

SARAT LEASING AND FINANCE LIMITED

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of the members of Sarat Leasing and Finance Limited will be held at the Registered Office of the Company, viz. Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai 400 011, on Wednesday, the 23rd July, 2014 at 10.00 A.M to transact the following business:-

ORDINARY BUSINESS:

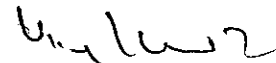
1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2014 and the statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ashok Raj Birla, who retires by rotation and, being eligible, offers him for re-appointment.
3. To appoint Auditors M/s M.L. Sharma & Co. (F. R. No. 109963W) to hold office from the conclusion of this Annual General Meeting until the conclusion of the 23rd Annual General Meeting subject to ratification at every Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolutions:**

4. **“RESOLVED THAT** Shri Vijay Mittal , a Director who was appointed as an Additional Director of the Company w.e.f. 16.01.2014 and who holds office as such upto the date of the 20th Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013(Previously Section 257 of the Companies Act,1956) has been received from a member signifying his intention to propose Shri Vijay Mittal as a candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.

By Order of the Board of Directors



Vijay Kumar Jatia
Chairman

Mumbai, dated: 15.05.2014

Registered Office: Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai 400 011

NOTES

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

SARAT LEASING AND FINANCE LIMITED

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

Explanatory Statement under Section 102 (Previously Section 173 of the Companies Act,1956) of the Companies Act, 2013 is annexed relating to Item no 4.

Item No. 4

Shri Vijay Mittal was appointed as additional director w e f 16.01.2014 under section 161(Previously Section 260 of the Companies Act,1956) of the Companies Act, 2013 read with Articles of Association of the Company. He hold office upto ensuing Annual General Meeting.

A Notice in writing along with deposit from a members have been received by the Company under section 160 (Previously Section 257 of the Companies Act,1956) of the Companies Act, 2013, signifying their intention to propose the candidature of Shri Vijay Mittal for appointment as a Director of the Company.

Shri Vijay Mittal being eligible offers themselves for appointment

The Directors recommend for your approval the proposed resolution under Item No.4

Except Shri Vijay Mittal, Shri V K Jatia & Smt Gauri Jatia, no other Director is concerned or interested in this Resolution.

By Order of the Board of Directors



Vijay Kumar Jatia
Chairman

Mumbai, dated:15.05.2014

Registered Office: Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai 400 011

SARAT LEASING AND FINANCE LIMITED

DIRECTORS' REPORT

To
The Members,
Sarat Leasing & Finance Ltd.

The Directors present the 20th Annual Report on the working of the Company together with the audited accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS			
	Year ended		Year ended
	31.03.2014		31.03.2013
	Rupees		Rupees
Profit/(Loss)before tax	5,59,53,39		44,08,070
Less: Provision for taxation	4,40,000		4,00,000
Less: Taxes for earlier year	0		0
Profit/(Loss)after tax	51,55,339		40,08,070
Surplus brought forward	2,89,50,520		2,49,42,450
Balance carried to Balance Sheet	3,41,00,155		2,89,50,520
Basic/Diluted Earning per Share	4.12		3.21

DIVIDEND:

In order to strengthen the internal resources of the Company, your Directors propose to carry forward the balance sum of Rs **3,41,00,155/-** and, therefore, do not recommend any dividend on both Equity Shares for the year ended 31st March, 2014.

DIRECTORS

Shri Ashok Raj Birla, Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

Shri Vijay Mittal appointed as an additional director of the Company in terms of Section 161(Previously Section 260 of the Companies Act,1956) of the Companies Act, 2013 effective from **16.01.2014**. The Company has received notices in writing from a member proposing the candidature of Mr. Vijay Mittal for the office of the Director

AUDITORS:

Members are requested to appoint Auditors and fix their remuneration. The present Auditors, Messres M. L. Sharma & Co , Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. It is must noted that according to the new Companies Act 2013, an auditor can be the auditor of the company for a period of 10 years, thereafter the auditor will be required to relinquish his position, In our case M/s M L Sharma & Co Chartered Accountant have been auditors for a period of 8 years and hence they are eligible for being reappointed for a term of 3 years. In view of the same, it is proposed to reappoint Messrs M. L. Sharma & Co Chartered Accountants as Statutory Auditor of the Company for a further period of 3 year subject to ratification at every Annual General Meeting of the Company.

