

MODERN CONVERTERS LIMITED

ANNUAL REPORT 2019-20

CONTENTS

| | |
|--|----|
| ● Company Information..... | 02 |
| ● Board's Report..... | 05 |
| ● Management Discussion and Analysis Report..... | 27 |
| ● MD Certificates on Financials..... | 29 |
| ● Independent Auditor's Report..... | 30 |
| ● Financials..... | 40 |
| ● Notice..... | 52 |

COMPANY INFORMATION

- ❑ **Scrip Id:-** MODCL
- ❑ **Scrip Code:-** 539762
- ❑ **CIN:-** L01132WB1946PLC013314

- ❑ **Board of Directors:**

- ✓ Yash Saraogi
- ✓ Pankaj Kumar Agarwal
- ✓ Rashmi Dalmia
- ✓ Jaipal Singh Barsi Singh Parmar

Managing Director

Non-Executive Director

Non-Executive Independent Director

Non-Executive Independent Director

- ❑ **Key Managerial Personnel:-**

- ✓ Kishan Choudhary
- ✓ Twinkle Agarwal

Chief Financial Officer

Company Secretary

COMPANY INFORMATION

Auditors

| <u>Statutory Auditors</u> | <u>Secretarial Auditor</u> |
|---|---|
| M/s Ghosh & Ghosh | Mrs Rekha Agarwal |
| Chartered Accountants | Practising Company Secretary |
| “Mission Court”, 4 th Floor, 25, R.N. Mukherjee Road, Kolkata-700001 | Block AD-173, Sector 1, Bidhannagar, Kolkata-700064 |
| Firm Registration No. 306020E | C.P. No. 9812 |
| | |
| <u>Internal Auditor</u> | |
| M/s Mahansaria & Associates | |
| Chartered Accountant | |
| 27, Rafi Ahmed Kidwai Road, Kolkata-700055 | |

COMPANY INFORMATION

- **Registrar & Share Transfer Agent:-**

Maheshwari Datamatics Private Limited

Address: 23, R. N Mukherjee Road, Kolkata- 700001

Email: mdpldc@yahoo.com

Phone: 033-2243-5029/033-2248-2248

- **Bankers:-**

HDFC Bank

- **Registered Address:-**

56E Hemanta Basu Sarani Old 4 BBD Bagh East Room No 14A
Kolkata- 700001

- **Phone No:**

033-65035876

Director's Report

For The Financial Year 2019-20

Dear Members,

The Board of Directors hereby submits the 74th Annual Report of the business and operations of the Company, along with the Audited Financial Statements for the financial year ended 31st March, 2020.

1. Results of our operations:

Amount 'Thousands

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|-------------------------|--|--|
| Total Revenue | 636.32 | 65.00 |
| Profit before Tax | (1,508.24) | (14,83.38) |
| Less: Provision for Tax | - | - |
| Profit After Tax | (1,508.24) | (1,483.38) |

Dividend

The Directors have not recommended any dividend for the financial year under reference and no transfer is proposed to be made to Reserves.

COVID-19 Pandemic Approach & Impact

The global health pandemic disrupted daily lives, livelihoods, businesses and economies world over, orchestrating an uncertain situation on account of endless lockdowns of cities and countries. This unprecedented event caused an operational and financial dent to businesses of all sizes and statures, challenging frameworks and continuity plans. To ensure safety of people and continuity of operations, businesses resorted to immediate viable measures like remote working and cost reductions to stay afloat and sustain with restrictions easing and commercial activity gradually picking up across the country, business sentiment is showing positive signs of recovery. But will it ever be like before?

The pandemic has forced change: economic, societal and commercial. It is imperative to reevaluate existing plans, remodel to sustain, factor in resilience to overcome future challenges of similar velocity, and most importantly adapt to the 'New Normal'.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantee or investments made by your Company, if any, under Section 186 of the Companies Act, 2013 during the financial year 2019-20 is appended in the notes to the Financial Statements that form part of this Annual Report.

Business:

Brief description of the Company's working during the year/State of Company's affair

The Company being a trading company is currently engaged in trading and investment in shares & securities.

Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence, statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 under Form AOC-1, is not applicable to the Company.

2. Share Capital

Issue of equity shares with differential rights

The Company has not issued any of its securities with differential rights during the year under review.

Buy Back of Securities

The company has not bought back any of its securities during the year under review.

Sweat Equity, Bonus Shares & Employee Stock Option Plan

The company has neither issued sweat equity or bonus shares nor has provided any stock option scheme to the employees.

Preferential Issue of Securities

The company has not issued any equity shares on preferential basis during the year.

3. Deposits:

The company has neither accepted nor renewed any deposits during the year, covered under Chapter V of the Act.

4. Related Party Transactions

The company has no material individual transactions with its related parties which are covered under section 188 of the Companies Act, 2013, which are not in the ordinary course of business and not undertaken on an arm's length basis during the financial year 2019-2020, therefore, the Form AOC-2 is not required to be annexed to this Report.

5. Material Changes and Commitments, if any, affecting the Financial Position between the end of the financial year and date of the report

No material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the company and the date of this report. There is no Change in the nature of business of company during the financial year.

6. Corporate Governance

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. The goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Pursuant to Regulation 15 of SEBI (LODR) Regulations, 2015, the compliance with the corporate governance provisions as specified in Regulations 17, 18, 19, 20, 21,22, 23, 24, 25,26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of SEBI (LODR) Regulations, 2015, shall not apply, in respect of the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

Thus, due to non-applicability, a separate report of Corporate Governance providing the disclosures as required under para C of Schedule V has not be provided in this Annual report.

7. Directors:

Changes in Directors and Key Managerial Personnel

During the financial year under review following changes were made in the composition of the Board of Directors and Key Managerial Personnel:

Mrs. Rashmi Dalmia was appointed as additional independent director w-e-f 18/07/2019 and was regularized as director in AGM held on 30th September, 2019.

Mrs. Renu Sharma resigned w-e-f 18/07/2019.

Mrs. Twinkle Agarwal was appointed as Company Secretary and Compliance Officer w-e-f 8th August, 2019.

Declaration by an Independent Director(s) and re- appointment

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Formal Annual Evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

Board Evaluation:

Reg. 17 of SEBI (LODR) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Pursuant to the provisions of section 134(3)(p) of the Companies Act, 2013 the evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report section in this Annual Report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Independent Directors was completed.

The evaluation framework for assessing the performance of directors of your company comprises of contribution at meetings, strategies perspective or inputs regarding the growth and performance of your company among others.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

Details of program for familiarization of Independent directors of the company are accessible on your company website.

8. Number of Board Meetings:

Six Meetings of the Board of Directors were held during the financial year 2019-20. These were held on the following dates:

- i. 25.05.2019;
- ii. 18.07.2019;
- iii. 08.08.2019;

- iv. 03.09.2019;
- v. 14.11.2019 and
- vi. 11.02.2020

9. Independent Directors' Meeting

During the year under review, Independent Directors met on 11th February, 2020, inter-alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity content and timelessness of flow of information between the management and the Board.

10. Managerial Remuneration:

During the year Company incurred Losses and has not provided any Managerial Remuneration to the Directors.

Particulars of Employees:

Provisions of Section 197 of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable as no employee or Director of the Company was in receipt of such remuneration as prescribed under the said Rules.

11. Familiarization Programme for Independent Directors

In terms of Reg. 25(7) of the SEBI (LODR) Regulations, 2015 the Company is required to conduct the Familiarization Programme for Independent Directors (IDs) to familiarize them about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives.

12. Details of establishment of vigil mechanism for directors and employees

The Company has a whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics.

13. Corporate Social Responsibility (CSR)

During the year your Company does not fall in any of the criteria specifies in pursuant to Sub Section 1 of Section 135 of the Companies Act, 2013, the disclosure/reporting as applicable to CSR companies, is not applicable to the Company. However, the Company strives to make constant efforts to contribute to the Society by trying to achieve a balance of economic,

environmental and social imperatives, while at the same time addressing the expectations of shareholders and stakeholders.

14. Code of conduct for prevention of insider trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company. Details of dealing in the Company's shares by Designated Persons, if any, are placed before the Audit Committee on a quarterly basis. The Company has also adopted a Code of Corporate Disclosure Practices, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares.

15. Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meeting and General Meeting.

16. Risk management policy

The company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

17. Order of Court

During the period under review there were no significant and material orders passed by regulators or courts or tribunals impacting the Company are going concern status and its future operations.

