949                       |
|                                   |         | <u>2,60,67,853</u>             | <u>1,54,70,952</u>             |
| <b>TOTAL</b>                      |         | <u><b>30,62,67,712</b></u>     | <u><b>28,12,26,212</b></u>     |
| <b>Assets</b>                     |         |                                |                                |
| <b>Non Current Assets</b>         |         |                                |                                |
| Non-current investments           | 5       | 5,42,89,600                    | 4,47,32,468                    |
| Deffered tax assets (Net)         |         | 2,00,19,921                    | 2,00,46,263                    |
| Other Non current Assets          | 6       | 2,56,55,504                    | 2,54,57,010                    |
|                                   |         | <u>9,99,65,025</u>             | <u>9,02,35,741</u>             |
| <b>Current Assets</b>             |         |                                |                                |
| Inventories                       | 7       | 70,43,763                      | 1,48,40,749                    |
| Trade receivables                 | 8       | 7,84,50,908                    | 7,84,88,177                    |
| Cash & Cash equivalents           | 9       | 31,51,505                      | 10,16,198                      |
| Short-term loans & advances       | 10      | 11,69,53,984                   | 9,62,83,128                    |
| Other current assets              | 11      | 7,02,527                       | 3,62,219                       |
|                                   |         | <u>20,63,02,687</u>            | <u>19,09,90,471</u>            |
| <b>TOTAL</b>                      |         | <u><b>30,62,67,712</b></u>     | <u><b>28,12,26,212</b></u>     |

Significant Accounting Policies, Notes on Accounts

20

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

  
(V L BA)A) Partner  
Membership No : 104982  
Place : Mumbai  
Date : - 4 SEP 2020



For and on behalf of the Board



Vijaykumar  
Mahabirprasad Jatia  
Chairman  
DIN : 0000096977



Gauri Jatia  
Director  
DIN : 0000096766

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

CIN : U67120MH1978PTC020461

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

|   | <u>Note No</u> | <u>Current<br/>Year</u><br>₹ | <u>Previous<br/>Year</u><br>₹ |
|---|----------------|------------------------------|-------------------------------|
| <b>Income</b>   |                |                              |                               |
| Revenue from Operation  | 12             | 2,67,00,238                  | 2,11,53,595                   |
| Other Income  | 13             | 1,38,884                     | -                             |
| <b>Total Revenue</b>  |                | <u>2,68,39,122</u>           | <u>2,11,53,595</u>            |
| <b>Expenses</b>   |                |                              |                               |
| Purchases of Stock-in-trade                                   |                | 1,25,48,548                  | 1,00,44,824                   |
| Changes in inventories of Stock-in-trade                      | 14             | 77,96,986                    | 18,71,705                     |
| Employee benefits expense                                     | 15             | 21,53,396                    | 18,99,009                     |
| Finance Costs   | 16             | 7,96,853                     | 8,85,559                      |
| Other expenses  | 17             | 4,76,025                     | 8,91,815                      |
| <b>Total Expenses</b>   |                | <u>2,37,71,808</u>           | <u>1,55,92,912</u>            |
| <b>Profit before taxation</b>                                 |                | 30,67,314                    | 55,60,683                     |
| <b>Tax Expense</b>  | 18             |                              |                               |
| Current Tax   |                | 2,00,000                     | 6,25,000                      |
| MAT Credit entitlements                                       |                | (1,98,494)                   | (6,16,018)                    |
| Deferred Tax  |                | 26,342                       | 2,23,479                      |
| Tax Adjustment of Earlier Years                               |                | (15,762)                     | (1,07,214)                    |
| <b>Profit/ (Loss) for the Year before Share of Associates</b> |                | <u>30,55,228</u>             | <u>54,35,436</u>              |
| Add/ (Less) : Share of Associates                             |                | <u>(2,54,35,264)</u>         | <u>(1,27,13,755)</u>          |
| <b>Profit/ (Loss) for the Year after Share of Associates</b>  |                | <u>(2,23,80,036)</u>         | <u>(72,78,319)</u>            |
| <b>Earning Per Share</b>                                      | 19             | (111.90)                     | (36.39)                       |
| Significant Accounting Policies, Notes on Accounts            | 20             |                              |                               |

