

DIRECTORS' REPORT

To

The Members of
MODISON CONTACTS PRIVATE LIMITED

The Directors have pleasure in presenting before you the Thirty Ninth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020.

FINANCIAL RESULTS:

(Rupees in '000)

PARTICULARS	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Income for the year	82	106
Expenditure for the year excluding Depreciation and Amortization Exp	39	28
Profit before Exceptional items & tax	43	78
Add: Exceptional Items	-	-
Profit Before Tax	43	78
Less: Tax Expenses		
(1) Current tax of Current Years	8	15
(2) Deferred tax	3	5
Profit After Tax	32	58

DIVIDEND:

No Dividend has been declared for the Financial Year ended 31st March, 2020.

TRANSFER TO RESERVE:

The Company has not transferred any amount to Reserves for the Financial Year ended 31st March, 2020.

OPERATIONS:

During the year under review, the Company has earned income of Rupees Eighty two thousand during the year.

CHANGE IN NATURE OF BUSINESS:

There is no change in nature of business of the company.

PUBLIC DEPOSITS

The Company has not invited/accepted any deposits from the public during the year.

LOANS, GUARANTEES AND INVESTMENTS:

The Company has not given any Loans, Guarantees and also made any Investments as per section 186 of the Act by the Company.

PARTICULAR OF CONVERSION OF ENERGY & TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO:

As the Company has not carried out any activities relating to the export and import during the Financial Year. There is no foreign exchange expenses and foreign income during the financial year.

SHARE CAPITAL:

A) Issue of Sweat Equity Shares

The Company has not issued any Sweat Equity Shares during the year under review.

B) Issue Of Employee Stock Options

The Company has not provided any stock option scheme to the employees.

C) Issue of Bonus Shares

No Bonus Shares were issued during the year under review.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith under Annexure I.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee as it doesn't fall under the purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on Corporate Social Responsibility.

DIRECTORS OR KEY MANAGERIAL PERSONNEL:

None of the Directors or KMP are appointed during the year.

DECLARATION FROM INDEPENDENT DIRECTORS:

The provisions of Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 are not applicable to your Company.

BOARD MEETING

The Board of Directors duly met six times during the financial year from 01st April, 2019 to 31st March, 2020. The dates on which the meetings were held are as follows:

1. 28th May, 2019
2. 17th June, 2019
3. 5th August, 2019
4. 17th August, 2019
5. 8th November, 2019
6. 4th February, 2020

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The provisions of Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and section 178(5) of the Companies Act, 2013 are not applicable to the Company.

PARTICULARS OF EMPLOYEES:

There are no employees employed by the Company, thus the information required under Section 134(3) (q) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to your Company.

STATUTORY AUDITORS:

M/s M.L. Bhuwania & Co, Chartered Accountants are re-appointed as the Statutory Auditors of the Company for the period of five years commencing from the conclusion of this Annual General Meeting till the conclusion of the 44th Annual General Meeting. The Auditors have confirmed that, their appointment, is as per section 139 of the said Act and is within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and they are not disqualified. There are no qualifications or observations or remarks made by the Auditors in their Report.

COMMENT ON AUDITOR REPORT:

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

MATERIAL CHANGES & COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the report.

SUBSIDIARIES:

As on March 31, 2020, the Company does not have any subsidiary.

HOLDING COMPANY:

Modison Metals Limited is the Holding Company of your Company.

RISK MANAGEMENT POLICY:

The Company has effective risk management policy which is capable of identifying various types of risks associated with the business, its assessment, risk handling, monitoring and report in.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) read with Section 134(5) of the Act, on the basis of information placed before them, the Directors state that:

- i) in the preparation of the annual accounts, the applicable Ind As accounting standards has been followed along with proper explanation relating to material departures, if any;
- ii) appropriate accounting policies have been selected and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit and loss of the Company for the said period;
- 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) the internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

During the year under review, there are no related party transactions.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal financial control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the assistance and support extended by all Customers, Vendors, Government Authorities, Financial Institutions, Banks, Consultants, Solicitors, Regulatory Authorities and Shareholders of the Company.

