

SITA

ENTERPRISES LTD.

Report
and
Accounts
2021

SITA ENTERPRISES LIMITED

BOARD OF DIRECTORS

COMPANY SECRETARY

CHIEF FINANCIAL OFFICER

BANKERS

AUDITORS

REGISTERED OFFICE

SITA ENTERPRISES LIMITED

NOTICE

Ordinary Business:

NOTES:

Special Business:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING PRIOR TO AGM, E-VOTING AT AGM AND FOR JOINING ANNUAL GENERAL MEETING.

The remote e-voting period begins on Monday, the 13th day of September, 2021 at 09:00 A.M. and ends on Wednesday, the 15th day of September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 9th September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 9th September, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43</p>

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mittalswati.1992@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Shri Sanjeev Yadav at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sitaenterprisesltd@yahoo.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sitaenterprisesltd@yahoo.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sitaenterprisesltd@yahoo.com. The same will be replied by the company suitably.
6. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 9th September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 9th September, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

SITA ENTERPRISES LIMITED

D I R E C T O R S ' R E P O R T

To The Members:

Directors and Key Managerial Personnel

Management Discussion & Analysis

NBFC Activities

Particulars of Loans, Guarantees or Investment

Audit Committee

Covid -19 Pandemic

Directors' Responsibility Statement

Dividend and Transfer to Reserves

Other Information

Related Party Transactions

Statutory Auditors

Secretarial Auditors

Risk Management Policy

Corporate Social Responsibility

Vigil Mechanism/Whistle Blower Policy

A. Tulsyan S. Tulsyan

Annual Return

Subsidiaries, Associates and Joint Ventures

Annexure to the Directors' Report

Information under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SITA ENTERPRISES LIMITED

AOC - I

[Not Applicable – Please see note Below.]

% %
% %
% %

Below.] Not Applicable – Please see note

%

note below.] Not Applicable – Please see

The amount paid to key managerial personnel during the year was 8.50% of total gross revenue and 18.05% of profit after tax.]

Not Applicable – Please see note Below.]

Below.] Not Applicable – Please see note

Not Applicable – Please see note Below.]

NOTES

Name of Associates	Bombay Mercantile & Leasing Company Ltd.
1. Latest audited Balance Sheet Date	
2. Date on which the Associate was associated	
3. Shares of Associate Company held by the company on the year end	
4. Description of how there is significant influence	
5. Reason why the associate is not consolidated	
6. Net worth attributable to shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
<i>i</i>	
<i>ii</i>	

there is no

A Tulsyan

S. Tulsyan

Shweta Mehta

V K Vora

ii)	Shareholding of Promoters							
				%	%		%	%
TOTAL		2250000	75.00	-	2250000	75.00	-	-
iii)	Change in Promoters' Shareholding							

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)								
Sr. No.	Shareholders' Name	Shareholding at 01/04/2020 / 31/03/2021 of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2020 to 31/03/21)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company

v) Shareholding of Directors and Key Managerial Personnel (KMP)								
Sr. No.	Shareholders' Name	Shareholding at the beginning (01/04/2020)/ end (31/03/2021) of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/20 to 31/03/21)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
	Directors							
	Key Managerial Personnel (KMP)- Nil Shareholding							

V	INDEBTEDNESS
VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
VII	PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES – NIL

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR FINANCIAL YEAR ENDED ON 31 MARCH,2021

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014

To,
The Members,
SITA ENTERPRISES LIMITED
415/416, Arun Chambers, Tardeo Road, Mumbai -400034.
Maharashtra - India

Limited

Sita Enterprises

-
-
-

Swati Mittal
Practicing Company Secretary

(Swati Mittal)
FCS No.: 60360
C P No.: 22644
UDIN No.: A060360C000481374

Place: Kolkata
Date: 18/06/2021

“ANNEXURE A”

To,
The Members,
SITA ENTERPRISES LIMITED
415/416, Arun Chambers, Tardeo Road, Mumbai - 400034.
Maharashtra - India

Management's Responsibility

Auditor's Responsibility

Disclaimer

Swati Mittal
Practicing Company Secretary

(Swati Mittal)
CS No.: 60360
C P No.: 22644
UDIN No.: A060360C000481374

Place: Kolkata
Date: 18/06/2021

Independent Auditor's Report

Sita Enterprises Limited

Management's Responsibility for the Financial Statements

Opinion

Basis for opinion

Auditor's Responsibilities for the Audit of the Financial Statements

Key Audit Matters

Other Information

Patel Shah & Joshi

Jayant I. Mehta

Report on Other Legal and Regulatory Requirements

Annexure – A

Referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

Re: SITA ENTERPRISES LIMITED (“the Company”)