SARAT LEASING AND FINANCE LIMITED

FIXED DEPOSITS:

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

PARTICULARS OF EMPLOYEES:

There are no employees receiving remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 during the year under review, therefore the Companies (Particulars of Employees) Rules, 1975 do not apply to the Company.

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

The nature of the Company's activities is such that there is nothing to report as per the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the provisions of Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

The Company has not entered into any foreign collaboration for import of technology. The Company has no earning or outgo of foreign exchange during the year under review.

COMPLIANCE CERTIFICATE: The Compliance Certificate of the Secretary in whole-time practice under Section 383A of the Companies Act, 1956 in respect of the financial year ended on 31st March, 2014 is annexed hereto.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors pursuant to Section 217(2AA) state-

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- ii) that the Directors have selected such accounting policies 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 at the end of the financial year 31st March, 2014 and statement of the profit or loss of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

SARAT LEASING AND FINANCE LIMITED


iv) that the Directors have prepared the annual accounts on a going concern basis.

For and on behalf of Board of Directors

Place: Mumbai

Date: 15.05.2014

Registered Office: Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai - 400 011.


Vijay Kumar Jatia
Chairman

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SARAT LEASING AND FINANCE LIMITED

Report on the Financial Statements

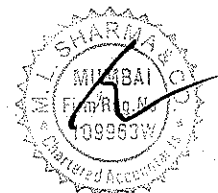
1. We have audited the accompanying financial statements of **SARAT LEASING AND FINANCE LIMITED**, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making, those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
 - (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

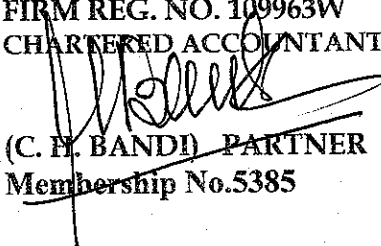
7. As required by the Companies (Auditor's Report) Order, 2003; as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the Books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e. The information required under the provision of Section 274(1) (g) of the Companies Act, 1956 is not applicable to the Company.



Place of Signature:

Date: 15 MAY 2014

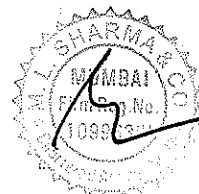
**For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS**


**(C. H. BANDI) PARTNER
Membership No.5385**

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

Annexure referred to in Paragraph 7 of the Auditors' Report of even date to the Members of SARAT LEASING AND FINANCE LIMITED on the Financial Statements as of and for the year ended 31st March, 2014.

- 1) The Company does not own any fixed assets during the financial year under review. Therefore comments regarding maintenance of proper records, Physical verification of Fixed Assets by the management and disposal off major part of Fixed Assets are not required.
- 2) There were no stock of goods during the year with the Company; hence, comments on its physical verification, valuations and its reasonableness are not required.
- 3) The Company has neither granted nor taken any loans, secured or unsecured to/from the Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, provision of clause (b) to (g) of the Order is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there is an adequate Internal Control system commensurate with the size of the Company and the nature of its business. Further on the basis of our examination of the Books and records of the Company and according to the information and explanation given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid Internal control System.
- 5) In our opinion and according to the information and explanations given to us there are no particulars of contract or arrangements that need to be entered in to a register maintained under section 301 of the Companies Act, 1956 and accordingly provision of clause (b) of the order is not applicable.
- 6) In our opinion and according to the explanations given to us, the company has not accepted any deposits within the meaning of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 during the year.
- 7) We have been informed that, as the Company's internal control system ensures reasonable checking of its financial and other records the Company has not yet started a formal Internal Audit Department.
- 8a) The Company have generally been regular in depositing Income tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2014 for a period exceeding six months from the date they became payable. As explained to us, the provisions of the Provident Fund and the Employees State Insurance Act, 1948 are not applicable to the Company.
- b) According to the information and explanations given to us, and as per books and records examined by us there are no disputed amount payable for Income tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and cess etc.