For and on behalf of the Board of Directors

Mumbai, July 17, 2020

KUMAR JAY MODI
Director

RAJKUMAR MODI
Director

ANNEXURE – I TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2020

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U26912MH1982PTC027005
ii)	Registration Date	24/04/1982
iii)	Name of the Company	MODISON CONTACTS PRIVATE LIMITED
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered office and contact details	33 Nariman Bhavan, 227, Nariman Point, Mumbai-400021, Email id: rkothari@modison.com
vi)	Whether listed company	Yes / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any,	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the product /service	% to the total turnover of the Company
1.	Others	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

NAME OF THE HOLDING COMPANY	CIN/GLN	Holding/Subsidiary/Associate	%of Shares held	Applicable Section
MODISON METALS LIMITED	L51900MH1983PLC029783	HOLDING	100%	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

i. Category-wise Share Holding

[illegible]

[illegible][illegible]

capital in excess of Rs.1 lakh									
c).. Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	8,000	8,000	100%	Nil	8,000	8,000	100%	Nil

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in share holding during the year
		No. of shares	% of total Shares of the Company	% of Shares Pledge d/encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged /encumbered to total shares	
1.	Individual							
	Girdharilal Modi	3800	47.5%	Nil	Nil	Nil	Nil	Nil
	Rajkumar Modi	3200	40.00%	Nil	Nil	Nil	Nil	Nil
	Kumar Jay Modi	1000	12.5%	Nil	Nil	Nil	Nil	Nil
2.	Bodies Corporate							
	Modison Metals Limited	Nil	Nil	Nil	8000	100%	Nil	Nil
Total(A+B)		8000	100%	Nil	8000	100%	Nil	Nil

iii. **Change in Promoters' Shareholding (Please specify, if there is no change)**

Sr. No.		Shareholding at the beginning of the year(As on 01.04.2019)		Cumulative Shareholding during the year (From 01.04.2019 to 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1.	Girdharilal Modi				
	a. At the Beginning of the year	3800	47.5%	-	-
	b. Changes during the year				
	Date Reason	-3800	-47.5%	Nil	Nil
	17.06.2019 Sell				
	At the end of the year	Nil	Nil	Nil	Nil
2.	Kumar Jay Modi				
	a. At the Beginning of the year	1000	12.5%	-	-
	b. Changes during the year				
	Date Reason	-1000	-12.5%	Nil	Nil
	17.06.2019 Sell				
	At the end of the year	Nil	Nil	Nil	Nil
3.	Raj Kumar Modi				
	a. At the Beginning of the year	3200	40%	-	-
	b. Changes during the year				
	Date Reason	-3200	-40%	Nil	Nil
	17.06.2019 Sell				
	At the end of the year	Nil	Nil	Nil	Nil
4.	Modison Metals Limited				
	a. At the Beginning of the year	Nil	Nil	-	-

	b. Changes during the year				
	Date Reason				
	17.06.2019 Buy	8000	100	8000	100
	At the end of the year	8000	100	8000	100

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Sr. No.		Shareholding at the beginning of the year (As on 01.04.2019)		Cumulative Shareholding during the year (From 01.04.2019 to 31.03.2020)	
	For Each of the Top 10 Shareholders	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	For Each of the Directors and KMP	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
	GIRDHARI LAL MADANLAL MODI				
	At the beginning of the year	3800	47.5%	-	-
	Changes during the year : Date Reason 17.06.2019 Sell	-3800	-47.5%	Nil	Nil

	At the End of the year	Nil	Nil	Nil	Nil
2.	KUMAR JAY MODI				
	At the beginning of the year	1000	12.5%	-	-
	Changes during the year : Date Reason 17.06.2019 Sell	-1000	-12.5%	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil
3.	RAJKUMAR MODI				
	At the beginning of the year	3200	40%	-	-
	Changes during the year : Date Reason 17.06.2019 Sell	-3200	-40%	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

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

(in Rs. Lakh)

Particulars	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year 01-04-2019				
i). Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year – 31-03-2020				
i). Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

No Remuneration is paid to any of the Directors and also section 203 of the Companies Act, 2013 is not applicable to the Company.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors

KUMAR JAY MODI

RAJKUMAR MODI

INDEPENDENT AUDITOR'S REPORT

To,
The Members of **MODISON CONTACTS PRIVATE LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MODISON CONTACTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") 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, the profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our Auditors' Report thereon. Our opinion on

the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act ("Ind AS"). This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management and Board of Directors are 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 SAs, we exercise professional judgment and maintain professional skepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - (g) 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, March, 2020.