Annexure – B

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

Management’s Responsibility for Internal Financial Controls

Auditor’s Responsibility

Meaning of Internal Financial Controls Over Financial Reporting

Patel Shah & Joshi

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Jayant I. Mehta

Opinion

Patel Shah & Joshi

Jayant I. Mehta

SITA ENTERPRISES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

			Rupees
P A R T I C U L A R S	Note No.	As at 31-March-2021	As at 31-March-2020
I ASSETS			
1 Financial Assets			
Cash and Cash Equivalents	4	4,71,936	11,10,137
Trade Receivables	5	3,41,80,486	2,96,22,463
Loans	6	1,13,00,000	1,69,70,229
Investments	7	2,48,90,895	2,21,40,235
		<u>7,08,43,317</u>	<u>6,98,43,064</u>
2 Non Financial Assets			
Current Tax Assets (Net)		4,75,377	2,53,952
Investment Property	8	3,54,62,765	3,41,00,043
		<u>3,59,38,142</u>	<u>3,43,53,995</u>
TOTAL ASSETS		<u>10,67,81,459</u>	<u>10,41,97,059</u>
II LIABILITIES AND EQUITY			
1 Liabilities			
Financial Liabilities			
Trade Advances Received		8,00,000	12,50,000
Sundry Payables		16,800	22,700
Non Financial Liabilities			
Current Tax Liabilities		5,40,000	3,00,000
Contingent Provisions		2,50,000	2,50,000
Total Liabilities		<u>16,06,800</u>	<u>18,22,700</u>
2 Equity			
Equity Share Capital	9	3,00,00,000	3,00,00,000
Other Equity	10	7,51,74,659	7,23,74,359
Total Equity		<u>10,51,74,659</u>	<u>10,23,74,359</u>
TOTAL LIABILITIES AND EQUITY		<u>10,67,81,459</u>	<u>10,41,97,059</u>

Notes forming part of the financial statements - 1 to 18

As per our report attached
For PATEL SHAH & JOSHI
Firm Registration No. 107768W
Chartered Accountants

Jayant I. Mehta
Membership No: 42630
Partner

MUMBAI, 28 June, 2021

For and on behalf of the Board

A. Tulsyan
Director

S. Tulsyan
Director

Shweta Mehta
Company Secretary

V K Vora
Chief Financial Officer

SITA ENTERPRISES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

			Rupees
P A R T I C U L A R S	Note No.	Year Ended 31-March-2021	Year Ended 31-March-2020
I INCOME			
Revenue from Operations			
Interest and Receivables Financing Income	11	47,02,869	47,45,132
Dividend Income	12	43,956	88,201
Net gain on fair value changes	13	10,62,007	30,02,358
Other Operating Income	14	1,41,836	-
Total Revenue from Operations		59,50,668	78,35,691
Other Income		-	9,486
Total Income		59,50,668	78,45,177
II EXPENSES			
Impairment on Financial Instruments	15	12,68,643	2,78,702
Employee Benefit Expense	16	5,35,571	5,18,396
Other Expenses	17	8,06,154	11,83,236
Total Expenses		26,10,368	19,80,334
III Profit before Exceptional Items and Tax		33,40,300	58,64,843
IV Exceptional Items		-	-
V Profit before Tax		33,40,300	58,64,843
VI Tax Expense			
(1) Current tax		5,40,000	3,00,000
(2) Deferred tax		-	-
(3) Income tax for earlier year		-	(34,280)
Total Tax		5,40,000	2,65,720
VII Profit for the year		28,00,300	55,99,123
VIII Other Comprehensive Income		-	-
IX Total Comprehensive Income for the year		28,00,300	55,99,123
X Earning per equity share (Face Value of Rs.10):			
(1) Basic (in Rs.)		0.93	1.87
(2) Diluted (in Rs.)		0.93	1.87

Notes forming part of the financial statements - 1 to 18

As per our report attached
For PATEL SHAH & JOSHI
 Firm Registration No. 107768W
Chartered Accountants