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

  
(V L BAJAJ) Partner  
Membership No : 104982  
Place : Mumbai  
Date : - 4 SEP 2020



For and on behalf of the Board

  
Vijaykumar  
Mahabirprasad Jatia  
Chairman  
DIN : 0000096977

  
Gauri Jatia  
Director  
DIN : 0000096766

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**

(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)

CIN : U67120MH1978PTC020461

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

|  | <u>2019-2020</u>    | <u>2018-2019</u>  |
|--|---------------------|-------------------|
|  | ₹                   | ₹                 |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>    |                     |                   |
| Net Profit before tax and extraordinary items    | 30,67,314           | 55,60,683         |
| Adjustment for :                                 |                     |                   |
| Profit on Sale of Mutual funds units             | -4,10,185           | -26,580           |
| Dividend   | -19,91,786          | -24,89,732        |
| Interest   | -                   | -                 |
| Operating Profit before working capital changes  | <u>6,65,343</u>     | <u>30,44,371</u>  |
| Adjustment for :                                 |                     |                   |
| Trade and other receivables                      | -2,05,77,065        | -15,22,251        |
| Inventories                                      | 77,96,986           | 18,71,705         |
| Trade payables                                   | 26,736              | 2,41,841          |
| Cash generated from operation                    | <u>-1,20,88,000</u> | <u>36,35,666</u>  |
| Direct Taxes                                     | -5,81,068           | -3,83,442         |
| Interest Paid                                    | -                   | -                 |
| Cash flow before extraordinary items             | <u>-1,26,69,068</u> | <u>32,52,224</u>  |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>        | <u>-1,26,69,068</u> | <u>32,52,224</u>  |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>    |                     |                   |
| Purchases of Investments                         | -                   | -                 |
| Sale of Investments (Net)                        | 22,42,424           | 36,580            |
| Dividend from Long Term Investments              | 19,91,786           | 24,89,732         |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>     | <u>42,34,210</u>    | <u>25,26,312</u>  |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>    |                     |                   |
| Borrowing/Repayment of/for Short Term Borrowings | 1,05,70,165         | -63,75,114        |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>     | <u>1,05,70,165</u>  | <u>-63,75,114</u> |
| Net increase in cash and cash equivalents        | 21,35,307           | -5,96,578         |
| Cash and cash equivalents (Opening)              | 10,16,198           | 16,12,777         |
| Cash and cash equivalents (Closing)              | 31,51,505           | 10,16,198         |

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



(V L BAJAJ) Partner

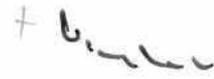


Membership No : 104982

Place : Mumbai

Date : - 4 SEP 2020

For and on behalf of the Board



Vijaykumar  
Mahabirprasad  
Jatia  
Chairman

DIN : 0000096977



Gauri Jatia  
Director

DIN : 0000096766

**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
**(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

|   | As at 31st<br>March, 2020<br>₹ | As at 31st<br>March, 2019<br>₹ |
|---|--------------------------------|--------------------------------|
| <b>Note No - 1</b>  |                                |                                |
| <b>Share Capital</b>  |                                |                                |
| Authorised<br>500000 (P/Y - 500000) Equity Shares of ₹ 10/- each                                    | 50,00,000                      | 50,00,000                      |
|   | <u>50,00,000</u>               | <u>50,00,000</u>               |
| Issued, Subscribed & Paid Up<br>200000 (P/Y - 200000) Equity Shares of ₹ 10/-<br>each fully paid up | 20,00,000                      | 20,00,000                      |
|   | <u>20,00,000</u>               | <u>20,00,000</u>               |