- (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 according to the information and explanations given to us, no managerial remuneration has been paid or provided during the year. Hence reporting as required by section 197(16) is not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197

Vijay Kumar Jain
Partner
Membership No. 108374
UDIN: 20108374AAAACI5590

Place: Mumbai
Date: July 17, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of MODISON CONTACTS PRIVATE LIMITED for the year ended March 31, 2020

- i. The Company does not have any fixed assets. Consequently, clause 3(i) of the Order is not applicable.
- ii. According to the information and explanations provided to us, the Company's nature of operations does not require it to hold inventories. Consequently, clause 3(ii) of the order is not applicable.
- iii. According to the information and explanations provided to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) of the order are not applicable to the Company.
- iv. In our opinion and according to information and explanations provided to us, the Company has not granted any loans, has not made investments, has not provided any guarantees and security to directors or to any other parties. Accordingly, clause 3 (iv) of the Order is not applicable to the Company.
- v. According to the information and explanations provided to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, for any of the products of the company. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- vii.
 - (a) According to the information and explanations provided to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise duty, value added tax, cess, Goods & Service Tax and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of Income Tax, Sales Tax, Value Added Tax, Goods and Service Tax, Custom Duty, Service Tax, Excise Duty and cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to information and explanations provided to us, the Company does have not any loans and borrowings from Bank, government or financial institution and has not issued debentures during the year.

- ix. In our opinion and according to information and explanations provided to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and through term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations provided to us, no managerial remuneration has been paid or provided during the year. Hence clause 3(xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statue applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanations provided to us, and based on our examination of the records of the Company, the Company has not entered into any transactions with the related parties. Accordingly, clause 3 (xiii) of the Order is not applicable to the Company.
- xiv. According to the information and explanations provided to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. According to information and explanations provided to us, the Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197

Vijay Kumar Jain
Partner
Membership No. 108374
UDIN: 20108374AAAACI5590
Place: Mumbai
Date: July 17, 2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

Referred to in paragraph 2(f) of '**Report on Other Legal and Regulatory Requirements**' in the Independent Auditor's Report on the financial statements of the company for the year ended March 31, 2020.

Opinion

We have audited the internal financial controls over financial reporting of MODISON CONTACTS PRIVATE LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our knowledge and according to the information and explanations provided to us, the Company has, 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 criteria for internal financial control over financial reporting 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.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors 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 to 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 of the Company 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 Act, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197

Vijay Kumar Jain
Partner
Membership No. 108374
UDIN: 20108374AAAACI5590
Place: Mumbai
Date: July 17, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020**(Rupees in '000)**

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
(1) Non - Current Assets			
(a) Financial assets			
(i) Investments	3	2,023	1,941
(b) Deferred tax assets (Net)	4	332	335
Total Non Current Assets		2,355	2,276
(2) Current Assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	277	328
Total Current Assets		277	328
Total Assets		2,632	2,604
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	6	800	800
(b) Other Equity	7	1,781	1,750
Total Equity		2,581	2,550
LIABILITIES			
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	8		
Dues of micro and small enterprises		-	-
Dues other than micro and small enterprises		19	16
(b) Provisions	9	23	23
(c) Current tax liabilities (Net)	10	8	15
Total Current Liabilities		50	54
Total Liabilities		50	54
Total Equity & Liabilities		2,632	2,604