Jayant I. Mehta
 Membership No: 42630
 Partner

MUMBAI, 28 June, 2021

For and on behalf of the Board

A. Tulsyan
 Director

Shweta Mehta
 Company Secretary

S. Tulsyan
 Director

V K Vora
 Chief Financial Officer

SITA ENTERPRISES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2021

	Rupees	
P A R T I C U L A R S	For the Year Ended 31-March-2021	For the Year Ended 31-March-2020
Cash Flow from Operating Activities:		
Net profit before tax and Extraordinary items	33,40,300	58,64,843
Adjustments for:		
Net (gain) / loss on investments	(10,62,007)	(30,02,358)
Depreciation	-	-
(Profit)/Loss on sale of fixed assets	-	-
Operating Profit Before Working Capital Changes	22,78,293	28,62,485
Adjustments for:		
1. Receivables	(45,58,023)	(2,46,22,463)
2. Loans	56,70,229	19,54,630
3. Current Tax Assets (Net)	(2,21,425)	(37,249)
4. Financial Laibiliies	(4,55,900)	5,900
5. Non Financial Liabilities	2,40,000	25,000
Cash Generated from Operations	29,53,174	(1,98,11,697)
Direct Taxes paid	(5,40,000)	(2,65,720)
Net Cash from Operating Activities.....A	24,13,174	(2,00,77,417)
 Cash Flow from investing Activities		
Purchase of Fixed Asset	-	-
Sale of Fixed Assets	-	-
Purchase of Investment	(1,10,60,768)	(3,19,78,926)
Sale of Investment	80,09,393	5,26,31,583
Net Cash Used in Investing Activities.....B	(30,51,375)	2,06,52,657
Cash Flow from Financing Activities:		
Net Cash Flow from Financing Activities.....C		
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	(6,38,201)	5,75,240
Cash and Cash equivalents Opening Balance	11,10,137	5,34,897
Cash and Cash equivalents Closing Balance	4,71,936	11,10,137

Note: Figures in brackets represent outflows.

Notes forming part of the financial statements - 1 to 18

As per our report attached

For and on behalf of the Board

For PATEL SHAH & JOSHI

Firm Registration No. 107768W

Chartered Accountants

Jayant I. Mehta

Membership No: 42630

Partner

MUMBAI, 28 June, 2021

A.Tulsyan
Director

S.Tulsyan
Director

Shweta Mehta
Company Secretary

V K Vora
Chief Financial Officer

SITA ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

Rupees

P A R T I C U L A R S	Note	31-March-2021	31-March-2020
Balance at the beginning of the reporting period	18.9	3,00,00,000	3,00,00,000
Changes in equity share capital during the year		-	-
Balance at the end of the reporting period		3,00,00,000	3,00,00,000

B. OTHER EQUITY

P A R T I C U L A R S	Reserves and Surplus			Total Other Equity
	General Reserve	Special Reserve	Retained Earnings	
Balance as at 01/04/2019	5,38,50,000	-	1,29,25,236	6,67,75,236
Profit for the year 2019-20	-	-	55,99,123	55,99,123
Other comprehensive income for the year (net of tax)	-	-	-	-
Transfer to special reserves from general reserves & retained earnings	(1,10,00,000)	1,50,00,000	(40,00,000)	-
Transfer to general reserves from retained earnings	1,00,000	-	(1,00,000)	-
Balance as at 31/03/2020	4,29,50,000	1,50,00,000	1,44,24,359	7,23,74,359
Balance as at 01/04/2020	4,29,50,000	1,50,00,000	1,44,24,359	7,23,74,359
Profit for the year 2020-21	-	-	28,00,300	28,00,300
Other comprehensive income for the year (net of tax)	-	-	-	-
Transfer to special reserves from retained earnings	-	6,00,000	(6,00,000)	-
Transfer to general reserves from retained earnings	1,00,000	-	(1,00,000)	-
Balance as at 31/03/2021	4,30,50,000	1,56,00,000	1,65,24,659	7,51,74,659

Nature and Purpose of Reserves

General reserves

The general reserve is a distributable reserve and is created from time to time by appropriating profits from Retained Earnings. The general reserve is created by a transfer from one component of equity to another. Accordingly, it is not reclassified to the statement of profit and loss.

Special Reserve

Special Reserve has been created by transfer therein a sum not less than twenty per cent of the net profit every year as disclosed in the statement of profit and loss before any dividend is declared as per Reserve Bank of India (RBI) guidelines for NBFC. No appropriation of any sum from this special reserve shall be made by the company except for the purpose as may be specified by the RBI.

Retained Earnings

Retained earnings represents the undistributed profits/ amount of accumulated earnings of the company available for distribution to the shareholders.

