

---

---

**MODERN INDIA PROPERTY DEVELOPERS LIMITED**

---

---

**NOTICE**

**NOTICE** is hereby given that the Twelfth Annual General Meeting of the Members of **Modern India Property Developers Limited** will be held at the Registered Office of the Company situate at Modern Centre, Sane Guruji Marg, Mahalaxmi, Mumbai 400 011 on Monday, the 16<sup>th</sup> July, 2012 at 11.30 a.m. to transact the following business: -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at and the Profit & Loss Account for the period ended 31<sup>st</sup> March, 2012, and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri S. C. Kedia, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors

  
**Vijay Kumar Jatia**  
Chairman

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

Dated: 15<sup>th</sup> May, 2012

**NOTES:**

**A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such proxy need not be a member of the Company.**

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

---

---

---

## MODERN INDIA PROPERTY DEVELOPERS LIMITED

---

---

### DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting the Twelfth Annual Report on the working of the Company together with the audited accounts for the year ended 31<sup>st</sup> March, 2012.

#### 1. FINANCIAL RESULTS

	For the Year Ended	
	31.03.2012	31.03.2011
	(Rupees)	(Rupees)
Gross Profit /(Loss)	61,37,203	(73,994,712)
Profit / (Loss) before tax	61,37,203	(73,994,712)
Less: Provision for taxation	15,98,340	-
Profit/( Loss) after Tax	45,38,863	(73,994,712)
Add: balance brought forward	(74,208,223)	(213,511)
Balance Carried to the Balance Sheet	(69,669,360)	(74,208,223)
Basic/Diluted Earning per share	(0.30)	(4.93)

#### 2. DIVIDEND

Since there is loss, your directors do not recommend any dividend for the year ended on 31<sup>st</sup> March, 2012.

#### 3. DIRECTORS

Shri S. C. Kedia retires by rotation and being eligible offers himself for reappointment.

#### 4. AUDITORS

The present Auditors, M/s. Ajmera Ajmera and Associates, Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. Members are requested to appoint Auditors and fix their remuneration.

#### 5. FIXED DEPOSITS

During the financial year 2011-12, your Company has neither accepted nor renewed any Fixed Deposits under section 58A read with Companies (Acceptance of Deposits) Rules, 1975.

h

---

---

## MODERN INDIA PROPERTY DEVELOPERS LIMITED

---

---

### 6. PARTICULARS OF EMPLOYEES

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

### 7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The nature of the Company's activities is such that the particulars under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the provisions of Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not given.

There is no foreign technology involved.

There has been neither any earning nor outgoing of foreign exchange during the year under review.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31<sup>st</sup> March, 2012 and of the loss of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

For and on behalf of Board of Directors



**Vijay Kumar Jatia**  
Chairman

Place: Mumbai  
Date: 15<sup>th</sup> May, 2012  
**Registered Office:**  
Modern Centre,  
Sane Guruji Marg,  
Mahalaxmi,  
Mumbai - 400011.

## AUDITOR'S REPORT

### REPORT TO THE MEMBERS OF MODERN INDIA PROPERTY DEVELOPERS LIMITED

We have audited the attached Balance Sheet of MODERN INDIA PROPERTY DEVELOPERS LIMITED as at 31<sup>st</sup> March, 2012 and the Profit and Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, as amended by Companies (Auditor's Report)(Amendment) Order, 2004, and on the basis of such checks of the books and records of the company, as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.


Further to our comments in the Annexure referred to above, we report that:

- i). We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii). 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.



- iii). The Balance Sheet and Profit and Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account.
- iv). In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v). On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi). In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- i). In the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2012.
- ii). In the case of the Profit and Loss Account, of the 'Profit' for the year ended on that date.
- iii). In the case of cash flow statement, of the cash flows for the year ended on that date.

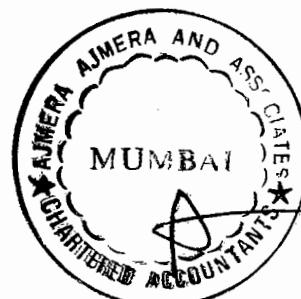
**For AJMERA AJMERA AND ASSOCIATES**  
**FIRM REGISTRATION NO.123989W**  
**CHARTERED ACCOUNTANTS**



**SANDEEP AJMERA**  
**PARTNER**  
Membership No. 48277

PLACE: MUMBAI

DATED: 15 MAY 2012



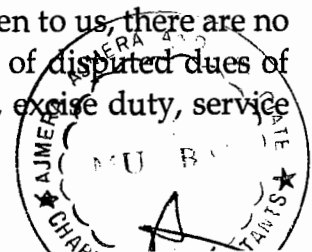
**ANNEXURE TO THE AUDITORS' REPORT**

Annexure referred to in paragraph 3 of the Auditors' Report to the Members of MODERN INDIA PROPERTY DEVELOPERS LIMITED, on the Accounts for the year ended 31<sup>st</sup> March, 2012.