- 9) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- 10) The Company has not granted any Loans and Advances to any party on the basis of Security by way of pledge of shares, debentures and other securities and accordingly the provisions of clause 4 (xii) of the order are not applicable to the securities.
- 11) The company is not a chit fund or a Nidhi/mutual benefit fund/society and accordingly the provisions of clause 4 (xiii) of the order are not applicable to the Company.
- 12) In our opinion and according to the information and explanations given to us, the company has maintained timely entries in respect of transactions and contracts of dealing or trading in shares, securities, debentures and other investments in accordance with general practice. The shares, debentures, securities and other investments have been held by the company in its own name.
- 13) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by other parties from Bank and Financial Institutions during the year and accordingly the provisions of clause 4 (xv) of the order are not applicable to the Company.
- 14) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short term basis have prima facie not been used for Long-term Investments.
- 15) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of companies act, 1956 during the year and accordingly the provisions of clause 4 (xviii) of the order are not applicable to the Company.
- 16) The company has not raised any money by way of public issue during the year and accordingly the provisions of clause 4 (xx) of the order are not applicable to the Company.
- 17) In our opinion and according to the explanations given to us, no fraud on or by the company has been noticed or reported during the year, that cause the financial statements to be materially misstated.
- 18) Matters Specified in Clauses 4 (viii), 4 (xi), 4 (xvi) and 4 (xix) of the said Order are either Nil or Not Applicable to the Company.



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


(C. H. BANDI) PARTNER
Membership No.5385

Place of Signature: Mumbai

Date: 15 MAY 2014

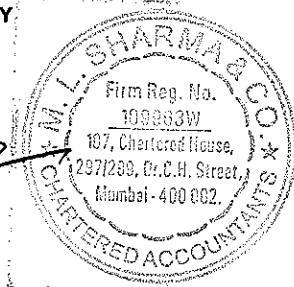
SARAT LEASING AND FINANCE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2014

	<u>Note No</u>	<u>As at 31st March, 2014</u>	<u>As at 31st March, 2013</u>
<u>Equities & Liabilities</u>			
Shareholders' Fund			
Share Capital	1	12500000	12500000
Reserve & Surplus	2	46650155	41500520
		<u>59150155</u>	<u>54000520</u>
Current Liabilities			
Other current liabilities	3	16854	11551
Short term provisions	4	-	94420
		<u>16854</u>	<u>105971</u>
TOTAL		<u><u>59167009</u></u>	<u><u>54106491</u></u>
<u>Assets</u>			
Non Current Assets			
Non current investments	5	31365423	33119723
Long Term Loans & Advances	6	5000000	5000000
Other Non current assets	7	-	135722
		<u>36365423</u>	<u>38255445</u>
Current Assets			
Cash & Cash equivalents	8	93541	35118
Short term loans & advances	9	20790000	14237000
Other current assets	10	1918045	1578928
		<u>22801586</u>	<u>15851046</u>
TOTAL		<u><u>59167009</u></u>	<u><u>54106491</u></u>

Significant Accounting Policies, Notes on Accounts 16

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

(Signature)
(C H BANDI) Partner
Membership No : 5385
Place : Mumbai
Dated : 15 MAY 2014



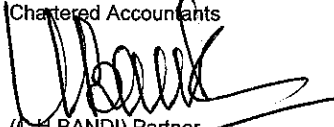
For and on behalf of the Board

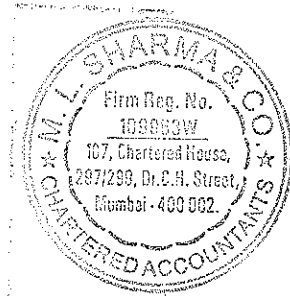
(Signature)
Director Director

SARAT LEASING AND FINANCE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	<u>Note No</u>	Current Year Rupees	Previous Year Rupees
<u>Income</u>			
Revenue from Operation	11	6464337	5337364
Total Revenue		6464337	5337364
<u>Expenses</u>			
Employee benefits expense	12	563655	526744
Other expenses	13	305343	402550
Total Expenses		868998	929294
Profit before taxation		5595339	4408070
Tax Expense	14		
Current Tax		440000	400000
Profit/ (Loss) for the period		5155339	4008070
Earning Per Share	15	4.12	3.21
Significant Accounting Policies, Notes on Accounts	16		

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


(C.H. BANDI) Partner
Membership No : 5385
Place : Mumbai
Dated : 15 MAY 2014



For and on behalf of the Board


Director

SARAT LEASING AND FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

	As at 31st March, 2014 Rupees	As at 31st March, 2013 Rupees
Note No - 1		
Share Capital		
Authorised		
1840000 (P/Y - 1840000) Equity Shares of Rs 10/- each	18400000	18400000
116000 (P/Y - 116000) 10% Redeemable Non Cumulative Preference Shares of Rs 100/- each	11600000	11600000
	30000000	30000000
Issued, Subscribed & Paid Up		
1250000 (P/Y - 1250000) Equity Shares of Rs 10/- each fully paid up	12500000	12500000
	12500000	12500000