Notes forming part of the financial statements - 1 to 18

As per our report attached

For PATEL SHAH & JOSHI

Chartered Accountants

Firm Registration No. 107768W

Jayant I. Mehta

Membership No: 42630

Partner

MUMBAI, 28 June , 2021

For and on behalf of the Board

A. Tulsyan

Director

Shweta Mehta
Company Secretary

S. Tulsyan

Director

V K Vora
Chief Financial Officer

SITA ENTERPRISES LIMITED

Notes on Accounts for the Financial Year Ended 31-03-2021

1. Corporate Information

Sita Enterprises Limited (the Company) is a public limited company registered in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered as a Non-Banking Financial Company with Reserve Bank of India as a non-systematic important NBFC not accepting / holding public deposits. It is classified as an Investment and Credit Company (NBFC-ICC) as per RBI guidelines. The Company is primarily engaged in Investments in shares, securities, mutual and other funds, properties and Financing through loans and trade receivables. Its registered office is at 415-416, Arun Chambers, Tardeo Road, Mumbai- 400034. Its shares are listed on BSE Ltd. (Bombay Stock Exchange)

2. Summary of Significant Accounting Policies and Disclosures

a. Statement of compliance

The standalone financial statements (hereinafter referred as financial statements) of the company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred as 'Ind AS') notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016] and other applicable provisions.

b. Basis of Preparation

The financial statements have been prepared on the historical cost and accrual basis except for certain financial instruments which have been measured at Fair Value / Amortised Cost as described in these notes.

c. Financial Instrument

All financial instruments are recognised initially at transaction value. Financial assets in the form of receivables, loans and investments held for collecting contractual cash flows towards interest or other consideration and principal amount and are not held for sale are measured at amortised cost with impairment provisions. Receivables are accounted for using effective interest rate method or as per their respective terms. Financial assets in the form of investments held for future disposal-shares and securities quoted on the stock exchanges are periodically valued at the quoted prices, units of mutual funds are valued at the NAV and such assets are classified at fair value through profit or loss. Investment properties and unquoted investments in entities are valued at cost. All financial liabilities are measured at transaction value.

d. Impairment of Financial Instruments

The company makes provisions for impairment or Expected Credit Loss and reversals on applicable investments, receivables, loans and advances and other financial assets, which are measured at amortised cost, on the basis of the company's assessment on the reporting date based upon the available qualitative and quantitative considerations and relevant information. Financial Assets are written off either partially or entirely when there is no realistic prospect of recovery.

e. Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company. Interest income on loans and trade receivables is recognised on the accrual basis as per terms. Income on financing of receivables is recognised on reducing balance method of income calculation or as per terms. Dividend income is recognised on an accrual basis when the right to receive the dividend is established. Revenue on net Gain / Loss on fair value changes are accounted on the reporting / de-recognition date in respect of financial instruments in the form of investments which are classified at fair value through profit or loss. In respect of that financial instrument in the form of investments including investment property which are classified at cost, or amortised cost, revenue on net gain / loss are accounted on the de-recognition date.

f. Income Tax

Income tax provision is made as per the current applicable rates. As a measure of prudence and as permitted in the accounting standards, the company does not recognise in books deferred tax assets on carried forward losses and MAT credit entitlement for future tax liabilities. Due to multiple tax computation options announced in tax laws and other prevalent factors these credits may not be lucrative to avail in future assessments. These carried forward entitlements are claimed in tax computation and are availed by the company in the tax provisions of the reporting period, if found beneficial as per prevalent tax provisions .

g. Current Vs Non-Current classification

The Company presents assets and liabilities in its Balance Sheet based on current/non-current classification. An asset / liabilities is classified as current when it is expected to be realised / settled or intended to be sold or consumed in normal operating cycle. The normal operating cycle is considered within twelve months after the reporting period. The Company classifies all other assets / liabilities as non-current.

h. De-recognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or its contractual obligations are discharged or cancelled, or expire. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

i. Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- i. Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- ii. Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- iii. Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The carrying amounts of cash and cash equivalents, trade receivables, loans, Inter-corporate deposits, tax receivables, trade payables, deposits and other financial liabilities are considered to be the same as their fair values, due to their specific nature. The fair value of instruments in the form of investments in unlisted entities are observed with application of several valuation techniques. Due to multiple methods of valuations and number of assumptions required to be made in the exercise, the figures of fair value disclosures are estimates.

j. Capital Management

The primary objectives of the capital management policy is to ensure that the Company continuously complies with capital requirements required by the regulator, maintains and healthy debt to equity ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to fund growth or comply with regulatory capital requirements, Company depends on internal accrual or may raise additional capital. Company may monitor the amount of dividend payment to shareholders and return capital to shareholders.