1.
  - i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - ii) As explained to us the fixed assets have been physically verified by the management at reasonable intervals during the year which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - iii) Fixed Assets disposed of during the year were substantial but does not affect the going concern assumption.
2. The reporting requirements of Para 4(ii) are not applicable, as the company does not have any inventories.
3.
  - (a) The company has given loan to one party covered in the register maintained under section 301 of the Companies Act 1956. Maximum amount involved during the year was Rs.5,00,00,000/- and year end balance of the amount due from such party was Rs.3,01,15000/-
  - (b) The rate of interest and other terms and condition of loan given by the company are prime facie not prejudicial to the interest of the company.
  - (c) The receipt of principal amount and interest is regular wherever stipulated.
  - (d) The company has not taken any loan secured or unsecured from parties (Companies, firms or other parties) covered in the register maintained under section 301 of the Companies Act 1956. Hence provisions of para 4 (iii) (e) to (g) of the order are not applicable to the company.



3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of the business for the purchase of fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
4. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act 1956 have been entered into the register required to be maintained under that section.  
  
(b) According to the information and explanations give to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time during the year.
5. The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the rules made thereunder. Hence, the Clause (vi) of the order is not applicable.
6. The Company has internal audit system commensurate with its size and nature of its business.
7. As informed to us the central Government has not prescribed the maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956.
8. (a) According to the information and explanations given to us and the records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March 2012 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 cases of non-deposit with the appropriate authorities of disputed dues of sales tax/ income tax/ wealth tax/cess, custom duty, excise duty, service tax.



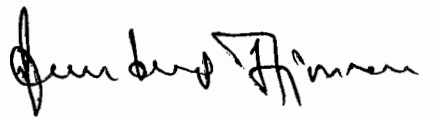
9. The accumulated losses of the Company as on 31<sup>st</sup> March 2012 is Rs.6,96,69,360/- and the same is not in excess of 50% of its networth. The Company has not incurred cash losses during the financial year covered by our audit but has incurred no cash loss in the immediately preceding financial year.
10. The Company has been regular in repaying dues to financial institutions.
11. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
12. The provisions of any Special Statue applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the Company.
13. The Company is not dealing or trading in shares, securities, debentures or other investments and hence, the requirements of Para 4(xiv) are not applicable to the Company.
14. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
15. The term loans were applied for the purpose for which the loans were obtained.
16. On the basis of our examination, and as per information and explanations given to us, funds raised on short-term basis, were not used for long-term investments.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained Under Section 301 of the Companies Act, 1956.
18. No debentures have been issued by the Company and hence, the question of creating securities in respect thereof does not arise.
19. The Company has not raised any money by public issues during the year.





20. As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For AJMERA AJMERA AND ASSOCIATES  
FIRM REGISTRATION NO.123989W.  
CHARTERED ACCOUNTANTS



SANDEEP AJMERA  
PARTNER  
Membership No. 48277

PLACE: MUMBAI  
DATE: 15 MAY 2012



**MODERN INDIA PROPERTY DEVELOPERS LIMITED**

**Balance Sheet as at 31st March, 2012.**

(Amount in ₹)

	Note	As at March 31, 2012.	As ar March 31, 2011.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds:</b>			
(a) Share Capital	2	15,00,00,000	15,00,00,000
(b) Reserves and Surplus	3	(6,96,69,360)	(7,42,08,223)
		<b>8,03,30,640</b>	<b>7,57,91,777</b>
<b>(2) Current Liabilities:</b>			
(a) Other Current Liabilities	4	28,090	39,27,700
(b) Short-term Provisions	5	8,94,254	(2,99,587)
		<b>9,22,344</b>	<b>36,28,113</b>
<b>TOTAL OF LIABILITIES</b>		<b>8,12,52,984</b>	<b>7,94,19,890</b>
<b>II. ASSETS:</b>			
<b>(1) Non-current Assets</b>			
Fixed Assets	6	-	3,48,538
<b>(2) Current Assets:</b>			
(a) Cash and cash equivalents	7	1,40,377	69,53,614
(b) Short term Loans and Advances	8	3,01,15,000	5,00,00,000
(c) Other Current Assets	9	5,09,97,607	2,21,17,738
		<b>8,12,52,984</b>	<b>7,90,71,352</b>
<b>TOTAL OF ASSETS</b>		<b>8,12,52,984</b>	<b>7,94,19,890</b>
Significant Accounting Policies	1 to 12		
Notes on Financial Statements			