18. Sexual Harassment of Women At Work Place

The Company has in place the requisite Internal Committee as envisaged in the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013. No Complaints on the issues covered by the above Act were received during the year.

19. Audit Committee:

Audit Committee meeting is generally held for the purpose of recommending the Quarterly, half yearly and yearly financial result. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. Mrs. Rashmi Dalmia acts as the Chairman of the Committee. 25/05/2019, 08/08/2019, 14/11/2019 and 11/02/2020. These meetings were well attended. As on 31st March, 2020 following are the members of the Committee.

| Name | Designation |
|---------------------------------|--------------------|
| Rashmi Dalmia* | Chairman |
| Yash Saraogi | Member |
| Jaipal Singh Barsi Singh Parmar | Member |

- Appointed on 18/07/2019 on resignation of Mrs. Renu Sharma

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever requires. Chief Financial Officer of the Company is a regular invitee at the Meeting. Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board.

20. Nomination and Remuneration Committee:

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. The Committee met once during the year under review on 18/07/2019 which was well attended. Mrs. Rashmi Dalmia acts as the Chairman of the Committee. As on 31st March, 2020 following are the members of the Committee.

| Name | Designation |
|---------------------------------|--------------------|
| Rashmi Dalmia* | Chairman |
| Jaipal Singh Barsi Singh Parmar | Member |
| Pankaj Kumar Agarwal | Member |

- Appointed on 18/07/2019 on resignation of Mrs. Renu Sharma

21. Stakeholders Relationship Committee:

The Company has constituted Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of Shareholder's/ Investor's Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. Mrs. Rashmi Dalmia acts as the Chairman of the Committee. The Committee met four times during the year under review: 25/05/2019, 08/08/2019, 14/11/2019 and 11/02/2020. These meetings were well attended. As on 31st March, 2020 following are the members of the Committee.

| Name | Designation |
|---------------------------------|--------------------|
| Rashmi Dalmia* | Chairman |
| Jaipal Singh Barsi Singh Parmar | Member |
| Pankaj Kumar Agarwal | Member |

- Appointed on 18/07/2019 on resignation of Mrs. Renu Sharma

22. Internal financial control and its adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

Extract of the Annual Return

In accordance with Section 134 of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure to the Board's report.

Management Discussion & Analysis Reports

The Management Discussion & Analysis Report has been annexed with the report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that –

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. Auditors **Statutory Auditors**

Shareholders at the Company's 73rd Annual General Meeting, appointed M/s Ghosh & Ghosh, Chartered Accountants (Firm Regn. No 306020E) as Statutory Auditors of the Company for a period of five years from the conclusion of that Annual General Meeting.

The observations made by the Auditors are self- explanatory and do not require any further clarification. Further, the explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report are given.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, Ms Rekha Agarwal was appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2020. There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in the secretarial audit report.

Internal Auditor

M/s Mahansaria & Associates, Chartered Accountants, Internal Auditor has submitted a report based on the internal audit conducted during the period under review. The Internal Auditor has not reported any qualification, reservation or adverse opinion during the period under review.

24. Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

The provisions of section 134(m) of the Companies Act 2013 regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable to our company. The company does not have any Foreign Exchange transactions during the financial year.

25. Maintenance Of Cost Records:

The provisions relating to maintenance of cost records are not applicable to the Company.

26. Acknowledgements

The Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review. Your Directors gratefully acknowledge the on-going co-operation and support provided by the Central and State governments and all Regulatory Authorities. Your Directors also place on record their deep sense of appreciation to all employees for their dedicated services rendered at various levels.

For and on behalf of the Board of Directors

YashSaraogi
Managing Director
DIN: 00402101

Pankaj Kumar Agarwal
Director
DIN: 05131265

Place: Kolkata
Date: 29/06/2020

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

| I. REGISTRATION & OTHER DETAILS: | | |
|---|--|--|
| 1 | CIN | L01132WB1946PLC013314 |
| 2 | Registration Date | 26/02/1946 |
| 3 | Name of the Company | Modern Converters Limited |
| 4 | Category/ Sub-category of the Company | Company Limited by shares/ Indian Non Government Company |
| 5 | Address of the Registered office & contact details | 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata-700001 Email Id: info@modernconvertors.com Phone No. 033-65035876 |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | MAHESHWARI DATAMATICS PRIVATE LIMITED 23, R. N MUKHERJEE ROAD, KOLKATA- 700001 Tel: 033-2243- 5029/033-2248-2248, Fax: 2248-4787 Email Id: mdpldc@yahoo.com |

| 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) | | | |
| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
| 1 | Not Applicable | | |

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES | | | | | |
|--|---------------------------------|---------|--------------------------------|------------------|--------------------|
| SN | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
| Nil | | | | | |

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

i) Category-wise Share Holding

| Category of Shareholders | No of Shares held at the beginning of the year [As on 01/Apr/2019] | | | | No of Shares held at the end of the year [As on 31/Mar/2020] | | | | % change during the Year |
|---|--|--------------|----------------|-------------------|--|--------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 52011 | 0 | 52011 | 1.6832 | 52011 | 0 | 52011 | 1.6832 | 0.0000 |
| b) Central Govt | | | | | | | | | |
| c) State Govt(s) | | | | | | | | | |
| d) Bodies Corp. | 15000 | 0 | 15000 | 0.4854 | 15000 | 0 | 15000 | 0.4854 | 0.0000 |
| e) Banks/FI | | | | | | | | | |
| f) Any other | | | | | | | | | |
| Sub-total (A)(1) | 67011 | 0 | 67011 | 2.1686 | 67011 | 0 | 67011 | 2.1686 | 0.0000 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | | | | | | | | | |
| b) Other - Individuals | | | | | | | | | |
| c) Bodies Corp. | | | | | | | | | |
| d) Banks/FI | | | | | | | | | |
| e) Any other | | | | | | | | | |
| Sub-total (A)(2) | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Total shareholding of Promoter (A)=(A)(1)+(A)(2) | 67011 | 0 | 67011 | 2.1686 | 67011 | 0 | 67011 | 2.1686 | 0.0000 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | |
| b) Banks/FI | | | | | | | | | |
| c) Central Govt | | | | | | | | | |
| d) State Govt(s) | | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | |
| g) FIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | | | | | | | | | |
| Alternate Investment Funds | | | | | | | | | |
| Foreign Portfolio Investors | | | | | | | | | |
| Provident Funds / Pension Funds | | | | | | | | | |
| Qualified Foreign Investor | | | | | | | | | |
| Sub-total(B)(1):- | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 2250000 | 0 | 2250000 | 72.8155 | 2100000 | 0 | 2100000 | 67.9612 | -4.8543 |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1755 | 21234 | 22989 | 0.7440 | 2564 | 20475 | 23039 | 0.7456 | 0.0016 |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 750000 | 0 | 750000 | 24.2718 | 899950 | 0 | 899950 | 29.1246 | 4.8528 |
| c) Others (Specify) | | | | | | | | | |
| Non Resident Indians | | | | | | | | | |
| Qualified Foreign Investor | | | | | | | | | |
| Custodian of Enemy Property | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | | | | | | | | | |
| Trusts | | | | | | | | | |
| Foreign Bodies-D R | | | | | | | | | |
| Foreign Portfolio Investors | | | | | | | | | |
| NBFCs registered with RBI | | | | | | | | | |
| Employee Trusts | | | | | | | | | |
| Domestic Corporate Unclaimed Shares Account | | | | | | | | | |
| Investor Education and Protection Fund Authority | | | | | | | | | |
| Sub-total(B)(2):- | 3001755 | 21234 | 3022989 | 97.8313 | 3002514 | 20475 | 3022989 | 97.8314 | 0.0001 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 3001755 | 21234 | 3022989 | 97.8313 | 3002514 | 20475 | 3022989 | 97.8314 | 0.0001 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 3068766 | 21234 | 3090000 | 100.0000 | 3069525 | 20475 | 3090000 | 100.0000 | 0.0000 |

ii) Shareholding of Promoters-

| Sl No | Shareholder's Name | Shareholding at the beginning of the year [As on 01/Apr/2019] | | | Shareholding at the end of the year [As on 31/Mar/2020] | | | % change in share holding during the Year |
|-------|-------------------------------|---|----------------------------------|--|---|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | MANJU DEVI CHIRIMAR | 20201 | 0.6538 | 0.0000 | 20201 | 0.6538 | 0.0000 | 0.0000 |
| 2 | RAJEEV CHIRIMAR | 19560 | 0.6330 | 0.0000 | 19560 | 0.6330 | 0.0000 | 0.0000 |
| 3 | KEMI FIBRE INDUSTRIES PVT LTD | 11000 | 0.3560 | 0.0000 | 11000 | 0.3560 | 0.0000 | 0.0000 |
| 4 | RAJEEV CHIRIMAR HUF . | 4450 | 0.1440 | 0.0000 | 4450 | 0.1440 | 0.0000 | 0.0000 |
| 5 | RADIO SUPPLY STORES PVT LTD | 4000 | 0.1294 | 0.0000 | 4000 | 0.1294 | 0.0000 | 0.0000 |
| 6 | SANGITA CHIRIMAR | 3300 | 0.1068 | 0.0000 | 3300 | 0.1068 | 0.0000 | 0.0000 |
| 7 | KESHAV CHIRIMAR | 2800 | 0.0906 | 0.0000 | 2800 | 0.0906 | 0.0000 | 0.0000 |
| 8 | RAGHAV CHIRIMAR | 1700 | 0.0550 | 0.0000 | 1700 | 0.0550 | 0.0000 | 0.0000 |
| | TOTAL | 67011 | 2.1686 | 0.0000 | 67011 | 2.1686 | 0.0000 | 0.0000 |