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

| Equity Shares                                   | As at 31st March, 2020 |           | As at 31st March, 2019 |           |
|---|------------------------|-----------|------------------------|-----------|
|   | Nos                    | Amount    | Nos                    | Amount    |
| Shares outstanding at the beginning of the year | 200000                 | 20,00,000 | 2,00,000               | 20,00,000 |
| Shares Issued during the year                   | -                      | -         | -                      | -         |
| Shares bought back during the year              | -                      | -         | -                      | -         |
| Shares outstanding at the end of the year       | 200000                 | 20,00,000 | 2,00,000               | 20,00,000 |

(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                 | 41,450                 | 20.73%       | 41,450                 | 20.73%       |
| M/s Camellia Mercantile Pvt Ltd      | 36,500                 | 18.25%       | 36,500                 | 18.25%       |
| M/s Ignatius Trading Company Pvt Ltd | 19,000                 | 9.50%        | 19,000                 | 9.50%        |
| M/s Candescant Traders Pvt Ltd       | 19,000                 | 9.50%        | 19,000                 | 9.50%        |
| M/s Alcyone Trading Company Pvt Ltd  | 19,000                 | 9.50%        | 19,000                 | 9.50%        |
| M/s Eclat Developer Pvt Ltd          | 13,450                 | 6.73%        | 13,450                 | 6.73%        |
| M/s Eclat Mercantile Pvt Ltd         | 18,000                 | 9.00%        | 18,000                 | 9.00%        |

(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**

|  |                     |                     |
|--|---------------------|---------------------|
| General Reserve  |                     |                     |
| As per last Balance Sheet                              | 4,45,79,456         | 4,45,79,456         |
| Add / (Less) : Income from associate for earlier years | 1,397               | -                   |
| Add / (Less) : Share of associate during the year      | -                   | -                   |
|  | <u>4,45,80,853</u>  | <u>4,45,79,456</u>  |
| Capital Reserve  |                     |                     |
| As per last Balance Sheet                              | 2,36,67,670         | 2,36,67,670         |
| Add / (Less) : Income from associate for earlier years | 983                 | -                   |
| Add / (Less) : Share of associate during the year      | -                   | -                   |
|  | <u>2,36,68,653</u>  | <u>2,36,67,670</u>  |
| Capital Redemption Reserve                             |                     |                     |
| As per last Balance Sheet                              | -                   | -                   |
| Add / (Less) : Income from associate for earlier years | 1,97,011            | -                   |
| Add / (Less) : Share of associate during the year      | -                   | -                   |
|  | <u>1,97,011</u>     | <u>-</u>            |
| Foreign Currency Translation Reserve                   |                     |                     |
| As per last Balance Sheet                              | 88,15,070           | 74,68,498           |
| Add / (Less) : Income from associate for earlier years | 1,532               | -                   |
| Add / (Less) : Share of associate during the year      | 35,28,875           | 13,46,571           |
|  | <u>1,23,45,476</u>  | <u>88,15,070</u>    |
| Surplus in Statement of Profit & Loss                  |                     |                     |
| As per last balance sheet                              | 18,66,93,064        | 19,39,71,384        |
| Add / (Less) : Income from associate for earlier years | 3,66,23,714         | -                   |
| Add / (Less) : Profit/(Loss) for the Year              | (2,59,08,911)       | (72,78,319)         |
|  | <u>19,74,07,867</u> | <u>18,66,93,064</u> |
|  | <u>27,81,99,859</u> | <u>26,37,55,260</u> |