k. Defined benefit obligation

The provisions of defined benefit obligations for employees are not applicable to the company for the period under report.

l. Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

m. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated. A set of financial statements with amount in rupees is also prepared for accounting and other purposes.

n. Others

SITA ENTERPRISES LIMITED

	As on 31/03/2021	As on 31/03/2020
4 CASH AND CASH EQUIVALENTS		
Cash on hand	1,44,681	96,831
Balance with banks in Current Accounts	3,27,255	10,13,306
<i>Detail in Note 18.4</i>	<u>4,71,936</u>	<u>11,10,137</u>
5 TRADE RECEIVABLES		
At amortised cost - considered good		
Receivables on rental schedules- Secured	1,50,42,252	1,15,04,370
Receivables from stock brokers - Unsecured	37,570	-
Receivables from related party- Unsecured	1,91,00,664	1,81,18,093
	<u>3,41,80,486</u>	<u>2,96,22,463</u>
Less allowance for impairment loss	-	-
<i>Detail in Note 18.5</i>	<u>3,41,80,486</u>	<u>2,96,22,463</u>
6 LOANS		
At amortised cost - Unsecured		
Loans repayable on short notice - considered good.	5,00,000	50,08,700
Other Loans	1,12,00,000	1,22,15,372
	<u>1,17,00,000</u>	<u>1,72,24,072</u>
Less: Impairment Provision Balance on Expected Credit Loss	4,00,000	2,53,843
	<u>1,13,00,000</u>	<u>1,69,70,229</u>
<i>Details in Note 18.6</i>		
7 INVESTMENTS		
At fair value through profit & loss		
Mutual Funds at NAV	15,05,610	25,14,902
Equity Shares and securities quoted rates	45,80,285	8,20,333
Others At Cost		
Unlisted Equity Shares of associates company	1,80,75,000	1,80,75,000
Limited Liability Partnership, a related party	7,30,000	7,30,000
	<u>2,48,90,895</u>	<u>2,21,40,235</u>
<i>Details in Note 18.7</i>		
8 INVESTMENT PROPERTY		
At Cost		
Opening balance	3,41,00,043	3,03,77,935
Add :- Addition during the year	13,84,488	89,12,808
Less :- Derecognition during the year	21,766	51,90,700
Balance at end of the period	<u>3,54,62,765</u>	<u>3,41,00,043</u>
<i>Details in Note 18.8</i>		
9 EQUITY SHARE CAPITAL		
Authorised		
30,00,000 Equity Shares of Rs.10/- each	<u>3,00,00,000</u>	<u>3,00,00,000</u>
Issued, Subscribed and Fully Paid		
30,00,000 Equity Shares of Rs.10/- each fully paid up in cash	<u>3,00,00,000</u>	<u>3,00,00,000</u>
<i>Details in Note 18.9</i>		
10 OTHER EQUITY		
General Reserve		
As per last account	4,29,50,000	5,38,50,000
Less : Transfer to Special Reserve	-	(1,10,00,000)
Add: Transfer from retained earnings	1,00,000	1,00,000
	<u>4,30,50,000</u>	<u>4,29,50,000</u>
Special Reserve	1,56,00,000	1,50,00,000
Retained Earnings		
As per last account	1,44,24,359	1,29,25,236
Add: Profit for the period	28,00,300	55,99,123
Less: Transfer to Special Reserve	(6,00,000)	(40,00,000)
Less: Transfer to General Reserve	(1,00,000)	(1,00,000)
	<u>1,65,24,659</u>	<u>1,44,24,359</u>
Total Other Equity	<u>7,51,74,659</u>	<u>7,23,74,359</u>
<i>Details in Note 18.10</i>		