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

	As at 31st March 2014		As at 31st March 2013	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	1250000	12500000	1250000	12500000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1250000	12500000	1250000	12500000

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

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

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	Nos	% of Holding	Nos	% of Holding
Mr Vijay Kumar Jatia	126000	10.08%	114000	9.12%
M/s Shree Rani Sati Investment & Finance Ltd	550000	44.00%	550000	44.00%
M/s Camellia Mercantile Pvt Ltd	100000	8.00%	100000	8.00%
M/s Ignatius Trading Company Pvt Ltd	100000	8.00%	100000	8.00%
M/s Candescant Traders Pvt Ltd	100000	8.00%	100000	8.00%
M/s Alcyone Trading Company Pvt Ltd	100000	8.00%	100000	8.00%
M/s F Pudumjee Investment Co Ltd	100000	8.00%	100000	8.00%

(iv) Other disclosure pursuant to Note no. 6 of Part I of Schedule VI to the Companies Act, 1956 is either Nil or not applicable to the Company.

Note No - 2

Reserve & Surplus

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

Surplus in Statement of Profit & Loss

As per last balance sheet	28950520	24942450
Add /(Less) : Profit/(Loss) for the period	5155339	4008070
Add /(Less) : Adjustment of Taxes for Earlier Year	(5704)	-
	34100155	28950520
	46650155	41500520



SARAT LEASING AND FINANCE LIMITED

Note No - 5

Non Current Investments

		<u>As at 31st March, 2014</u>		<u>As at 31st March, 2013</u>	
	<u>Face Value</u> Rupees	<u>No of Shares</u>	<u>Cost</u> Rupees	<u>No of Shares</u>	<u>Cost</u> Rupees
(Trade)					
<u>Investment in Equity Shares Of Associates</u>					
-Quoted					
Modern India Ltd	2	7707500	20857923	7707500	20857923
-Unquoted					
Modern Derivatives & Comm P Ltd	10	300000	3007500	300000	3007500
Gyan Ventures Pvt Ltd	10	-	-	1500	15000
Lexicon Constructions Pvt Ltd	10	-	-	1500	15000
<u>Investment in Equity Shares Of Others</u>					
-Quoted					
PTL Enterprises Ltd	2	500000	7500000	500000	7500000
<u>Investment in Redeemable Non - 10% Cumulative Preference Shares of Associates</u>					
-Unquoted					
Alcyone Trading Co Pvt Ltd	100	-	-	17200	1724300
TOTAL			31365423		33119723
Aggregate Book Value - Quoted			28357923		28357923
Aggregate Book Value - Unquoted			3007500		4761800
Market Book Value - Quoted			390567500		341922500



SARAT LEASING AND FINANCE LIMITED

	As at 31st <u>March, 2014</u> Rupees	As at 31st <u>March, 2013</u> Rupees
Note No - 3		
<u>Other Current Liabilities</u>		
Outstanding liabilities for expenses	-	2000
Audit fees payable	16854	9551
	<u>16854</u>	<u>11551</u>
Note No - 4		
<u>Short Term Provision</u>		
Provision for Taxaton	-	1165000
Less : Advance Income Tax & Tax deducted at Sources	-	1070580
	-	<u>94420</u>
Note No - 6		
<u>Long Term Loans & Advances</u>		
(Unsecured , considered good by Management)		
Capital Advances	5000000	5000000
	<u>5000000</u>	<u>5000000</u>
Note No - 7		
<u>Other Non Current Assets</u>		
MAT Credit entitlements	-	135722
	-	<u>135722</u>
Note No - 8		
<u>Cash & Cash Equivalents</u>		
Balance with Bank In Current Account	83541	25118
Cash on Hand	10000	10000
	<u>93541</u>	<u>35118</u>
Note No - 9		
<u>Short Term Loans & Advances</u>		
(Unsecured , considered good by Management)		
Loans and Advances to Other Parties	20750000	14225000
Term of Payment - On Demand Rate of Interest - 11%		
Advances to Employees	40000	12000
	<u>20790000</u>	<u>14237000</u>
Note No - 10		
<u>Other Current Assets</u>		
Interest Receivable	1897728	1578928
Advance Income Tax & Tax Deducted at Source (Net of Provisions)	20317	-
	<u>1918045</u>	<u>1578928</u>