**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**

Note No - 5

**Non Current Investments**

|   |                   | <u>As at 31st March, 2020</u> |                    | <u>As at 31st March, 2019</u> |                    |
|---|-------------------|-------------------------------|--------------------|-------------------------------|--------------------|
|   | <u>Face Value</u> | <u>No of Shares</u>           | <u>Cost</u>        | <u>No of Shares</u>           | <u>Cost</u>        |
|   | ₹                 |                               | ₹                  |                               | ₹                  |
| <b>(Trade)</b>  |                   |                               |                    |                               |                    |
| <b><u>Investment in Associates</u></b>                      |                   |                               |                    |                               |                    |
| <b><u>In Equity Shares -Quoted</u></b>                      |                   |                               |                    |                               |                    |
| Modern India Ltd  | 2                 | 82,99,108                     | 3,29,36,839        | 82,99,108                     | 2,15,47,468        |
| <b><u>In Equity Shares -Unquoted</u></b>                    |                   |                               |                    |                               |                    |
| Modern Derivatives & Commodities Pvt Ltd                    | 10                | 2,60,000                      | 26,02,500          | 2,60,000                      | 26,02,500          |
| <b><u>Investment in Others</u></b>                          |                   |                               |                    |                               |                    |
| <b><u>In Equity Shares -Quoted</u></b>                      |                   |                               |                    |                               |                    |
| <b><u>India Whizdom Fund</u></b>                            |                   |                               |                    |                               |                    |
| [NAV as on 31.03.2020 ₹ 1,20,83,001/- (PY ₹ 1,68,26,550/-)] |                   |                               | 1,31,67,761        |                               | 1,50,00,000        |
| <b><u>In Equity Shares -Unquoted</u></b>                    |                   |                               |                    |                               |                    |
| F Pudumjee Investment Co Pvt Ltd                            | 10                | 50,000                        | 5,02,500           | 50,000                        | 5,02,500           |
| Sarat Leasing & Finance Pvt Ltd                             | 10                | 2,02,000                      | 20,20,000          | 2,02,000                      | 20,20,000          |
| Modern India Free Trade Warehousing Pvt Ltd                 | 10                | -                             | -                  | -                             | -                  |
| Morries Energy Ltd  | 10                | 40,000                        | 30,00,000          | 40,000                        | 30,00,000          |
| <b><u>Investment in Govt Securities</u></b>                 |                   |                               |                    |                               |                    |
| Kishan Vikas Patra  |                   |                               | 60,000             |                               | 60,000             |
| <b>TOTAL</b>  |                   |                               | <b>5,42,89,600</b> |                               | <b>4,47,32,468</b> |
| Aggregate Book Value - Quoted                               |                   |                               | 4,61,04,600        |                               | 3,65,47,468        |
| Aggregate Book Value - Unquoted                             |                   |                               | 81,85,000          |                               | 81,85,000          |
| Market Book Value - Quoted                                  |                   |                               | 36,10,60,492       |                               | 24,71,26,797       |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**

|  | As at 31st<br>March, 2020 | As at 31st<br>March, 2019 |
|--|---------------------------|---------------------------|
|  | ₹                         | ₹                         |
| <b>Note No - 3</b>                                 |                           |                           |
| <b>Short Term Borrowings</b>                       |                           |                           |
| Loans & Advances from Directors                    | 5,36,430                  | 1,51,47,003               |
| Terms of Payment - On Demand, ROI - 6%             |                           |                           |
| Loans & Advances from Corporates                   | 2,51,80,738               | -                         |
| Term of Payment - On Demand Rate of Interest - 14% | <u>2,57,17,168</u>        | <u>1,51,47,003</u>        |
| <br>   |                           |                           |
| <b>Note No - 4</b>                                 |                           |                           |
| <b>Other Current Liabilities</b>                   |                           |                           |
| (Other than Micro, Small & Medium enterprises)     |                           |                           |
| Audit fees payable                                 | 97,200                    | 97,200                    |
| Outstanding liabilities for expenses               | 1,62,800                  | 1,28,443                  |
| TDS payable  | 90,685                    | 98,306                    |
|  | <u>3,50,685</u>           | <u>3,23,949</u>           |
| <br>   |                           |                           |
| <b>Note No - 6</b>                                 |                           |                           |
| <b>Other Non Current Assets</b>                    |                           |                           |
| MAT Credit Entitlement                             | 2,56,55,504               | 2,54,57,010               |
|  | <u>2,56,55,504</u>        | <u>2,54,57,010</u>        |
| <br>   |                           |                           |
| <b>Note No - 7</b>                                 |                           |                           |
| <b>Inventories</b>                                 |                           |                           |
| Equity Shares                                      | 70,43,763                 | 1,48,40,749               |
|  | <u>70,43,763</u>          | <u>1,48,40,749</u>        |
| <br>   |                           |                           |
| <b>Note No - 8</b>                                 |                           |                           |
| <b>Trade Receivables</b>                           |                           |                           |
| (Unsecured, Considered Good)                       |                           |                           |
| Others   | 7,84,49,978               | 38,199                    |
| More than Six months                               | 930                       | 7,84,49,978               |
|  | <u>7,84,50,908</u>        | <u>7,84,88,177</u>        |
| <br>   |                           |                           |
| <b>NOTE No - 9</b>                                 |                           |                           |
| <b>Cash &amp; Cash Equivalents</b>                 |                           |                           |
| Balance with Bank In Current Account               | 30,76,505                 | 9,41,198                  |
| Cash on Hand                                       | 75,000                    | 75,000                    |
|  | <u>31,51,505</u>          | <u>10,16,198</u>          |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**