	As on 31/03/2021	Rupees As on 31/03/2020
11 INTEREST AND RECEIVABLES FINANCING INCOME		
i. On financial assets measured at amortised cost		
Interest Income on financial assets	18,28,587	25,46,562
Income from Receivable Financing	28,74,282	21,98,570
	<u>47,02,869</u>	<u>47,45,132</u>
<i>Details in Note 18.11</i>		
12 DIVIDEND INCOME		
ii. On financial assets measured at fair value through profit and loss		
Dividend Income	43,956	88,201
	<u>43,956</u>	<u>88,201</u>
<i>Details in Note 18.12</i>		
13 NET GAIN/(LOSS) ON FAIR VALUE CHANGES OF FINANCIAL INSTRUMENTS		
A) Net gain /(loss) on instruments through profit and loss		
On Investments	-	8,62,458
B) Others		
On Investment Property	-	24,70,521
Total Net gain on fair value changes (C)	<u>-</u>	<u>33,32,979</u>
Fair value changes:		
Realised gain/(loss)	3,76,143	40,14,215
Unrealised gain/(loss)	6,85,864	(6,81,236)
Total Net gain/(loss) on fair value changes (D) to tally with (C)	<u>10,62,007</u>	<u>33,32,979</u>
II. Net gain/ (loss) on derecognition of financial instruments		
Realised loss (debited to profit and loss)	-	(43,30,620)
Unrealised loss (withdrawal of impairment provisions credited to profit and loss)	-	40,00,000
Net gain/(loss) on derecognition	<u>10,62,007</u>	<u>(3,30,620)</u>
Total	<u>10,62,007</u>	<u>30,02,359</u>
<i>Details in Note 18.13</i>		
14 OTHER OPERATING INCOME		
ii. On financial assets measured at fair value through profit and loss		
Income from partnership Firm	1,41,836	-
	<u>1,41,836</u>	<u>-</u>
<i>Details in Note 18.14</i>		
15 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
<i>(on financial instruments measured at amortised cost)</i>		
Expected Credit Loss (ECL) Provisions and bad debts written off.		
ECL Provisions on Loans Recognised during the year (net)	1,46,157	2,53,843
ECL Provisions on Loans Reversed during the year	-	(12,47,207)
Loans Written off (Bad Debts)	11,22,486	12,72,066
ECL Provisions on Investments reversed during the year	-	(40,00,000)
Losses on Investments written off	-	40,00,000
	<u>12,68,643</u>	<u>2,78,702</u>
<i>Details in Note 18.15</i>		
16 EMPLOYEE BENEFIT EXPENSE		
Salary	5,01,071	4,86,146
Bonus	34,500	32,250
	<u>5,35,571</u>	<u>5,18,396</u>
<i>Details in Note 18.16</i>		
17 OTHER EXPENSES		
Rent	-	3,00,000
Repairs & Maintenance Charges	21,468	-
Communication Cost	19,853	23,771
Printing & Stationery	1,30,897	1,39,088
Advertisement and publicity	18,707	18,036
Director's fees, allowances and Expenses	50,000	61,800
Auditor's remunerations	29,500	35,990
Internal Audit Fees	5,000	5,000
Legal and Professional Charges	27,000	27,000
Registrar & Depository Fees	62,864	1,01,721
Listing Fees	3,54,000	3,54,000
Travelling & Conveyance	68,675	75,190
Other expenditure	18,190	41,640
	<u>8,06,154</u>	<u>11,83,236</u>
<i>Details in Note 18.17</i>		