Summary of significant accounting policies

2

Notes to Accounts

15 To 19

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR AND ON BEHALF OF**M L BHUWANIA AND CO LLP****CHARTERED ACCOUNTANTS****Firm's Registration Numbar: 101484W/W100197****FOR AND ON BEHALF OF THE BOARD****VIJAY KUMAR JAIN****PARTNER****MEMBERSHIP NO.108374****G. L. MODI****DIRECTOR****DIN: 00027373****KUMAR JAY MODI****DIRECTOR****DIN: 00059396****PLACE : MUMBAI****DATED :****PLACE : MUMBAI****DATED :**

**CASH FLOW STATEMENT
for the year ended 31 st March, 2020**

(Rupees in '000)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit before income tax	45	78
Adjustments for		
Interest Income	-	-
Net gain on financial assets measured at FVTPL	(82)	(106)
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:	(37)	(28)
Trade payables	3	1
Cash generated from operations	(34)	(27)
Income taxes paid	(17)	(0)
Net cash inflow from operating activities	(51)	(27)
Cash flows from investing activities	-	-
Net cash outflow from investing activities	-	-
Cash flows from financing activities	-	-
Net cash inflow (outflow) from financing activities	-	-
Net increase (decrease) in cash and cash equivalents	(51)	(27)
Cash and cash equivalents at the beginning of the financial year	328	358
Cash and cash equivalents at end of the year	277	328
	(51)	(30)

Notes**Closing Balance of Cash & Cash Equivalents**

Cash and Cash Equivalents Includes: (Refer Note No 5)

CASH IN HAND	1	1
<u>BALANCE WITH SCHEDULED BANKS</u>		
- In Current Account	276	327
	277	328

As per our report of even date attached

FOR AND ON BEHALF OF
M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
Firm's Registration Numbar: 101484W/W100197

FOR AND ON BEHALF OF THE BOARD

ASHISHKUMAR BAIRAGRA
PARTNER
MEMBERSHIP NO.109931

G. L. MODI **KUMAR JAY MODI**
DIRECTOR **DIRECTOR**
DIN: 00027373 **DIN: 00059396**

PLACE :
DATED :

PLACE :
DATED :

Particulars	Note No.	(Rupees in '000)	
		For the year ended 31 March 2020	For the year ended 31 March 2019
Other income	11	82	106
Total Income		82	106
<u>Expenses:</u>			
Finance Costs	12	2	-
Other Expenses	13	37	28
Total Expenses		39	28
Profit before exceptional items & tax		43	78
Add: Exceptional Items			
Profit before tax		43	78
Less: Tax expenses			
<u>(1) Current tax</u>			
of Current years		8	15
<u>(2) Deferred tax</u>		3	5
Total Income Tax Expense		11	20
Profit after tax	A	32	58
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year	B	-	-
Total Comprehensive Income for the year	(A+B)	32	58
Earning per equity share (Face Value of Rs. 100/- each)	14		
(1) Basic		3.96	7.25
(2) Diluted		3.96	7.25

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR AND ON BEHALF OF
M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
Firm's Registration Numbar: 101484W/W100197

FOR AND ON BEHALF OF THE BOARD

ASHISHKUMAR BAIRAGRA
PARTNER
MEMBERSHIP NO.109931

G. L. MODI
DIRECTOR
DIN: 00027373

KUMAR JAY MODI
DIRECTOR
DIN: 00059396

PLACE :
DATED :

PLACE :
DATED :

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2020**(Rupees in '000)****A. Equity Share Capital**

Particulars	No of Shares	Amount
Balance as at 1st April, 2018	8,000	800
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2019	8,000	800
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2020	8,000	800

B. Other Equity

Particulars	RESERVE & SURPLUS		Total
	General Reserve	Retained Earnings	
Balance as at 1st April, 2018	1,163	529	1,692
Profit for the year	-	58	58
Balance as at 31st March, 2019	1,163	587	1,750
Profit for the year	-	32	32
Balance as at 31st March, 2020	1,163	618	1,781