|  | As at 31st<br>March, 2020<br>₹ | As at 31st<br>March, 2019<br>₹ |
|--|--------------------------------|--------------------------------|
| <b>Note No - 10</b>                                      |                                |                                |
| <b>Short Term Loans &amp; Advances</b>                   |                                |                                |
| (Unsecured , considered good by Management)              |                                |                                |
| Loans and Advances to Other Parties                      | 11,69,23,984                   | 9,62,83,128                    |
| Term of Payment - On Demand Rate of Interest - 8% to 15% | 30,000                         | -                              |
| Advances to Employee                                     | <u>11,69,53,984</u>            | <u>9,62,83,128</u>             |

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           | 66,84,317           | 14,20,294          |
| Eclat Mercantile Pvt Ltd           | 39,30,060           | 43,60,084          |
| Rudra Intexteriors P Ltd           | 1,37,54,650         | 1,37,54,650        |
| Millenium Commercial Pvt. Ltd.     | 2,62,54,873         | 1,57,65,096        |
| Prime Urban Development India Ltd. | 2,55,03,485         | 3,00,00,000        |
| Dalmia Polypro Inds Ltd            | -                   | 50,00,000          |
| S V A India Ltd                    | 3,07,41,272         | 2,59,83,004        |
| Emblem Holding Pvt Ltd             | 1,00,55,327         |                    |
|                                    | <u>11,69,23,984</u> | <u>9,62,83,128</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  | 19,000          | 18,500          |
|---|-----------------|-----------------|
| Deposits  | 1,08,283        | 1,65,305        |
| Prepaid expenses  | 5,75,244        | 1,78,414        |
| Advance Income Tax & Tax Deducted at Source (Net of Provisions) | <u>7,02,527</u> | <u>3,62,219</u> |

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**SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED**  
**(Formerly SHREE RANI SATI INVESTMENT AND FINANCE LIMITED)**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