SITA ENTERPRISES LIMITED

18. OTHER NOTES

- 18.1 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.
- 18.2 As per the provisions of 'Non-banking Financial Company– Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016', the company is required to follow the Accounting Standard and Guidance notes in so far as they are not inconsistent with any of the said directions. Chapter IV (Prudential Regulations) of the said directions which includes provisions about leverage Ratio, Asset Classification, Provisioning Requirements, Liquidity Risk Management, Credit Concentration and related disclosures in Balance Sheet are not applicable to the company.
- 18.3 There has been no event after the reporting date that requires disclosure in these financial statements.
- 18.4 Balance with bank in current accounts is after reconciliation of bank accounts with financial records.
- 18.5 Trade Receivables on rental schedules are for purchase of rental receivables on which financial income is received. These are secured on rental assets. Related party receivables are from an LLP, on which interest is received by the company. No debts are due from directors or other officers or any of them either severally or jointly with any other person and private companies in which any director is a partner or a director or a member.
- 18.6 All loans given are in India and are to medium size business houses. There are no loans to any Government entities. Loans include Rs. 108.00 Lakhs (Previous year Rs. 125.94 Lakhs) as Inter Corporate Deposit (ICD). Impairment provisions have been made on loans classified as 'Other Loans' on which interest has not been received and has not been provided for.
- 18.7 All investments are in India. There is no impairment provision balance on investments as on 31-03-2021 and 31-03-2020.
- 18.8 Investments in Properties are paid to the extent of amount due and payable as per the terms of purchase and progress of construction. Rental Income derived and direct operating expenses pertaining to investment property during the year- Nil. All properties are in India. Fair value of investment property based upon estimate and market trends- as on 31-03-2021-Rs.360 on 31-03-2020- Rs. 367 (Rs.in Lacs).
- 18.9 Details of Equity Share Capital
- a. Rights, preferences and restrictions attached to equity shares:
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. Right to receive dividend on equity shares may be approved by the Board / Annual General Meeting. The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013. Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company. 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.
- b. Shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment, including the terms and amounts: NIL
Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash, Aggregate number and class of shares allotted as fully paid up by way of bonus shares, and aggregate number and class of shares bought back during the period of five years immediately preceding the date as at which the Balance Sheet is prepared: NIL There was no change in the number of shares outstanding between 01/04/2020 and 31/03/2021.
- c. Shareholders holding more than 5% shares in the company, their number of shares and percentage of holding in total equity- held as on , 31/03/2021 and 31/03/2020: Bombay Mercantile & Leasing Co Ltd- 10,25,398 shares (34.18%), Abhinandan Textiles And Traders LLP- 3,75,000 (12.50%) and Ashok Tulsyani (HUF)- 6,00,000 (20.00%).
- 18.10 An aggregate amount of Rs. 6 Lakhs has been classified as Special Reserve out of profit for the year ended 31-03-2021 as per RBI guidelines which provides for a transfer to such special reserve before declaration of dividend to the shareholders.
- 18.11 The company has earned all revenue from operations in India. All financial assets, including receivables, loans and investments, are held in India. There has been no transaction in foreign currencies during the current and previous period
- 18.12 All dividend income has been received in India.
- 18.13 Net Gain/(Loss) on Fair Value Changes on Financial Instruments through Profit and Loss (FVPTL) does not include income from dividend which has been separately disclosed.
- 18.14 Other operating income comprises company's share in Profit/(Loss) of entity in which the company has made investment.
- 18.15 Movement in Impairment Provisions during the year

	Rupees in Lakhs	
	31-03-2021	31-03-2020
Opening Balance	2.54	52.47
Withdrawal for bad debts on loans (credited to profit and loss)	-	(12.47)
Withdrawal for investments (credited to profit and loss)	-	(40.00)
Recognised during the year	1.46	2.54
Closing Balance	4.00	2.54

Amount written off during the current year Rs.11,22,486/- (Previous year Rs.12,72,066/-) as bad debts.

- 18.16 The provisions of employees benefits are not applicable to the company for the period.
- 18.17 Auditors remuneration shown under other expenses includes audit fees Rs. 11800/- (Rs.17700/-) fees for reports Rs. 17700/- (Rs.18290/-).

18.18 **Reconciliation of Effective Tax Rate with Income Tax Provision**

Taxable income differs from profit before tax as reported in the Ind AS Statement of Profit & Loss because of differences in treatment of income and expenses in tax laws. Details in this respect are as follows:

	Rs. in Lakhs	
	Year ended 3/31/2021	Year ended 3/31/2020
Profit before tax as per Ind AS Profit & Loss	33.40	58.65
Effective Tax rate as applicable to the company for the year	2.6%	15.60%
Tax amount with effect rate	8.68	9.15
Tax effect of :		
Fair value Gain / Loss	(2.76)	(4.68)
Exempt Income	(0.37)	(0.14)
Disallowance on exempt Income	-	0.02
Disallowable Expenses/ (Non taxable gain)	0.38	0.44
Write offs allowable in Income tax	-	(1.94)
Adjusted against impairment provision	(0.82)	-
MAT credit used		
Tax Provisions as per IT laws	5.11	2.85
Tax Provision Rounded-off	5.40	3.00

18.19 **Related Party Transactions**

Related Parties

Directors- Mr. Ashok Tulsyan, Mrs. Sanju Tulsyan and Mrs. Sneha Tulsyan.

Independent Directors- Mr. S. Rathi and Mr. Mukesh Sarswat.

Key Managerial Personnel- CFO: Mr. V K Vora, Company Secretary & Compliance Officer: Mrs. Shweta Mehta.

Other Related Party- Sita Offers And Bourse Expertise LLP in which company and its non independent directors are partners

Transactions (Amounts are in Rs. Lakhs. Figures in brackets are for the previous year.)

Sitting fees paid Rs. 0.50 (0.62) paid to Independent Directors.

Remuneration to Key Managerial Personnel paid Rs. 5.06 (4.58).

Other Related Party- Trade Receivables due to the company: Rs. 191.00 (181.18), Balance as on 31-03-2020: Rs. 191.00 (181.18), Gain on

De- recognition of Investments: Rs. NIL (9.60) and Interest received: Rs.15.76 (3.94).