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

| SI No | Name | Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20] | | Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20] | | PAN |
|-------|-------------------------------|---|-------------------------------------|--|-------------------------------------|------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | |
| 1 | KEMI FIBRE INDUSTRIES PVT LTD | | | | | AABCK1249B |
| | 4/1/2019 | 11000 | 0.3560 | | | |
| | 3/31/2020 | 11000 | 0.3560 | 11000 | 0.3560 | |
| 2 | RADIO SUPPLY STORES PVT LTD | | | | | AABCR4310G |
| | 4/1/2019 | 4000 | 0.1294 | | | |
| | 3/31/2020 | 4000 | 0.1294 | 4000 | 0.1294 | |
| 3 | RAJEEV CHIRIMAR HUF . | | | | | AACHR7875L |
| | 4/1/2019 | 4450 | 0.1440 | | | |
| | 3/31/2020 | 4450 | 0.1440 | 4450 | 0.1440 | |
| 4 | SANGITA CHIRIMAR | | | | | ACCPC4040Q |
| | 4/1/2019 | 3300 | 0.1068 | | | |
| | 3/31/2020 | 3300 | 0.1068 | 3300 | 0.1068 | |
| 5 | MANJU DEVI CHIRIMAR | | | | | ACDPC5458K |
| | 4/1/2019 | 20201 | 0.6538 | | | |
| | 3/31/2020 | 20201 | 0.6538 | 20201 | 0.6538 | |
| 6 | RAJEEV CHIRIMAR | | | | | ACQPC9187J |
| | 4/1/2019 | 19560 | 0.6330 | | | |
| | 3/31/2020 | 19560 | 0.6330 | 19560 | 0.6330 | |
| 7 | KESHAV CHIRIMAR | | | | | AGPPC9200M |
| | 4/1/2019 | 2800 | 0.0906 | | | |
| | 3/31/2020 | 2800 | 0.0906 | 2800 | 0.0906 | |
| 8 | RAGHAV CHIRIMAR | | | | | AGPPC9217Q |
| | 4/1/2019 | 1700 | 0.0550 | | | |
| | 3/31/2020 | 1700 | 0.0550 | 1700 | 0.0550 | |

iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| SI No | Name | Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20] | | Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20] | | PAN | |
|-------|---|--|-------------------------------------|---|-------------------------------------|------------|-----|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | | |
| 1 | JYOTINDRA MOHAN BASU | | | | | | 28 |
| | 4/1/2019 | 500 | 0.0162 | | | | |
| | 3/31/2020 | 500 | 0.0162 | 500 | 0.0162 | | |
| 2 | BAIJNATH SARDA | | | | | | 70 |
| | 4/1/2019 | 450 | 0.0146 | | | | |
| | 3/31/2020 | 450 | 0.0146 | 450 | 0.0146 | | |
| 3 | MOHSIN ALI | | | | | | 88 |
| | 4/1/2019 | 500 | 0.0162 | | | | |
| | 3/31/2020 | 500 | 0.0162 | 500 | 0.0162 | | |
| 4 | SHANTINATH SARAWGEE | | | | | | 97 |
| | 4/1/2019 | 750 | 0.0243 | | | | |
| | 3/31/2020 | 750 | 0.0243 | 750 | 0.0243 | | |
| 5 | BIDYUTLATA DE | | | | | | 114 |
| | 4/1/2019 | 600 | 0.0194 | | | | |
| | 3/31/2020 | 600 | 0.0194 | 600 | 0.0194 | | |
| 6 | GAGANBASE VINCOM PRIVATE LIMITED * | | | | | AAACG9996N | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 7 | ASHOK INVESTORS TRUST LTD . * | | | | | AACCA5450B | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 8 | HORA VANIJYA PRIVATE LIMITED* | | | | | AACCH3928D | |
| | 4/1/2019 | 0 | 0.0000 | | | | |
| | 20/12/2019 - Transfer | 150000 | 4.8544 | 150000 | 4.8544 | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 9 | SHIV PARVATI LEASING LIMITED * | | | | | AACCS5334A | |
| | 4/1/2019 | 0 | 0.0000 | | | | |
| | 20/12/2019 - Transfer | 300000 | 9.7087 | 300000 | 9.7087 | | |
| | 3/31/2020 | 300000 | 9.7087 | 300000 | 9.7087 | | |
| 10 | DEVESH COMMOSALE PRIVATE LIMITED # | | | | | AADCD8828R | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 11 | VACHAN DEALERS & SUPPLIERS PRIVATE LIMITED# | | | | | AADCV2768A | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 12 | BRINDAVAN MARKETING PRIVATE LIMITED # | | | | | AAECB3251H | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 13 | DURGAPUR CONSTRUCTION PRIVATE LIMITED # | | | | | AAECD7540B | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 | | |
| 14 | DKC TRADING PRIVATE LIMITED # | | | | | AAFCD6813L | |
| | 4/1/2019 | 150000 | 4.8544 | | | | |
| | 14/06/2019 - Transfer | -50 | 0.0016 | 149950 | 4.8528 | | |
| | 14/02/2020 - Transfer | -149950 | 4.8528 | 0 | 0.0000 | | |
| | 3/31/2020 | 0 | 0.0000 | 0 | 0.0000 | | |

| | | | | |
|--|---------|---------|--------|-------------|
| 15 CANOPY FINANCE LIMITED # | | | | AAFCCK5317C |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 16 PEARS MERCANTILES PRIVATE LIMITED # | | | | AAFCP8292H |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 0 | 0.0000 | 0 | 0.0000 |
| 17 MULTIFOLD PLASTIC MARKETING PRIVATE LIMITED # | | | | AAGCM9703K |
| 4/1/2019 | 150000 | 4.8544 | | |
| 04/10/2019 - Transfer | -150000 | 24.1502 | 0 | 0.0000 |
| 3/31/2020 | 0 | 0.0000 | 0 | 0.0000 |
| 18 RAKESH GOEL | | | | AAGPG5473R |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 19 ANAND POTATO COLD STORAGE PRIVATE LIMITED | | | | AAHCA5191N |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 20 AVNI MERCHANTS PRIVATE LIMITED | | | | AAICA2733M |
| 4/1/2019 | 150000 | 4.8544 | | |
| 04/10/2019 - Transfer | -150000 | 24.1502 | 0 | 0.0000 |
| 3/31/2020 | 0 | 0.0000 | 0 | 0.0000 |
| 21 SARVAJANA PROPERTIES PVT LTD * | | | | AANCS3588B |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 22 STARWINGS FASHION TRADING LIMITED * | | | | AAOCS7904C |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 23 SHUCHI DEALMARK PRIVATE LIMITED * | | | | AAPCS9906B |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 24 DIKSHIT KUMAR CHOUDHARY * | | | | AFQPC9431A |
| 4/1/2019 | 150000 | 4.8544 | | |
| 14/02/2020 - Transfer | 149950 | 4.8528 | 299950 | 9.7071 |
| 3/31/2020 | 299950 | 9.7071 | 299950 | 9.7071 |
| 25 AMARJIT YADAV | | | | ALZPY1865F |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 26 ANUPAMA CHOUDHARY | | | | BAHPC0704P |
| 4/1/2019 | 150000 | 4.8544 | | |
| 3/31/2020 | 150000 | 4.8544 | 150000 | 4.8544 |
| 27 RYDHAM ASHOK SHAH | | | | BHMPS0907C |
| 4/1/2019 | 2639 | 0.0854 | | |
| 3/31/2020 | 2639 | 0.0854 | 2639 | 0.0854 |

* Not in the list of Top 10 shareholders as on 01/04/2019 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2020.