|  | Current<br>Year<br>₹ | Previous<br>Year<br>₹ |
|--|----------------------|-----------------------|
| <b>Note No - 12</b>  |                      |                       |
| <b>Revenue from Operations</b>   |                      |                       |
| Sales - Shares   | 1,70,23,076          | 1,16,37,365           |
| Interest - Gross [TDS ₹ 718054/- (Previous Year ₹ 685667/-)]                   | 71,80,554            | 68,56,666             |
| Dividend - Gross   | 19,91,786            | 24,89,732             |
| From Non Current Investments   | 94,637               | 1,43,252              |
| From Others  | -                    | 26,580                |
| Long Term Capital Gain   | 4,10,185             | -                     |
| Profit from Fund - Gross [TDS ₹ 57190/- (P/Y ₹ Nil)]                           | 2,67,00,238          | 2,11,53,595           |
|  | <u>2,67,00,238</u>   | <u>2,11,53,595</u>    |
| <b>Note No - 13</b>  |                      |                       |
| <b>Other Income</b>  |                      |                       |
| Interest - On Income tax refund  | 12,884               | -                     |
| Miscellaneous Income   | 1,26,000             | -                     |
|  | <u>1,38,884</u>      | <u>-</u>              |
| <b>Note No - 14</b>  |                      |                       |
| <b>Changes in inventories of Stock in trade</b>                                |                      |                       |
| <b>Opening Stock</b>   |                      |                       |
| Equity Shares  | 1,48,40,749          | 1,67,12,454           |
|  | <u>1,48,40,749</u>   | <u>1,67,12,454</u>    |
| <b>Closing Stock</b>   |                      |                       |
| Equity Shares  | 70,43,763            | 1,48,40,749           |
|  | <u>70,43,763</u>     | <u>1,48,40,749</u>    |
|  | <u>77,96,986</u>     | <u>18,71,705</u>      |
| <b>Note No - 15</b>  |                      |                       |
| <b>Employee Benefit Expenses</b>   |                      |                       |
| Directors' Remuneration  | 14,02,900            | 12,29,000             |
| Salaries and Wages   | 7,50,496             | 6,70,009              |
|  | <u>21,53,396</u>     | <u>18,99,009</u>      |
| <b>Note No - 16</b>  |                      |                       |
| <b>Finance Cost</b>  |                      |                       |
| Interest   | 7,96,853             | 8,85,559              |
|  | <u>7,96,853</u>      | <u>8,85,559</u>       |
| <b>Note No - 17</b>  |                      |                       |
| <b>Other Expenses</b>  |                      |                       |
| Bank & Demat Charges   | 5,983                | 6,141                 |
| Electricity Expenses   | 7,880                | -                     |
| Printing & Stationery  | -                    | 1,569                 |
| Travelling & Conveyance  | 44,808               | 1,28,384              |
| Brokerage & Commission   | 19,600               | 18,500                |
| Rent Paid  | 2,27,022             | 47,145                |
| Legal & Professional Fees  | 45,850               | 5,34,024              |
| Share Trading Expenses   | 3,864                | 24,893                |
| <b>Auditors' Remuneration</b>  |                      |                       |
| For Audit Fees   | 88,500               | -                     |
| For Tax Audit Fees   | 17,700               | -                     |
| For Others   | -                    | -                     |
| Miscellaneous Expenses   | 1,06,200             | 1,18,000              |
|  | <u>14,818</u>        | <u>13,159</u>         |
|  | <u>4,76,025</u>      | <u>8,91,815</u>       |
| <b>Note No - 18</b>  |                      |                       |
| <b>Tax Expenses</b>  |                      |                       |
| Current Tax  | 2,00,000             | 6,25,000              |
| Tax Adjustments of Earlier Years   | (15,762)             | (1,07,214)            |
| MAT Credit entitlements  | (1,98,494)           | (6,16,018)            |
|  | <u>(14,256)</u>      | <u>(98,232)</u>       |
| Deferred Tax   | 26,342               | 2,23,479              |
|  | <u>12,086</u>        | <u>1,25,247</u>       |
| <b>Note No - 19</b>  |                      |                       |
| <b>Earning per Share</b>   |                      |                       |
| Net Profit available for equity shareholders (₹)                               | (2,23,80,036)        | (72,78,319)           |
| Weighted average number of equity shares outstanding during the years (In Nos) | 2,00,000             | 2,00,000              |
| Basic/Diluted Earning Per Share (₹)  | (111.90)             | (36.39)               |



## SHREE RANI SATI INVESTMENT AND FINANCE PRIVATE LIMITED

### NOTE-20

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS

#### 1. PRINCIPLES OF CONSOLIDATION

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).