As per our report attached  
**For Ajmera Ajmera & Associates.**  
**Chartered Accountants**  
 Firm Reg. No. 123989W

*Sandeep Ajmera*

**Sandeep Ajmera**  
 Partner  
 M. No. 48277



*Chairman*

*Director*

Director

Director

Mumbai :

Mumbai :

**15 MAY 2012**

**15 MAY 2012**



**MODERN INDIA PROPERTY DEVELOPERS LIMITED**  
**Statement of Profit and Loss for the Year ended 31st March, 2012**

(Amount in ₹)

	Note	2011-12	2010-11
I. Revenue from Operations		-	-
II. Other Income	10	63,63,102	(7,38,91,267)
III. Total Revenue ( I + II )		63,63,102	(7,38,91,267)
IV. Expenses:			
Depreciation		74,851	-
Other expenses	11	1,51,048	1,03,445
Total expenses		2,25,899	1,03,445
V. Profit (Loss) before exceptional, extraordinary items and tax		61,37,203	(7,39,94,712)
VI. Exceptional items		-	-
VII. Profit / (Loss) before extraordinary items and tax		61,37,203	(7,39,94,712)
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) before Tax		61,37,203	(7,39,94,712)
X. Tax expense:			
Current Tax		15,98,340	-
XI. Profit / (Loss) for the year		45,38,863	(7,39,94,712)
XII Earnings per Equity Share:			
(1) Basic		0.30	(4.93)
(2) Diluted		0.30	(4.93)
Significant Accounting Policies Notes on Financial Statements	1 to 12		

As per our report attached  
**For Ajmera Ajmera & Associates.**  
Chartered Accountants  
Firm Reg. No. 123989W

*Sandeep Ajmera*

**Sandeep Ajmera**  
Partner  
M. No. 48277

Mumbai :



*[Signature]* Chairman  
*[Signature]* Director  
*[Signature]* Director

Mumbai : 15 MAY 2012

15 MAY 2012

**MODERN INDIA PROPERTY DEVELOPERS LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012.**

	(₹ in Lacs)	(₹ in Lacs)
	2011-2012	2010-2011
<b>A. Cash Flow From Operating Activities:</b>		
Net Profit Before Tax	61.37	(739.95)
Add / (Less) :		
Depreciation	0.75	1.95
Profit/Loss on Sale of Assets	(2.16)	739.82
Preliminary Expenses W/off	-	0.04
	(1.41)	741.81
<b>Operating Profit/(Loss) before working Capital Changes</b>	<b>59.96</b>	<b>1.86</b>
Inventories	-	-
Other Receivables	(288.80)	(92.03)
Liabilities	(39.00)	(519.81)
<b>Cash Generated from Operations</b>	<b>(267.84)</b>	<b>(609.98)</b>
Direct Taxes Paid (Net)	(4.04)	2.93
<b>Net Cash Used in Operating Activities</b>	<b>(271.88)</b>	<b>(607.05)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Sale of Assets	4.90	2.71
Sale of land	-	6,250.00
Loan to Limited Company	198.85	(500.00)
Land & Development Expenses	-	(739.82)
	203.75	5,012.89
<b>Net Cash Used in Investing Activities</b>	<b>203.75</b>	<b>5,012.89</b>
<b>C. Cash Flow from Financing Activities:</b>		
Repayment of Secured Loan	-	(0.88)
Borrowings from Holding Company	-	(4,405.00)
	-	(4,405.88)
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>(4,405.88)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(68.13)</b>	<b>(0.04)</b>
Opening Balance of Cash and Cash Equivalents	69.54	69.58
Closing Balance of Cash and Cash Equivalents	1.40	69.54
<b>Net Increase/(Decrease) as disclosed above</b>	<b>(68.13)</b>	<b>(0.04)</b>

As per our report attached  
For Ajmera Ajmera and Associates.

Chartered Accountants  
Firm Reg. No. 123989W

*Sandeep Ajmera*

Sandeep Ajmera  
Partner  
Membership No. 48277



*Chairman*  
Chairman

*Director*  
Director

*Director*  
Director

Mumbai.  
Dated : 15 MAY 2012

Mumbai  
Dated : 15 MAY 2012

## MODERN INDIA PROPERTY DEVELOPERS LIMITED

---

### 1 Significant Accounting Policies:

#### A Basis of Preparation of Financial Statements:

- i. The financial statements are prepared under the Historical Cost Convention on accrual basis.
- ii. The financial statements have been prepared to comply in all material respects with the Mandatory Accounting Standards issued by The Institute of Chartered Accountants of India notified under section 211 (3c) of the Companies Act, 1956.

#### B Fixed Assets:

- i. Fixed Assets are stated at cost of acquisition including expenses relating to acquisition, erection, construction less accumulated depreciation.