Ceased to be in the list of Top 10 shareholders as on 31/03/2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2019.

v) Shareholding of Directors and Key Managerial Personnel

| Sl No | Name | Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20] | | Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20] | | PAN |
|-------|------|---|-------------------------------------|---|-------------------------------------|-----|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | |

The Directors and KMPs are not holding any shares of the Company

V. INDEBTEDNESS

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| 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

| | | | | |
|-----------------------------------|---|---|---|---|
| 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**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|-----|---|---|--|--------------|
| | Name | | | (Rs) |
| | Designation | | | |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | There was no remuneration paid to the Managing Director, Whole-time Director and/or Manager. | | |
| 2 | Stock Option | | | |
| 3 | Sweat Equity | | | |
| 4 | Commission - as % of profit - others, specify | | | |
| 5 | Others, please specify | | | |
| | Total (A) | | | |
| | Ceiling as per the Act | | | |

B. Remuneration to other Directors

| SN. | Particulars of Remuneration | Name of Directors | | Total Amount |
|-----|---|---|--|--------------|
| | | | | (Rs) |
| 1 | Independent Directors Fee for attending board committee Commission Others, please specify Total (1) | There was no remuneration paid to the other Directors i.e Independent Directors and other Non- Executive Directors of the Company. | | |
| 2 | Other Non-Executive Directors Fee for attending board committee Commission Others, please specify Total (2) | | | |
| | Total (B)=(1+2) | | | |
| | Total Managerial Remuneration | | | |
| | Overall Ceiling as per the Act | | | |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

| SN. | Particulars of Remuneration | Name of Key Managerial Personnel | | | Total Amount |
|-----|---|----------------------------------|-----|-----------------|--------------|
| | Name | | | Twinkle Agarwal | |
| | Designation | CEO | CFO | CS | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | 127,000 | 127,000 |
| | (b) Value of perquisites u/s 17(2) Income- | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission - as % of profit - others, specify | - | - | - | - |
| 5 | Others, please specify | - | - | - | |
| | Total | | - | 127,000 | 127,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| 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) |
|---|------------------------------|-------------------|---|------------------------------|------------------------------------|
| There was no penalty, punishment and compounding of offences with respect to the company, its Directors and other officers. | | | | | |

For and on behalf of the Board of Directors

sd/-
Yash Saraogi
Managing Director
Din: 00402101

sd/-
Pankaj Kumar Agarwal
Director
Din: 05131265

Place: Kolkata
Date: 29/06/2020

Form No. MR-3
Secretarial Audit Report

(For the Financial year ended 31st March, 2020)

[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,
Modern Converters Limited
56E, Hemanta Basu Sarani, Old 4 BBD Bagh East
Room No. 14A,
Kolkata- 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **Modern Converters Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by The Company for the period ended on 31st March, 20120 according to the provisions of (to the extent applicable to the company):

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018- **Not applicable as the Company has not issued any shares during the financial year under review;**
- d. The Securities and Exchange Board of India Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999 - **Not applicable as the Company has not issued any shares to its Employees during the financial year under review.**
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993- **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review.**
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued any debt securities;**
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back or proposed to buyback any of its securities during the financial year under review.**

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

The compliance by the Company of the applicable financials laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same have been subject to review by Statutory Auditors and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above. However, the Company has not appointed any Company Secretary as Compliance Officer till 07.08.2019 which is non-compliance as per Regulation 6(1) of SEBI (LODR) Regulations, 2015. Later on the Company has appointed Ms Twinkle Agarwal, Company Secretary as Compliance Officer w.e.f. 08.08.2019.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

For Rekha Agarwal
Practicing Company Secretary

Place: Kolkata
Date: 29.06.2020

sd/-
Mem No. 27482
CP No: 9812
UDIN: A027482B000601792

Annexure 'A'

To,
The Members,
Modern Converters Limited
56E, Hemanta Basu Sarani, Old 4 BBD Bagh East
Room No. 14A,
Kolkata- 700001

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit;
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion;
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company;
4. Wherever required, I have obtained Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards etc. is the responsibility of management. My examination was limited to the verification of procedures on test basis;
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rekha Agarwal
Practicing Company Secretary

Place: Kolkata
Date: 29.06.2020

sd/-
Mem No. 27482
CP No: 9812
UDIN: A027482B000601792

Management Discussion & Analysis Report

OVERALL REVIEW

In Fiscal 2019-20, the global economic condition remained weak and uncertain. The macro economic situation was bleak and witnessed inflationary pressure. The Indian rupee witnessed high volatility depreciating against USD and causing substantial economic losses. The slide was mainly caused on account of slowing down of economic decisions. Further the global environment also remained subdued.

INDUSTRY OUTLOOK

The demand is expected to increase in near future and the company is focusing to start its operations once it finalises the product having better growth prospectus in the market.

CHALLENGES

- (i) Good economic environment
- (ii) Freeing of Government regulatory controls with regard to exports

RISKS AND CONCERNS

The continued policies of Government controlling free exports and volatile economic environment have a bearing on the overall performance of the company.

OPERATIONAL REVIEW

Considering the business environment your directors foresee the start up of business operation in the near future

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has suitable and adequate system of Internal Controls commensurating its size and nature of operations primarily to ensure that the assets are safeguarded against loss from unauthorized use or disposition; the transactions are authorized, recorded and reported correctly and - Code of conduct, Policies and applicable statutes are duly complied with. As a measure of Internal Control System, which has been evolved over the years, the Company has established a methodical system of Annual Budgeting and Management Information System (MIS). In addition, Administrative and HR activities of the Company are also brought within this purview.

The Company is conscious of importance of systems control and so continuously assesses the quality of integrated software package.

Continuous reporting of these systems is made to the Board and Audit Committee for their review to upgrade, revise and to focus on determination of adequacy of the Control Systems. The composition and role of Audit Committee can be found in the Corporate Governance Report in the Annual Report.

RISK MANAGEMENT

Risk is an integral part of the business process. To enhance the risk management process, the company has mapped the risks. Risk arises for achieving business objectives are identified and prioritized. Risk mitigation activity plans are established and executed as and when need arises. Periodical reviews are carried out to assess the risk levels.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

HUMAN RESOURCES

Human resources development, in all its aspect like training in safety and social values is under constant focus of the management. Relations between management and the employees at all levels remained healthy and cordial throughout the year. The management and employees are dedicated to achieve the corporate objective and the targets set before the Company.

CAUTIONARY STATEMENT

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restraint should be applied in their use for any decision making or formation of an opinion.

For and on behalf of the Board of Directors

Sd/-

YASH SARAOGI

Managing Director (MD)

sd/-

KISHAN CHOUDHARY

Chief Financial Officer (CFO)

Date: 29/06/2020

Kolkata

MD & CFO CERTIFICATION

To,
The Members,
Modern Converters Limited
56E, Hemanta Basu Sarani, Old 4 BBD Bagh East
Room No. 14A,
Kolkata- 700001

We Yash Saraogi, Managing Director (MD) and Kishan Choudhary, Chief Financial Officer (CFO) of **MODERN CONVERTERS LIMITED** do hereby certify the following:—

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d.
 - i) There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii) Changes in accounting policies consequent to the implementation of new Indian Accounting Standards (Ind AS) have been appropriately disclosed in the financial statements. The impact of the new Ind AS on the Company's financials is not material; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
YASH SARAOGI
Managing Director (MD)

Sd/-
KISHAN CHOUDHARY
Chief Financial Officer (CFO)

Date: 29/06/2020
Kolkata

Independent Auditor's Report

Report on the Indian Accounting Standards (Ind AS) Financial Statements

Opinion:

We have audited the accompanying financial statements of **Modern Converters Limited.**, which comprise the Balance Sheet as at **31st March, 2020**, and the Statement of Profit and Loss (Including Other Comprehensive Income) and Cash Flow Statement and the statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "Standalone Ind AS financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the

financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 standalone 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 section 143(11) of the Act, we give in "**Annexure A**", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes 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 including Other Comprehensive Income Statement of Cash Flow and Statement of Changes of Equity dealt with 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 section 133 of the Act, read with relevant rule issued thereunder.
 - e. On the basis of 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 operating effectiveness of such controls, referred 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(a) The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statement.

(b) The Company did not have any long-term and derivative contracts as at March 31, 2020.