Directors- Advances received by the company: Rs. 21.90 (13.75), Repayment made: Rs. 21.90 (13.75) and Balance as at year end: NIL (NIL)

18.20 **Financial Risk Management and Policies**

The Company's principal financial liabilities comprise trade and other payables which are quite minuscule. The Company's principal financial assets include investments, loans, trade receivables and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks.

a. **Market risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and prepayment risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates. The Company's exposure to the risk of changes in market interest rates is not significant as there are no borrowings.

Foreign currency risk:

The Company does not enter into transactions in currency other than its functional currency and it is therefore not exposed to foreign currency risk.

Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected particularly in case of fixed rate loans when interest rates fall.

b. **Credit Risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given, investments and balances at bank.

The Company measures the expected credit loss of trade receivables / loans based on historical trends, industry practices and the business environment in which the entity operates. The figures before impairment are:

	Rs. in Lakhs	
Trade receivables and Loans due as at	31 March 2021	31 March 2020
More than Six months	112.00	122.15
Others	346.80	346.31
Total	458.80	468.46

Credit risk on cash and cash equivalents is minimal as the Company's banks are safe and sound.

c. **Liquidity Risk:**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The company is not exposed to such risks as mentioned above.

SITA ENTERPRISES LIMITED

18.21 Categories of Financial Instruments

Rs. in Lakhs

	Carrying amount as at 31 st March, 2021				Carrying amount as at 31 st March, 2020			
	FVTPL	FVTOCI	Amortised Cost	Total	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets								
Cash on hand	-	-	1.45	1.45	-	-	0.97	0.97
Balance with Banks	-	-	3.27	3.27	-	-	10.13	10.13
Loans	-	-	113.00	113.00	-	-	169.71	169.71
Investments	60.86	-	188.05	248.91	33.35	-	188.05	221.40
Receivables	-	-	341.80	341.80	-	-	296.22	296.22
Financial liabilities								
Advances and Payables	-	-	8.17	8.17	-	-	12.73	12.73

18.22 Fair value hierarchy

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2021.

The following table provides the category-wise fair value measurement hierarchy of the Company's assets and liabilities.

Rs. in Lakhs

Financial assets	Level Category	As at 31-03-2021		As at 31-03-2020	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Receivable at Amortised Cost	Level 2	341.80	341.80	296.22	296.22
Loans at Amortised Cost	Level 3	113.00	113.00	169.71	169.71
Investments at FVTPL	Level 1	60.86	60.86	33.35	33.35
Investments at Amortised Cost	Level 3	188.05	225.00	188.05	225.00
Financial Liabilities	Level 3	8.17	8.17	12.73	12.73

18.23 Basic and Diluted earnings per share of Rs. 0.93 has been calculated by dividing the net profit after tax i.e. Rs.28.00 Lakhs for the year by the weighted average number of equity shares outstanding during the year i.e. 30 Lakhs shares. (Face value of Rs.10/- each)

18.24 Amount due to Micro, Small & Medium Enterprises as per MSMED Act, 2006 as on 31-03-2021 and 31-03-2020- Nil.

18.25 The company has an associate - Bombay Mercantile & Leasing Company Limited (BML) an NBFC operating in Mumbai. The accounts of the associates have not been consolidated as the company (SEL) does not have significant influence over Bombay Mercantile and Leasing Company Ltd. (BML) in terms of provisions of Accounting Standard- Ind AS 28 as there is no- (a) Representation on the board of directors or equivalent governing body of the investee; (b) participation in policy making processes, including participation in decisions about dividends or other distributions ; (c) material transactions between the entity and its investee; (d) interchange of managerial personnel; or (e) provision of essential technical information.

18.26 Contingent liabilities and commitments (to the extent not provided for) - Uncalled liability on commitments for Investments in Properties under construction or development Rs. NIL and as on 31-03-2020 is Rs. 12.48 Lakhs.

18.27 An amount of Rs. 2.5 lakhs has been provided as Contingent Provision against Standard Assets and has been shown as Contingent Provision in the balance sheet.

For and on behalf of the Board

As per our report attached
For PATEL SHAH & JOSHI
 Firm Registration No. 107768W
Chartered Accountants

A.Tulsyan
 Director

S. Tulsyan
 Director

Jayant I. Mehta
 Membership No: 42630
 Partner

Shweta Mehta
 Company Secretary

V K Vora
 Chief Financial Officer

MUMBAI, 28th June, 2021