As per our report of even date attached

FOR AND ON BEHALF OF**M L BHUWANIA AND CO LLP****CHARTERED ACCOUNTANTS****Firm's Registration Numbar: 101484W/W100197****FOR AND ON BEHALF OF THE BOARD****ASHISHKUMAR BAIRAGRA****PARTNER****MEMBERSHIP NO.109931****G. L. MODI****DIRECTOR****DIN: 00027373****KUMAR JAY MODI****DIRECTOR****DIN: 00059396****PLACE :****DATED :****PLACE :****DATED :**

1. COMPANY OVERVIEW

The Company ("Modison Contacts Private Limited") is an existing private limited company incorporated on 24th April, 1982 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, and its holding company of the Modison Metals Limited having its registered office is 33, Nariman Bhavan, 227, Nariman Point, Mumbai-400021, Maharashtra, India.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement**i) Historical cost convention**

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Investments are measured at fair value.

ii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

(C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.

- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

(E) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

(F) Income tax and deferred tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(G) Other Income

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(H) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(I) Provisions, contingent liabilities and contingent assets

(i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(J) Investments

Investments in mutual funds are fair value through changes in Statement of Profit and Loss.

(K) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(L) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

3 INVESTMENTS

(Rupees in '000)

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
Unquoted	QTY		QTY	
Mutual Funds (At FVTPL)				
Aditya Birla Sun Life Corporate Bond Fund Growth Regular (Face Value: Rs. 10)	71,082.187	1028	71,082.187	972
L&T Income Opportunities Fund- Growth (Face Value: Rs. 10)	45,986.878	995	45,986.878	969
Total Value of Unquoted Investments		2,023		1,941
Total of Non Current Investments		2,023		1,941
Less : Provision for Diminution in the value of Investment		2,023		1,941

4 DEFERRED TAX ASSETS (NET)

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
Deferred tax assets (Net) (Refer Note 4.1)		332		335
		332		335

Note No 4.1:

Particulars	Net balance as at 1 April 2019	Recognised in statement of profit and loss	Net balance as at 31 March 2020
Deferred Tax Assets/(Liabilities)			
Fair Value through Profit & Loss	(37)	(21)	-58
Loss on Income Tax	7	10	17
Expenses allowable under income tax on payment basis	6	-	6
Mat Credit Entitlement	358	9	367
	335	(3)	332

Particulars	Net balance as at 1 April 2018	Recognised in statement of profit and loss	Net balance as at 31 March 2019
Deferred Tax Assets/(Liabilities)			
Fair Value through Profit & Loss	(9)	(28)	(37)
Loss on Income Tax	-	7	7
Expenses allowable under income tax on payment basis	6	-	6
Mat Credit Entitlement	343	15	358
	670	(5)	335

Income tax

The major components of income tax expense for the year ended 31 March, 2020:

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Profit and Loss:		
Current tax – including earlier years : Rs. Nil	8	15
Deferred Tax	3	5
	11	20

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Profit before income tax expense	43	78
Tax at the Indian tax rate 25.75%	11	20
Add: Items giving rise to difference in tax		
Transition Effect	21	28
Others	-21	-28
Income Tax Expenses	11	20

5 CASH & CASH EQUIVALENTS

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
Balance With Banks				
- On Current account		276		327
Cash on Hand		1		1
		277		328

6 EQUITY SHARE CAPITAL

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Authorized Share Capital		
10,000 Equity shares, Rs. 100/- par value (31 March 2018: 10,000 equity shares Rs. 100/- each)	1,000	1,000
Issued, Subscribed and Fully Paid Up Shares		
8,000 Equity shares, Rs. 100/- par value (31 March 2017: 8,000 equity shares Rs. 100/- each)	800	800
	800	800

Note No 6.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2020:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	8,000	8,00,000	8,000	8,00,000
Add: Shares issued during the year				
Less : Shares bought back (if any)				
Number of shares at the end	8,000	8,00,000	8,000	8,00,000

Note No 6.2: Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share.
(B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares.