(c) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

**For Ghosh & Ghosh,
Chartered Accountants**

**Place: Kolkata
Date: 29/06/2020**

**Sd/-
A.K. Ghosh
Partner
M. No. 052945
FRN: 306020E**

ANNEXURE “A” TO THE AUDITORS’ REPORT

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

(i) In respect of Its Property, Plant & Equipment:

- a) Based on our scrutiny of the Company’s Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets and physical verification of fixed assets does not arise since the company had no fixed assets as on 31st March, 2020 nor at any time during the financial year ended on 31st March, 2020.
 - b) According to the information and explanations received by us, as the company owns no immovable properties, the requirement on reporting whether title deeds is held in the name of the Company or not is not applicable.
- (ii) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) 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 Companies Act, 2013. Therefore, the provisions of Clause 3 (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not provided any loans and advances under section 185 and 186 of the Companies Act, 2013.
- (v) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.
- (vi) The Central government has not prescribed the maintenance of cost records by the company under section 148(1) of the companies Act, 2013 for any of its products.

(vii) In respect of Statutory Dues:

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.19 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks or Government. The company has not issued any debentures as at the balance sheet date.

(ix) There were no moneys raised by way of initial public offer or further public offer (including debt instruments). The Moneys raised by way of term loan were applied for the purpose for which those are raised.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of such cases by the Management.

(xi) In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;

- (xiv) According to the information and explanations given 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 under review.
- (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, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Ghosh & Ghosh,
Chartered Accountants**

**Place: Kolkata
Date: 29/06/2020**

**Sd/-
A.K. Ghosh
Partner
M. No. 052945
FRN: 306020E**

ANNEXURE “B” TO THE 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’)

We have audited the internal financial controls over financial reporting of **Modern Converters Limited** (‘the Company’) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is 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 (the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (the ‘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 based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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:

- (2) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (3) 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
- (4) 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.

Opinion

In our opinion, 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 31st March 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For Ghosh & Ghosh,
Chartered Accountants**

**Place: Kolkata
Date: 29/06/2020**

**Sd/-
A.K. Ghosh
Partner
M. No. 052945
FRN: 306020E**

MODERN CONVERTERS LIMITED
Balance Sheet as at March 31, 2020

(Amount in '000)

| Particulars | Note No | As at March 31, 2020 | As at March 31, 2019 |
|---|---------|----------------------|----------------------|
| ASSETS | | | |
| Non- current Assets | | | |
| Financial Assets | | | |
| (a) Investments | 4 | 0.02 | 0.02 |
| (b) Other Financial Assets | | - | - |
| Total Non- Current Assets | | 0.02 | 0.02 |
| Current Assets | | | |
| (a) Inventories | 5 | 447.65 | 1,606.55 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 6 | - | - |
| (ii) Cash & cash equivalents | 7 | 98.40 | 421.74 |
| (iii) Loans & Advances | 8 | 31,248.00 | 31,248.00 |
| © Other Assets | 9 | 5.00 | 5.00 |
| Total Current Assets | | 31,799.04 | 33,281.28 |
| TOTAL ASSETS | | 31,799.07 | 33,281.30 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Share Capital | 10 | 30,900.00 | 30,900.00 |
| (b) Other Equity | 11 | 782.40 | 2,290.63 |
| Total Equity | | 31,682.40 | 33,190.63 |
| Liabilities | | | |
| Non- Current Liabilities | | | |
| (a) Deferred Tax Liabilities (Net) | | - | - |
| Total Non- Current Liabilities | | - | - |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Short Term Borrowings | 12 | - | - |
| (ii) Trade Payables | 13 | - | - |
| (iii) Other Financial Liabilities | 14 | 116.67 | 90.67 |
| (b) Provisions | 15 | - | - |
| (c) Other Liabilities | | | |
| Total Current Liabilities | | 116.67 | 90.67 |
| TOTAL EQUITY AND LIABILITIES | | 31,799.07 | 33,281.30 |
| NOTES FORMING PART OF THE FINANCIAL STATEMENTS | 1-20 | | |

For Ghosh & Ghosh
Chartered Accountants
FRN No. 306020E

sd/-
A.K. Ghosh
Partner
Mem No:- 052945
UDIN: 200529454AAAAC2758

Place: Kolkata
Dated: 29/06/2020

For and on behalf of the Board of Directors

sd/-
Yash Saraogi
Managing Director
(DIN: 00402101)

sd/-
Pankaj Kumar Agarwal
Director
(DIN: 05131265)

sd/-
Kishan Choudhary
CFO

sd/-
Twinkle Agarwal
Company Secretary

| MODERN CONVERTERS LIMITED | | | |
|--|----------------|---|-----------------------------|
| Statement of Profit and Loss for the years ended March 31, 2020 | | | |
| <u>(Amount in '000)</u> | | | |
| Particulars | Note No | As at March 31, 2020 | As at March 31, 2019 |
| I. Revenue from operations | 16 | 620.57 | - |
| II. Other Operating Income | | - | - |
| II. Other Income | 17 | 15.75 | 65.00 |
| IV. Total Revenue(I+II+III) | | 636.32 | 65.00 |
| V. Expenses: | | | |
| Purchases of stock-in-trade | | - | - |
| Changes in Inventories | 18 | 1,158.90 | 1,107.50 |
| Employee Benefit Expenses | 19 | 127.00 | - |
| Other Operating Expenses | 20 | 858.66 | 440.88 |
| VI. Total Expenses | | 2,144.56 | 1,548.38 |
| V. Profit before exceptional and extraordinary items and tax | | (1,508.24) | (1,483.38) |
| VI. Exceptional Items | | - | - |
| VII. Profit before extraordinary items and tax | | (1,508.24) | (1,483.38) |
| VIII. Extraordinary Items | | - | - |
| VII. Profit before tax (IV-VI) | | (1,508.24) | (1,483.38) |
| VIII. Tax expense: | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | | - | - |
| IX. Profit/(Loss) for the period (VII-VIII) | | (1,508.24) | (1,483.38) |
| X. OTHER COMPREHENSIVE INCOME/(LOSSES) | | | |
| A.i) Items that will be reclassified subsequently to the statement of profit and loss | | - | - |
| ii) Income tax on items that will be reclassified subsequently to statement of profit and loss | | - | - |
| B.i) Items that will not be reclassified subsequently to the statement of profit and loss | | - | - |
| Change in Fair Value of Investments | | - | - |
| ii) Income tax on items that will not be reclassified subsequently to statement of profit and loss | | - | - |
| TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES) | | - | - |
| XI TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | (1,508.24) | (1,483.38) |
| XII. Earnings per equity share: Basic & Diluted (Rs) | | (0.49) | (0.48) |
| Weighted Average number of equity shares (in '000) | | 3,090 | 3,090 |
| (Face value of Rs 10 each) | | | |
| XIII. NOTES FORMING PART OF THE FINANCIAL STATEMENTS | 1-20 | | |
| For Ghosh & Ghosh Chartered Accountants FRN No. 306020E | | For and on behalf of the Board of Directors | |
| SD/- A.K. Ghosh Partner Mem No:- 052945 UDIN: 200529454AAAAC2758 | | SD/- Yash Saraogi Managing Director (DIN: 00402101) | |
| | | SD/- Kishan Choudhary CFO | |
| | | SD/- Pankaj Kumar Agarwal Director (DIN: 05131265) | |
| | | SD/- Twinkle Agarwal Company Secretary | |
| Place: Kolkata Dated: 29/06/2020 | | | |