- i. **CONSOLIDATED FINANCIAL STATEMENTS** relates to “Shree Rani Sati Investment and Finance Private Limited” the Company & its Associate “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:
- 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”.
  - 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.
  - The difference between the cost of investment in the associate and the share of net assets 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 Shree Rani Sati Investment and Finance Private Limited and its associates.

| Name of the Company  | Year Ended                      | Status              | Extent of Company's Interest | Country of Incorporation |
|----------------------|---------------------------------|---------------------|------------------------------|--------------------------|
|                      |                                 |                     | <b>2019-20</b>               |                          |
| Modern India Limited | 31 <sup>st</sup><br>March, 2020 | Direct<br>Associate | 22.11                        | India                    |

#### 3. DEFERRED TAX

In compliance with the Accounting Standard-22 “Accounting for Taxes on Income” which has become mandatory, the company has reversed Deferred Tax Assets (Net) amounting to ₹ 26,342/- for the current year and the same has been charged to statement of Profit & Loss. The Company has not created DTA on Long term capital losses since the same is not recoverable in near future.



| I. DEFERRED TAX ASSETS AND LIABILITIES are the TAX EFFECT OF THE FOLLOWING ITEMS                   |  |
|--|--|
| PARTICULARS  | For the Year ended<br>31 <sup>st</sup> March, 2020 (₹) |
| <b>DEFERRED TAX LIABILITY / ASSET</b>  |  |
| <b>Deferred Tax (Asset) Liability on:</b>  |  |
| On A/c of Un absorbed Business Losses  | 26,342<br>(2,23,479)                                   |
| <b>Net Impact to Statement of Profit &amp; Loos</b>  | <b>26,342</b>  |
| <b>II. POSITION OF DEFERRED TAX ASSETS &amp; LIABILITIES AS ON BALANCE SHEET DATE ARE AS UNDER</b> |  |
| <b>Deferred Tax Assets</b>   |  |
| On A/c of Un absorbed Business Losses  | 2,00,19,921<br>(2,00,46,263)                           |
| <b>Total Deferred Tax Asset</b>  | <b>2,00,19,921</b>                                     |

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

#### 4. 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                           |
|-----------|---|
| <b>I</b>  | <b>KMP &amp; Relatives &amp; Enterprises of KMP</b> |
| 1         | Vijay Kumar Jatia                                   |
| 2         | Gauri Jatia   |
| <b>II</b> | <b>Associates: Significant Influence</b>            |
| 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                                     |
|-----------|---|
| <b>I</b>  | <b>KMP &amp; Relatives &amp; Enterprises of KMP</b> |
| 1         | Vijay Kumar Jatia                                   |
| 2         | Gauri Jatia   |
| <b>II</b> | <b>Associates: Significant Influence</b>            |
| 1         | Modern India Limited                                |

##### III. DISCLOSURE OF RELATED PARTY TRANSACTIONS (₹)

| Sr. No | Nature of Relationship/ Transactions | KMP/ Relatives of KMP        | Associates               | TOTAL                        |
|--------|--------------------------------------|------------------------------|--------------------------|------------------------------|
| 1      | Managerial Remuneration              | 14,02,900<br>(12,29,000)     | NIL<br>(NIL)             | 14,02,900<br>(12,29,000)     |
| 2      | Loan Taken (Net)                     | -1,46,10,573<br>(-63,75,114) | NIL<br>(NIL)             | -1,46,10,573<br>(-63,75,114) |
| 3      | Interest Paid                        | 5,96,033<br>(8,85,559)       | NIL<br>(NIL)             | 5,96,033<br>(8,85,559)       |
| 4      | Sale of Investments                  | NIL<br>(NIL)                 | NIL<br>(36,580)          | NIL<br>(36,580)              |
| 5      | Dividend Received                    | NIL<br>(NIL)                 | 19,91,786<br>(24,89,732) | 19,91,786<br>(24,89,732)     |

