

10. Significant accounting policies.

i. The Financial Statements are prepared on Accrual Basis under Historic Cost Convention and in accordance with the generally accepted accounting principles in India and the Accounting Standards specified in The Companies Act, 2013 and rules notified thereto with proper explanations relating to material departures. The Company being a Non-Banking finance Company follows the guidelines as prescribed by the Reserve Bank of India to the extent applicable to it.

ii. All assets and liabilities have been classified as current or non-current as per the Companies operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

iii. Investments - Investments are stated at cost. Investment in properties that are not intended to be substantially used for the operations of the company are classified as Investment Property.

iv. Loans and advances which are recoverable on demand or stipulation in cash or kind or for value to be received are classified as short term.

v. Revenue Recognition - Income from dividend and sale of investments is recognised when the right to receive payment is established. Other income from Investments is accounted for as and when realised by the company and is included together with the related tax credit in the Statement of Profit and Loss. The interests on Loan amounts given are provided on time proportionate basis.

11. Other Notes.

i. Previous period's figures have been regrouped/rearranged wherever necessary so as to make them in line with the applicable provisions and Accounting Standards. Headings, sub-headings and information as per Schedule III and Accounting Standards which are not applicable to the company are not stated in Balance Sheet and Statement of Profit and Loss. Figures in brackets are for previous year unless otherwise specified.

ii. Tax deducted at source on interest income - Rs. 1,28,811/- (Rs. 2,00,565/-) and on dividend Nil.

iii. Basic and Diluted earning per share has been calculated by dividing the net profit after tax i.e. Rs.12.80 Lacs for the year by the weighted average number of equity shares outstanding during the year i.e. 30 Lacs shares. (Face value of Rs.10/- each)

iv. The provision for deferred tax assets/liabilities as on 31-3-19 is Nil. As a measure of prudence, deferred tax assets on carried forward losses and MAT credit entitlement for future tax liabilities has not been taken into account. This has been done as per Accounting Standard 22 which provides for such provision only when there is reasonable certainty of their realisation in future by examining the past record of the enterprise and by making realistic estimates of profits for the future. As per the latest available income tax order an amount of Rs. 12.47 lacs as MAT credit has been allowed to the company for adjustment against future tax liabilities.

v. The company is a Non-Systemically Important Non-Deposit taking Non Banking Finance Company registered with Reserve Bank Of India Act, 1934 and is following the guideline and direction issued by RBI for such companies. Provision for bad and doubtful debts and for depreciation in investments - Nil. Gross non-performing assets - Nil. Net non-performing assets - Nil, Assets acquired in satisfaction of debts - Nil. Amount due to Micro, Small & Medium Enterprises as per MSMED Act, 2006 as on 31-03-2019 - Nil. The Company has not accepted any deposits from the public. An amount of Rs. 2.5 lacs has been provided as Contingent Provision against Standard Assets and has been shown as Contingent Provision in the balance sheet. Other loans and advances comprises amount given to parties on which interest for the year ended was not received till the end of year.

vi. The Company is in the business of investment and finance and all its activities revolve around this business. As such, there are no separate reportable Segments. As per provisions in Accounting Standard 3 applicable to finance companies the Dividend income has been included in Operating Activities in Cash Flow Statement. The Schedule III of the Companies Act, 2013 provides for modification of disclosure requirements mentioned therein so as to make them in line with the applicable Accounting Standards. Accordingly in the Statement of Profit and Loss also Dividend Income has been shown under the head Revenue from Operations.

vii. The Company has only one class of shares referred to as equity shares having a par value of Rs.10 entitling the holder to one vote per share. There was no change in the number of shares outstanding at the beginning and at the end of the reporting period. Share holders holding more than 5% shares in the company and number of shares held: Bombay Mercantile & Leasing Co Ltd-1025398, Abhinandan Textiles And Traders LLP -375000 and Ashok Tulsyan (HUF) 600000.

viii. Disclosers - Related Party - Mr. S. Rathi - Non Executive Director (Independent Director) sitting fees paid Rs. 20,000/- and Mr. Mukesh Sarswat - Non Executive Director (Independent Director) sitting fees paid Rs. 20,000/-. Key managerial Personnel - Remuneration Paid - Mrs. Priyanka Kakhani (Company Secretary) - Rs. 1,25,419/- Mr. V K Vora (CFO) Rs. 2,66,729/-. Advances received from directors - Sanju Tulsyan - Opening Balance - NIL, Received during the year Rs.6.90 lacs, Refunded during the year Rs. 6.90 lacs, Closing balance - NIL

xi. Market value of all quoted investments-Rs.15,12,718/- (Rs.17,82,420/-). Provision for diminution in value of investments-Nil. Investments in Properties are partly paid to the extent of amount due and payable as per the terms of purchase and progress of construction and are shown as other non current investments as per requirement of Schedule III.

x. Miscellaneous expenses grouped under the head of Other Expenses include Rs.20,650/- (Rs.20,950/-) for audit fees, Rs. 5,000/- (Rs.3,540) for internal audit, Rs.27,500/- (Rs.18,900/-) for Secretarial Auditors fees, reports, certification of returns, e-voting work..

xi. During the year M/s. Sita Offers & Bourse Expertise Ltd, was converted into a LLP - Sita Offers And Bourse Expertise LLP. The total capital of the LLP is Rs. 150 Lacs and the name of partners and their respective shares (amount contributed in capital) are Bombay Mercantile & Leasing Company Ltd. - Rs.73 Lacs, Sita Capital LLP - Rs.3.9 Lacs, Sita Enterprises Ltd. - Rs.73 Lacs, Ashok Shubhakaran Tulsyan - Rs. 0.05 Lac, Sanju Ashok Tulsyan - Rs. 0.03 Lac, Sneha Tulsyan - Rs. 0.01 Lac, Anuja Tulsyan - Rs.0.01 Lac.

xii. Contingent liabilities and commitments (to the extent not provided for) -. Uncalled liability on commitments for Investments in Properties under construction or development Rs.101 Lacs.

For and on behalf of the Board

For Maheshwari Maheshwari & Co.

Firm Registration No.105838W

Chartered Accountants

A.Tulsyan
Director

S. Tulsyan
Director

Savita B. Maheshwari
Membership No. 102278
Partner

Priyanka Kakhani
Company Secretary

V K Vora
Chief Financial
Officer

Mumbai, 17th May 2019