MODERN CONVERTERS LIMITED

CASH FLOW STATEMENT AS AT 31ST MARCH, 2020

(Amount in '000)

| | Particulars | As at March 31, 2020 | As at March 31, 2019 |
|-----------|---|----------------------|----------------------|
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit/(Loss) before tax | -1508.24 | -1483.38 |
| | <u>Adjustment for :</u> | | |
| | (a) Depreciation | 0.00 | 0.00 |
| | (b) Interest Received | 0.00 | -45.00 |
| | OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | -1508.24 | -1528.38 |
| | <u>Adjustment for working capital changes</u> | | |
| | (a) Increase/ Decrease in Trade and Other Receivables | 0.00 | 51.01 |
| | (b) Increase/ Decrease in Inventories | 1158.90 | 1107.50 |
| | (c) Increase/ Decrease in Trade Payables | 0.00 | 0.00 |
| | (d) Increase/ Decrease in Short term Provision | 0.00 | 0.00 |
| | (e) Increase/ Decrease in Other Current Assets | 0.00 | 0.00 |
| | (f) Increase/ Decrease in Short Term Borrowings | 0.00 | 0.00 |
| | (g) Increase/ Decrease in Other Current Liabilities | 26.00 | 11.00 |
| | (h) Increase/ Decrease in Loans and Advances | 0.00 | -210.00 |
| | CASH GENERATED FROM OPERATING ACTIVITIES BEFORE EXTRAORDINARY ITEMS | -323.34 | -568.87 |
| | Extraordinary/ Prior Period Items | | |
| | (a) Priorperiod Expenses/Income | 0.00 | 0.00 |
| | (b) Income Tax | 0.00 | 0.00 |
| | NET CASH FLOW FROM OPERATING ACTIVITIES | -323.34 | -568.87 |
| B. | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | (a) Purchase/ sale of Fixed Assets | | |
| | (b) Purchase/Sale of Investments | 0.00 | 0.00 |
| | NET CASH FLOW FROM INVESTING ACTIVITIES | 0.00 | 0.00 |
| C. | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | (a) Share Application Money Received | 0.00 | 0.00 |
| | (b) Interest (Paid)/Received | 0.00 | 45.00 |
| | | 0.00 | 45.00 |
| | Net Increase (Decrease) in Cash (A + B + C) | -323.34 | -523.87 |
| | Opening Balance of Cash & Cash Equivalents | 421.74 | 945.61 |
| | Closing Balance of Cash & Cash Equivalents | 98.40 | 421.74 |
| | NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-20 | | |

For Ghosh & Ghosh
Chartered Accountants
FRN No. 306020E

SD/-
A.K. Ghosh
Partner
Mem No:- 052945

UDIN: 200529454AAAAC2758

Place: Kolkata
Dated: 29/06/2020

For and on behalf of the Board of Directors

SD/-
Yash Saraogi
Managing Director
(DIN: 00402101)

SD/-
Kishan Choudhary
CFO

SD/-
Pankaj Kumar Agarwal
Director
(DIN: 05131265)

SD/-
Twinkle Agarwal
Company Secretary

Modern Converters Limited
For Year ended on 31st March 2020

Note: - 1 Notes Forming Part of the Financial Statements

Corporate Information

The Company, M/s Modern Converters Limited was incorporated on 26/02/1946, having its registered office at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No 14A, Kolkata – 700001 is listed on the Bombay Stock Exchange (BSE). The Directors of the Company are Yash Saraogi, Rashmi Dalmia, Jaipal Singh Barsi Singh Parmar and Pankaj Kumar Agarwal.

Note: - 2 Significant accounting policies:

Basis of preparation of financial statements

Accounting Convention: -

The financial statements have been prepared in accordance with Section 133 of Companies Act, 2013, i.e. Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules 2015. The Ind AS Financial Statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Part I of 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 realization 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.

Compliance with Ind AS

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

Use of Estimates and Judgments

The preparation of the Ind AS financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognized in the period in which the results are known/materialize.

Revenue recognition

Revenue in respect of income is recognized when a reasonable certainty as to its realization exists.

Other income:

Interest: Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

Inventories

Inventories are stated at cost or net realisable value whichever is lower. Cost is determined on First-In-First-Out basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

‘Cost’ comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

I. Current tax: -

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

II. Deferred tax:-

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset is recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Earnings per share (EPS):

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares

considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Material events after balance sheet date:

Events which are of material nature after the balance sheet date are accounted for in the accounts.

Cash and Cash equivalents

Cash and Cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flow Statements

Cash Flow Statement has been prepared in accordance with Accounting Standard 3 issued by Institute of

Related Parties Disclosure: -

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given below:

List of related parties with whom transactions have taken place and relationships: - Nil

Transaction during the current financial year with related parties: - Nil

Salary paid to Twinkle Agarwal (Company Secretary) - Rs 1,27,000

Notes forming part of accounts in relation to Micro and small enterprise

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below :

| Sr. No. | Particulars | Year Ended on 31 st March 2020 | | Year Ended on 31 st March 2019 | |
|---------|--|---|----------|---|----------|
| | | Principal | Interest | Principal | Interest |
| I | Amount due as at the date of Balance sheet | Nil | Nil | Nil | Nil |
| Ii | Amount paid beyond the appointed date during the year | Nil | Nil | Nil | Nil |
| Iii | Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date | Nil | Nil | Nil | Nil |

| | | | | | |
|----|---|-----|-----|-----|-----|
| iv | The amount of interest accrued and remaining unpaid as at the date of Balance sheet | Nil | Nil | Nil | Nil |
|----|---|-----|-----|-----|-----|

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

3. Foreign Currency Transactions: -

Expenditure in Foreign Currency: - Nil

Earnings in Foreign Currency: - Nil

FOR GHOSH & GHOSH,
Chartered Accountants
FRN: 306020E

FOR , MODERN CONVERTERS LIMITED

SD/-
CA A.K. Ghosh
Partner
M. No. 052945

Place: Kolkata
Date: 29/06/2020

SD/-
Yash Saraogi
Managing Director
DIN:00402101

SD/-
Pankaj Kumar Agarwal
Director
DIN: 05131265

SD/-
Kishan Choudhary
CFO

SD/-
Twinkle Agarwal
Company Secretary

MODERN CONVERTERS LIMITED

Statement of changes in equity for the years March 31, 2020

| A. Equity Share Capital | Rs. In 000 |
|-------------------------------------|-------------------|
| Particulars | Amount |
| Balance as at April 1, 2018 | 30,900 |
| Changes in Equity Share Capital | - |
| Balance as at March 31, 2019 | 30,900 |
| Changes in Equity Share Capital | - |
| Balance as at March 31, 2020 | 30,900 |
| | |

B. Other Equity (Note 11)

Amount in '000

| Particulars | Capital Redemption Reserve | Retained Earnings | General Reserves | Total Other Equity |
|--|-----------------------------------|--------------------------|-------------------------|---------------------------|
| Balance as at March 31, 2019 | 300.00 | (5,828.37) | 7,819.00 | 2,290.63 |
| <u>Addition:</u> | | | | |
| Profit/(Loss) for the year | - | (1,508.24) | - | (1,508.24) |
| Other Comprehensive Income/(Expense) | - | - | - | - |
| Total Comprehensive Income for the year | - | (1,508.24) | - | (1,508.24) |
| Transfer In Equity | - | - | - | - |
| Balance as at March 31, 2020 | 300.00 | (7,336.60) | 7,819.00 | 782.40 |
| | | | | |

| Particulars | Capital Redemption Reserve | Retained Earnings | General Reserves | Total Other Equity |
|--|-----------------------------------|--------------------------|-------------------------|---------------------------|
| Balance as at Martch 31, 2018 | 300.00 | (4,344.99) | 7,819.00 | 3,774.01 |
| <u>Addition:</u> | | | | |
| Profit/(Loss) for the year | - | (1,483.38) | - | (1,483.38) |
| Other Comprehensive Income/(Expense) | - | - | - | - |
| Total Comprehensive Income for the year | - | (1,483.38) | - | (1,483.38) |
| Transfer In Equity | - | - | - | - |
| Balance as at March 31, 2019 | 300.00 | (5,828.37) | 7,819.00 | 2,290.63 |
| | | | | |

MODERN CONVERTERS LIMITED

(Amount in '000)

| Particulars | | As at March 31, 2020 | As at March 31, 2019 |
|---|--|----------------------|----------------------|
| NOTE NO - 4 | | | |
| <u>INVESTMENTS</u> | | | |
| Investments consists of the following | | | |
| Investments in property | | - | - |
| Investments in Mutual fund | | 0.02 | 0.02 |
| | | 0.02 | 0.02 |
| NOTE NO - 5 | | | |
| <u>INVENTORIES</u> | | | |
| Inventories consist of the following: | | | |
| (a) Raw Materials | | - | - |
| (b) Finished goods and work-in-progress | | 447.65 | 1,606.55 |
| (c) Goods-in-transit (Raw Materials) | | - | - |
| Inventories are carried at lower of cost and net realisable value | | 447.65 | 1,606.55 |
| (As per inventories taken, valued, and certified by the management) | | | |
| NOTE NO - 6 | | | |
| <u>TRADE RECEIVABLES</u> | | | |
| Trade Receivables consists of the following: | | | |
| <u>Trade Receivables- (Outstanding Less than 6 Months)</u> | | | |
| (a) Considered goods | | - | - |
| (b) Considered doubtful | | - | - |
| | | - | - |
| NOTE NO - 7 | | | |
| <u>CASH & CASH EQUIVALENTS</u> | | | |
| Cash and cash equivalents consist of the following: | | | |
| (a) Cash on hand (As certified by the management) | | 68.47 | 557.39 |
| (b) Balances with Schedule Banks | | | |
| In Current accounts | | 29.93 | (168.25) |
| In deposit accounts (Unpaid Dividends) | | - | 32.59 |
| | | 98.40 | 421.74 |
| NOTE NO - 8 | | | |
| <u>LOANS & ADVANCES</u> | | | |
| Loans (Unsecured) consists of the following | | | |
| Short Term Loans (Other than Related Parties) | | | |
| Considered Goods | | - | - |
| Loans and advances to Body Corporates and individuals | | 748.00 | 748.00 |
| Advance against Property | | 30,500.00 | 30,500.00 |
| (Receivable in cash or in kind or value to be received) | | 31,248.00 | 31,248.00 |
| NOTE NO - 9 | | | |
| <u>OTHER CURRENT ASSETS</u> | | | |
| Security Deposits | | 5.00 | 5.00 |
| | | 5.00 | 5.00 |
| | | | |