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



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

|                              |                                  |
|------------------------------|----------------------------------|
| <b>KMP/ Relatives of KMP</b> | <b>5,36,430</b><br>(1,51,47,003) |
|------------------------------|----------------------------------|

**5. INVESTMENT IN ASSOCIATES**

I. the Group's Associates are:

| <b>Name of the Company</b> | <b>Extent of Company's Interest 2019-20</b> | <b>Country of Incorporation</b> |
|----------------------------|---|---------------------------------|
| Modern India Limited       | 22.11                                       | India                           |

II. Carrying cost of Investment in Associates:

| <b>Particulars</b>  | <b>Modern India Limited</b>           |
|---|---------------------------------------|
| No. of Equity shares held                                 | <b>82,99,108</b><br>(82,99,108)       |
| % holding   | <b>22.11%</b><br>(22.11%)             |
| Cost of Investment  | <b>2,91,50,418</b><br>(2,91,50,418)   |
| Goodwill/(Capital Reserve) included in cost of Investment | <b>-4,38,45,410</b><br>(-4,38,45,410) |
| Share in accumulated profit/(losses)                      | <b>37,86,421</b><br>(-76,02,950)      |
| Income from Associate for earlier years                   | <b>3,68,24,635</b><br>(NIL)           |
| Share of increase in reserve for during the year          | <b>-2,54,35,264</b><br>(-1,27,13,755) |
| Carrying cost   | <b>3,29,36,839</b><br>(2,15,47,468)   |

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

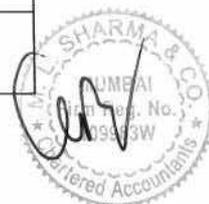
**6. CONTINGENT LIABILITIES:**

a) Parent Company: Nil

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

| <b>Particulars</b>   | <b>Amount (₹)</b><br><b>(31st March, 2020)</b> |
|--|--|
| Corporate Guarantee of USD 5.00 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 | <b>8,33,02,809/-</b><br>(8,05,19,546/-)        |
| Income Tax Demand for Assessment Year 2012-13 against which the Company has filed an appeal with CIT (Appeal).   | <b>64,24,682/-</b><br>(NIL)                    |
| Other Income Tax Demand  | <b>2,39,774/-</b><br>(NIL)                     |
| Estimated value of Contracts in Capital Account remaining to be executed and not provided  | <b>9,44,579/-</b><br>(NIL)                     |

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



7. 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              |
| 1       | <b>Parent</b><br>Shree Rani Sati<br>Investment and Finance<br>Private Limited | <b>98.65</b>   | <b>27,64,13,438</b> | <b>-13.65</b>            | <b>30,55,228</b>    |
|         |   | (102.95)   | (27,33,58,210)      | (-72.14)                 | (-54,35,436)        |
| 2       | <b>Associate</b><br>Modern India Limited                                      | <b>1.35</b>  | <b>37,86,421</b>    | <b>113.65</b>            | <b>-2,54,35,264</b> |
|         |   | (-2.95)  | (-76,02,950)        | (172.14)                 | (1,27,13,755)       |
|         | <b>Total</b>  | <b>100.00</b>  | <b>28,01,99,859</b> | <b>100.00</b>            | <b>-2,23,80,036</b> |
|         |   | (100.00)   | (26,57,55,260)      | (-100.00)                | (72,78,319)         |

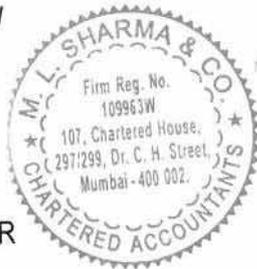
\* Previous year's figures are given in Brackets ( ).

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

For Shree Rani Sati Investment and Finance Private Limited

  
(V. L. BAJAJ) PARTNER  
M. No: 104982



  
VIJAYKUMAR  
MAHABIR PRASADJATIA  
DIRECTOR  
DIN - 0000096977

  
GAURI JATIA  
DIRECTOR  
DIN - 0000096766

Place: Mumbai  
Date: - 4 SEP 2020