SARAT LEASING AND FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	Current Year Rupees	Previous Year Rupees
Note No - 11		
Revenue from Operations		
Interest - Gross [TDS Rs 210859/- (Previous Year Rs 175436/-)]	2108587	1754364
Dividend - Gross		
From Non Current Investments	4353750	3583000
Sundry Balances W/off	2000	-
	6464337	5337364
Note No - 12		
Employee Benefit Expenses		
Salaries and Wages	563655	526744
	563655	526744
Note No - 13		
Other Expenses		
Bank & Demat Charges	897	666
Legal & Professional Fees	3933	-
Filing Fees	14000	4000
Telephone Expenses	-	2339
Travelling	244859	8494
Employer's Profession Tax	2500	2500
Auditors' Remuneration		
For Audit Fees	16854	9551
Long Term Capital Loss	4300	375000
Accounting & Other Charges	18000	-
	305343	402550
Note No - 14		
Tax Expenses		
Current Tax	440000	400000
	440000	400000
Note No - 15		
Earning per Share		
Net Profit available for equity shareholders (Rs)	5155339	4008070
Weighted average number of equity shares outstanding during the years (In Nos)	1250000	1250000
Basic/Diluted Earning Per Share (Rs)	4.12	3.21



SARAT LEASING AND FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note No - 16

1) Significant Accounting Policies :

A General:

- i) These accounts are prepared on the Historical Cost Convention and on the Accounting Principle of a Going concern.
- ii) Accounting Principles not specifically referred to otherwise are consistent with earlier years and in consonance with generally accepted Accounting Principles.

B Fixed Assets:

The Company does not own any Fixed Assets during the year.

C Retirement Benefits:

Retirement benefits are not applicable to the company.

D Investments:

All investments are long term, which are stated at cost. Provision for diminution in the value of investments made only if, such a decline is other than temporary in the opinion of the management.

E Recognition of Income & Expenditure:

Income & expenditure are accounted for on accrual basis.

F Taxation:

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

G Contingent Liability:

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

2) Notes on Account :

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

a) List of Related Parties over which control exists:

<u>Name of the Related Party (As Identified by the Management)</u>	<u>Description of Relationship</u>
1. Modern India Ltd	Associates : Significant Influence
2. Mrs Priyanka Jatia	Relative of KMP
3. Mrs Prerna Jatia	Relative of KMP
4. Mr Vedant Jatia	Relative of KMP
5. Mrs Gauri Jatia	Key Management Personels
6. Mr Vijay Kumar Jatia	Key Management Personels



SARAT LEASING AND FINANCE LIMITED

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

Name of the Related Party (As Identified by the Management)	Description of Relationship
1. Modern India Ltd	Associates ; Significant Influence
2. Mrs Priyanka Jatia	Relative of KMP
3. Mrs Prerna Jatia	Relative of KMP
4. Mr Vedant Jatia	Relative of KMP

c) Details of transactions Related Parties during the Financial Year ended 31.03.2014:

Description of transactios	Key Management	Associates
	Personnels & relatives	Significant Influence
1. Interest received on ICD	0 (0)	0 (932242)
2. Salary Paid	119863 (195370)	0 (0)
3. Sale of Preference Shares	1720000 (0)	0 (0)
4. Purchases of Preference Shares	1720000 (0)	0 (0)
5. Sale of Equity Shares	30000 (0)	0 (0)
6. Dividend Received	0 (0)	3853750 (3083000)
7. Loans/Advances given during the year (Net)	0 (0)	0 (-17000000)

B There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at Balance Sheet date. Further, the Company has not paid any interest to any Micro and small Enterprises during the accounting year, nor is any interest payable to any Micro and Small Enterprises on the Balance Sheet Date. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

C The Company did not earn any Foreign Exchange by way of Export, however Rs 138737/- (Previous Year Rs Nil) spent for the purpose of foreign travelling.

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

E Additional information as required pursuant to Part (3) & (4) of Part II of Schedule VI are either NIL or Not Applicable.

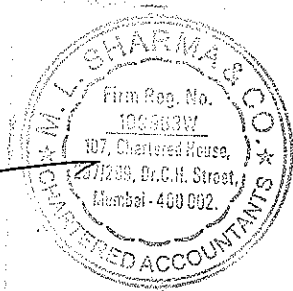
Signature to Note '1' to '16'

As per our report of even date
For **M.L. SHARMA & COMPANY**

Firm Regd No **109963W**
Chartered Accountants

C H BANDU Partner
Membership No : 5385
Place : Mumbai

Dated : **15 MAY 2014**



For and on behalf of the Board

Director

Gaurav Jadhav
Director