MODERN CONVERTERS LIMITED
Notes forming part of the financial statements

NOTE NO- 10

SHARE CAPITAL

| Particulars | As at 31st March, 2020 | | As at 31st March, 2019 | |
|---|-------------------------|-------------------|-------------------------|-------------------|
| | Number of shares ('000) | Amount (Rs. '000) | Number of shares ('000) | Amount (Rs. '000) |
| (a) Authorised | | | | |
| Equity shares of Rs.10/- each | 3,120 | 31,200 | 3,120 | 31,200 |
| Preference shares of Rs.10/- each | 30 | 300 | 30 | 300 |
| (b) Issued | | | | |
| Equity shares of Rs.10/- each fully paid up | 3,090 | 30,900 | 3,090 | 30,900 |
| (c) Subscribed and fully paid up | | | | |
| Equity shares of Rs.10/- each fully paid up | 3,090 | 30,900 | 3,090 | 30,900 |
| Total | 3,090 | 30,900 | 3,090 | 30,900 |

(i) Reconciliation of number of shares

| | As at 31st March, 2020 | | As at 31st March, 2019 | |
|------------------------|-------------------------|-------------------|-------------------------|-------------------|
| | Number of shares ('000) | Amount (Rs. '000) | Number of shares ('000) | Amount (Rs. '000) |
| Equity Shares | | | | |
| Opening balance | 3,090 | 30,900 | 3,090 | 30,900 |
| Issued during the year | - | - | - | - |
| Closing Balance | 3,090 | 30,900 | 3,090 | 30,900 |

(ii) Rights, preferences and restrictions attached to Shares

The Company has only one class of equity shares having a par value of Rs 10 each. Each shareholder is eligible for one vote per share held.

(iii) Details of shares held by each shareholder holding more than 5% shares:

| Class of shares / Name of shareholder | As at 31st March, 2020 | | As at 31st March, 2019 | |
|---------------------------------------|------------------------|-----------------------------------|------------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| 1. Shiv Parvati Leasing Limited | 300,000 | 9.71% | - | - |
| 2. Dikshit Kumar Choudhary | 299,950 | 9.71% | 150,000 | 4.85% |

(iv) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

| Class of shares / Name of shareholder | As at 31st March, 2020 | | As at 31st March, 2019 | |
|---|------------------------|-----------------------------------|------------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | - | - | - | - |
| Equity shares with differential voting rights | - | - | - | - |
| Compulsorily convertible preference shares | - | - | - | - |
| Optionally convertible preference shares | - | - | - | - |
| Redeemable preference shares | - | - | - | - |

MODERN CONVERTERS LIMITED

(Amount in '000)

| Particulars | | As at March 31, 2020 | As at March 31, 2019 |
|--|--|----------------------|----------------------|
| NOTE NO - 12 | | | |
| <u>SHORT TERM BORROWINGS</u> | | | |
| Short Term Borrowings | | - | - |
| | | - | - |
| NOTE NO - 13 | | | |
| <u>TRADE PAYABLES</u> | | | |
| Sundry Creditors | | - | - |
| | | - | - |
| NOTE NO - 14 | | | |
| <u>OTHER FINANCIAL LIABILITIES</u> | | | |
| Other financial liabilities consists of the following: | | | |
| Audit Fees Payable | | 65.00 | 54.00 |
| Preference Share Redemption | | 36.67 | 36.67 |
| Liabilities for Expenses | | 15.00 | - |
| | | 116.67 | 90.67 |
| NOTE NO - 15 | | | |
| <u>PROVISIONS</u> | | | |
| Provision for Income Tax | | - | - |
| | | - | - |
| | | | |

MODERN CONVERTERS LIMITED

(Amount in '000)

| Particulars | | As at March 31, 2020 | As at March 31, 2019 |
|---|--|----------------------|----------------------|
| NOTE NO - 16 | | | |
| <u>REVENUE FROM OPERATIONS</u> | | | |
| Sale of Services | | - | - |
| Sale of Products | | 620.57 | - |
| | | 620.57 | - |
| NOTE NO - 17 | | | |
| <u>OTHER INCOME (NET)</u> | | | |
| Other income(net) consists of the following: | | | |
| Interest Income | | - | 45.00 |
| Dividend Income | | 15.75 | 20.00 |
| | | 15.75 | 65.00 |
| Interest Income comprise: | | | |
| Interest on Bank and Bank deposits | | - | - |
| Interest Income on Financial Assets carried at amortised cost | | - | - |
| Interest Income on Financial Assets carried at fair value through OCI | | - | - |
| Other Interest (including interest on income tax refunds) | | - | 45.00 |
| NOTE NO - 18 | | | |
| <u>CHANGES IN INVENTORIES</u> | | | |
| Opening Stock | | | |
| Finished Products | | - | - |
| Traded Goods | | 1,606.55 | 2,714.05 |
| Less: Closing Stock | | | |
| Finished Products | | - | - |
| Traded Goods | | 447.65 | 1,606.55 |
| Decrease/(Increase) | | 1,158.90 | 1,107.50 |
| NOTE NO - 19 | | | |
| <u>EMPLOYEE BENEFIT EXPENSES</u> | | | |
| Employee Benefit Expenses consists of the following: | | | |
| (a) Salary, incentives and allowances | | 127.00 | - |
| (b) Staff welfare expenses | | - | - |
| | | 127.00 | - |
| NOTE NO - 20 | | | |
| <u>OTHER OPERATING EXPENSES</u> | | | |
| Other operating expenses consists of the following: | | | |
| Audit fees | | 11.00 | 11.00 |
| Advertising Exp | | 20.43 | 10.25 |
| Appeal Fees | | - | 1.00 |
| Bank Charges | | 0.43 | 0.14 |
| Depository Exp | | 33.04 | 27.50 |
| Filing & Professional Fee | | 32.33 | 21.60 |
| General Exp | | 2.53 | 7.32 |
| Listing Fee | | 354.00 | 315.65 |
| Penalty | | 366.98 | - |
| Printing & Stationary | | 0.89 | 7.59 |
| RTA Fees | | 28.03 | 26.27 |
| Telephone Exp | | 1.00 | 4.56 |
| Website Exp | | 8.00 | 8.00 |
| | | 858.66 | 440.88 |

MODERN CONVERTERS LIMITED

Regd Office: 56E, HemantaBasu Sarani, Old 4 BBD Bagh East,

Room No. 14A, Kolkata - 700001, West Bengal

Tel No: 8961691201, email: info@modernconvertors.com Website: www.modernconvertors.com

CIN: L01132WB1946PLC013314

NOTICE

NOTICE is hereby given that the 74th Annual General Meeting ('AGM') of the Members of Modern Converters Limited ('the Company') will be held on Wednesday, 30th December, 2020 at 2.00 P.M at 23A, Giri Babu Lane, Ground Floor, Kolkata-700012 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Pankaj Kumar Agarwal (DIN:05131265), who retires by rotation and being eligible, offers himself for re-appointment.