Note No 6.3: The details of shares held by holding Company:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	%	No. of shares held	%
Modison Metals Ltd. (Holding Company)	8,000	100%	-	-

Note No 6.4: The details of shareholders holding more than 5% shares in the company:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	%	No. of shares held	%
Modison Metals Ltd.	8000	100	-	-
Shri Girdharilal Modi (Jointly With Smt. Sarla G. Modi)	-	-	3,800	48%
Shri Kumar Jay G Modi (Jointly With Smt. Sarla G. Modi)	-	-	1,000	12.5%
Shri Raj Kumar Modi (Jointly With Smt. Rashmi.R. Modi)	-	-	3,200	40%

7 OTHER EQUITY

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Reserves & surplus*		
General Reserves #	1,163	1,163
Retained earnings	618	587
	1,781	1,750

General reserve reflects amount transferred from statement of profit and loss in accordance with regulations of the Companies Act, 2013.

* For movement, refer statement of changes in equity.

8 TRADE PAYABLES

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Dues of micro and small enterprises (Refer Note No 8.1)	-	-
Dues other than micro and small enterprises (Refer Note No 8.1)	19	16
	19	16

Note No 8.1: The company has no outstanding due from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

9 PROVISIONS

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Provision for Employee Benefits		
For Gratuity	23	23
	23	23

10 CURRENT TAX LIABILITIES (NET)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Provision for taxation (net of tax payment)	8	15
	8	15

11 OTHER INCOME

(Rupees in '000)

Particulars	March 31,2020	March 31, 2019
Interest Income on Fixed Deposits	-	-
<u>Other Non Operating Income</u>		
Net gain on financial assets measured at FVTPL	82	106
	82	106

12 FINANCE COST

Particulars	March 31,2020	March 31, 2019
Interest on Income Tax	2	-
	2	-

13 OTHER EXPENSES

Particulars	March 31,2020	March 31, 2019
Rates and taxes	3	3
Legal & Professional Charges	2	5
Payment to Statutory Auditor (Refer Note No. 13.1)	31	19
Other Expenses	2	1
	37	28

Note No. 13.1 : Payment to Statutory Auditor's

As Auditor

Audit Fee	14	14
Limited Review	10	-
GST	4	3

In Other Capacity

Certification and Other Services	2	2
GST	0	0
	31	19

14 EARNING PER SHARE

Particulars	March 31,2020	March 31, 2019
Profit attributable to Equity Shareholders (Rs.)	32	58
No. of Equity Share outstanding during the year (Nos.)	8,000	8,000
Face Value of each Equity Share (Rs.)	100	100
Basic & Diluted earning per Share (Rs.)	3.96	7.25

15 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:

a) Name of the related party and description of relationship.

S.No.	Related Parties	Nature of Relationship
(i)	Mr. G. L. Modi	Director
(ii)	Mr. Rajkumar Modi	Director
(iii)	Mr. Kumar Jay Modi	Director
(iv)	Modison Metal Limited	Holding Company

b) There are no transaction during the year.

16 Risk Management

(A) Credit Risk

Financial Risk Management

The group's activities expose it to credit risk and liquidity risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system based on well established & institutionalised credit policy.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security.

17 Fair Value measurement:

The fair value of Financial instrument as of March 31,2020 and March 31,2019 were as follows-

Particulars	March 31,2020	March 31,2019	Fair value Hierarchy	Valuation Technique
Assets- Investment in Mutual Funds through FVTPL	2,023	1,941	Level-1	Market Price
Total	2,023	1,941		

The management assessed that Cash and Cash equivalents, other balances with Banks, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

18 Note On Covid

The company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, investments and other assets / liabilities.

Based on the current indicators of future economic conditions, the company expects to recover the carrying amount of all its assets. The impact of the COVID-19 pandemic may be different

19 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date attached

FOR AND ON BEHALF OF
M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
Firm's Registration Numbar: 101484W/W100197

FOR AND ON BEHALF OF THE BOARD

ASHISHKUMAR BAIRAGRA
PARTNER
MEMBERSHIP NO.109931

G. L. MODI
DIRECTOR
DIN: 00027373

KUMAR JAY MODI
DIRECTOR
DIN: 00059396

PLACE :
DATED :

PLACE :
DATED :