Place: Kolkata

Date: 05.12.2020

**By Order of the Board
For Modern Converters Limited**

**Sd/- (Yash Saraogi)
Managing Director
DIN: 00402101**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. As per section 105 of the Companies Act, 2013 and Rules there under, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent of total share capital of the company carrying voting right may appoint a single person as proxy and such proxy shall not act as a proxy for any other person or shareholder.**
3. The instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified true copy of the board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In view of the pandemic Covid-19, we are following all the Social distancing norms for the Members present at the AGM. Following precautions and rules shall be strictly followed by each and every member present at the AGM:
 - No entry will be allowed without mask.
 - For those who will attend the AGM, the Company will set up a screening point at the entrance of the meeting room to measure every attendee's body temperature. The Company reserves the right to deny entry to anyone with a temperature of 37.5 degrees Celsius or higher, anyone showing symptoms of fever, or anyone who has returned from a high-risk country (according to the announcement of the Ministry of Public Health) less than 14 days before the Meeting.
 - Planned speeches are limited to a minimum in order to reduce the length of the AGM. The AGM will conclude immediately after the mandatory items of the agenda have been discussed.
 - Sitting arrangements for the members is done at a distance of 6 feet at the AGM.
 - Members have to keep their personal belongings outside the meeting room.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Book of the Company shall remain closed from Thursday, December 24th, 2020 to Wednesday, December 30th, 2020 (both days inclusive).
6. Members are requested to send all communications relating to shares, change of address, etc. to the Registrar and transfer agents at the following address:
M/s Maheswari Datamatics Pvt Ltd, Address: 23 R. N Mukherjee Road, 5th Floor, Kolkata-700 001.

7. Proxies shall be made available for inspection during 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/Registrar and Transfer Agent.
9. Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 74th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this Meeting and the Annual Report will also be available on the Company's website www.modernconvertors.com for their download.
10. Members/proxies should bring their attendance slips sent herewith, duly filled in, for attending the Meeting. Members/ proxies attending the AGM are requested to carry their identity proof.
11. Disclosure pursuant to Section 196 (4) of the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard- 2 of ICSI, with respect to Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting is annexed.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days except Saturdays, till the date of meeting.
13. SEBI and Ministry of Corporate Affairs encourages paperless communication as a contribution to Green environment. Members holding shares in physical mode are requested to register their e-mail address to the RTA for receiving all communications including annual reports, notices, circulars etc. from the company electronically.
14. Distribution of Gifts: In conformity with regulatory requirements, the Company will **NOT** be distributing any gift, gift coupons or cash in lieu of gifts at the AGM or in connection therewith.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of

Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents.

16. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
17. The entire Annual Report is also available on the Company's website www.modernconvertors.com.
18. A route map and prominent landmark for easy location of the venue of the meeting is enclosed with this Notice.

19. VotingOption:

a. VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2, the Company has provided e-voting facility to all the members holding shares in physical/electronic form using Central Depository Securities (India) Limited (CDSL) platform. All the business to be transacted at the annual general meeting can be transacted through electronic voting system. The instruction for members for voting electronically is given in a separate sheet.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Wednesday 23rd December, 2020 only shall be entitled to avail the facility of remote e-voting / voting through Ballot Form at the Meeting. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

b. VOTING ATAGM

The members who have not casted their votes electronically, can exercise their rights at the AGM through ballot form. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

Other Instructions

1. A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a member casts votes by both the modes, then

voting done through e-voting shall prevail and voting through other means shall be treated as invalid.

2. The Company has appointed Ms. Sharma Praveen & Associates, Practicing Company Secretaries to act as the Scrutinizer for remote e-voting process in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, within 48 hours of the conclusion of the AGM, forthwith to the Managing Director.
3. The Results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL www.evotingindia.com and the same shall also be communicated to BSE Limited where the shares of the Company are listed.
4. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 27th November, 2020.
5. The shareholders shall have one vote per equity share held by them as on the cut-off date of 23rd December, 2020. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of jointholders.
6. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 23rd December, 2020 are requested to send the written / email communication to the Company Registrar and Transfer Agents viz., **Maheshwari Datamatics Pvt. Ltd., Mr. S. Rajagopal (Vice President) 23 R. N Mukherjee Road, 5th Floor, Kolkata- 700 001 Contact No.: 033-2248 2248, Fax- 033-2248 4787, E- Mail: mdpldc@yahoo.com.** Company by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.

Place: Kolkata
Date: 05.12.2020

By Order of the Board
For Modern Converters Limited

Sd/
Yash Saraogi
Managing Director
DIN: 00402101

The process and manner for remote e-voting are as under:

- i) The voting period begins on 27th December, 2020 from 9.00 A.M and ends on 29th December, 2020 till 5.00P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd December, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper / polling paper shall be made available at the AGM and the members as on the "cut-off date" i.e. Record date, attending the meetings who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper / polling paper.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----|--|
| PAN | <p>Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p><input type="checkbox"/> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p><input type="checkbox"/> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |

| | |
|-----|---|
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
|-----|---|

| | |
|-----------------------|---|
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction(vii).</p> |
|-----------------------|---|

- viii) After entering these details appropriately, click on “SUBMIT” tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant **Modern Converters Limited** on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii) Note for Institutional Shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 2005533.

xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Place: Kolkata
Date: 05.12.2020

By Order of the Board
For Modern Converters Limited

Sd/-
(Yash Saraogi)
Managing Director
DIN: 00402101

Annexure I

Details of Directors seeking appointment at 74th Annual General Meeting to be held on Wednesday, December 30th, 2020

| | |
|---|--|
| Name of Director | Mr. Pankaj Kumar Agarwal |
| Din | 05131265 |
| Date of Birth | 28/02/1970 |
| Date of Appointment | 12/02/2019 |
| Expertise in specific field | He is a Commerce Graduate having more than 16 years of experience in the field of Capital Market, Financial Sector and Business Strategy |
| Directorship of other public company (including foreign company) | M/s Hirise Infracon Limited |
| Chairman/ Member of the Audit and Stakeholders' Relationship Committee of the Board of Directors of other Listed Companies in which he is a Director | - |
| Shareholding in the Company | - |
| Relationships between the Directors inter-se | - |

MODERN CONVERTERS LIMITED

Regd Office: 56E, HemantaBasu Sarani, Old 4 BBD Bagh East,
Room No. 14A, Kolkata - 700001, West Bengal

Tel No: 8961691201, email: info@modernconvertors.com; Website: www.modernconvertors.com
CIN : L01132WB1946PLC013314

| | |
|---|---|
| ATTENDANCE SLIP I/We hereby record my/our presence at the 74thAnnual General Meeting of the Company to be held on Wednesday, 30th December, 2020 at 2.00P.M. at 23A, Giri Babu Lane, Ground Floor, Kolkata - 700012 | Folio/DP ID & Client ID No.: |
| | Name : |
| | Address : |
| | Joint holders Name : |
| | Shares |

.....
Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

Notes: Members/Proxy holders who wish to attend the Annual General Meeting (AGM) must bring their Admission Slips to the AGM and hand over the same duly signed at the entrance. Duplicate Admission Slips will not be issued at the venue.

ELECTRONIC VOTING PARTICULARS

| EVS (E-voting Sequence Number) | USER ID | PERMANENT ACCOUNT NUMBER (PAN) |
|---|---------|-----------------------------------|
| | | |

Please read instructions given in the Notice of the Annual General Meeting carefully before voting electronically.

The e-Voting facility will be available during the following voting period: Commencement of evoting:

From <Sunday, 27.12.2020 at 9.00 AM > End of e-Voting: Up to <Tuesday, 29.12.2020 at 5.00 PM>

MODERN CONVERTERS LIMITED

Regd Office: 56E, HemantaBasu Sarani, Old 4 BBD Bagh East,

Room No. 14A, Kolkata - 700001, West Bengal

Tel No: 8961691201, email: info@modernconvertors.com; Website: www.modernconvertors.com

CIN : L01132WB1946PLC013314

Proxy Form**MGT-11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the shareholder:**Registered address:****E-mail ID:****Folio No. / Client ID:****DP ID:**

I / we, being the shareholder(s) of..... shares of the above named company, hereby appoint

Name _____ Address _____

Email Id _____ Signature _____

Or failing him Name _____ Address _____

Email Id _____ Signature _____ or

failing him Name _____ Address _____

Email Id _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 74th Annual General Meeting of the Company, to be held on Wednesday, 30th December, 2020 at 2.00P.M at 23A, Giri Babu Lane, Ground Floor, Kolkata - 700012, West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions | Votes (Optional) | |
|----------------|---|---------------------------|---------|
| | | For | Against |
| 1. | To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon. | | |
| 2. | To appoint a Director in place of Pankaj Kumar Agarwal (DIN: 05131265), who retires by rotation and being eligible, offers himself for re-appointment | | |
| | | Affix Revenue Stamp | |

Signed this.....day of.....2020

Member's Folio /DP ID & Client ID No.....

Signature of Shareholder(s).....

Signature of Proxy holder (s).....

- **Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he/she thinks fit.

ROUTE MAP