#### C Depreciation:

Depreciation is provided at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

#### D Provisions:

A Provision is recognized when there is a present obligation as a result of a past event it is probable that an out flow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the year end. These are reviewed at each year end date and adjusted to reflect the best current estimate.

#### E Preliminary Expenses:

Preliminary Expenses are fully written off.



**MODERN INDIA PROPERTY DEVELOPERS LIMITED**

**Note No: 2 SHARE CAPITAL**

Share Capital	As at March 31, 2012.		As ar March 31, 2011.	
	Number	₹	Number	₹
<b>Authorized:</b>				
Equity Shares of ₹ 10/- each	49850000	49,85,00,000	49850000	49,85,00,000
Preference Shares of ₹ 100/- each	15000	15,00,000	15000	15,00,000
		<u>50,00,00,000</u>		<u>50,00,00,000</u>
<b>Issued, Subscribed &amp; Paid-up:</b>				
Equity Shares of ₹ 10/- each	15000000	15,00,00,000	15000000	15,00,00,000
		<u>15,00,00,000</u>		<u>15,00,00,000</u>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.**

Equity Shares	As at March 31, 2012.		As ar March 31, 2011.	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	15000000	15,00,00,000	15000000	15,00,00,000
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	15000000	15,00,00,000	15000000	15,00,00,000

**(b) Terms / Rights attached to Equity Shares:**

The Company has only one class of Equity Shares having a par value of Rs. 10/- per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

**(c) 1,50,00,000 Equity Shares are held by its Holding Company M/s. Modern India Limited.**

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

	As at March 31, 2012.		As ar March 31, 2011.	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Modern India Limited	15000000	100	15000000	100

**Note No: 3 Reserves and Surplus:**

**Surplus:**

	As at March 31, 2012.	As ar March 31, 2011.
As per Last Balance Sheet	(7,42,08,223)	(2,13,511)
Add: Profit / (Loss) for the Year	45,38,863	(7,39,94,712)
<b>Closing Balance</b>	<u>(6,96,69,360)</u>	<u>(7,42,08,223)</u>

**Note No: 4 Other Current Liabilities**

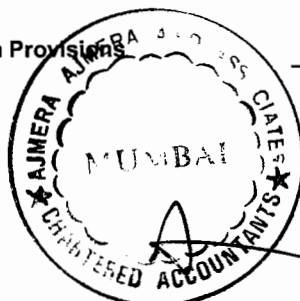
**Unsecured:**

	As at March 31, 2012.	As ar March 31, 2011.
(a) Tax Deducted at Source payable	-	3,88,268
(b) Other payables	28,090	35,39,432
	<u>28,090</u>	<u>39,27,700</u>

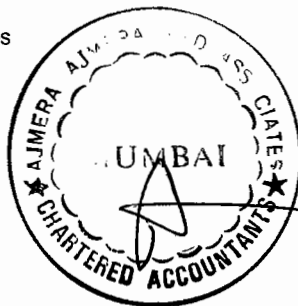
**Note No: 5**

**Short Term Provisions**

	As at March 31, 2012.	As ar March 31, 2011.
Provision for Taxes	8,94,254	(2,99,587)
	<u>8,94,254</u>	<u>(2,99,587)</u>



Note No:	6	Tangible Assets:	Vehicles	Total
		<b>Gross:</b>		
		Opening Balance	10,09,202	10,09,202
		Additions	-	-
		Less: Disposals	10,09,202	10,09,202
		Gross Block as at March 31, 2012	-	-
		<b>Depreciation:</b>		
		Opening Depreciation	6,60,664	6,60,664
		Depreciation for the year	74,852	74,852
		Less: Depreciation on Disposal	7,35,516	7,35,516
		Total Depreciation at at March 31, 2012	-	-
		<b>Net Carrying Value</b>		
		(Previous Year)	348538	348538
Note No:	7	Cash and Bank Balance	As at March 31, 2012.	As ar March 31, 2011.
		<b>Cash and Cash Equivalents:</b>		
	(a)	Balances with Banks	89,973	2,07,061
	(b)	Cash on Hand	50,404	52,864
	(c)	Margin Money with Bank against Guarantee	-	66,93,689
			<u>1,40,377</u>	<u>69,53,614</u>
Note No:	8	Short Term Loans & Advances	As at March 31, 2012.	As ar March 31, 2011.
		<b>Loans and advances to Related parties:</b>		
		Unsecured considered good	3,01,15,000	5,00,00,000
			<u>3,01,15,000</u>	<u>5,00,00,000</u>
Note No:	9	Other Current Assests	As at March 31, 2012.	As ar March 31, 2011.
	(a)	Advances Recoverable in Cash or in kind or for value to be received	4,64,56,250	2,18,47,500
	(b)	Deposits	1,000	1,000
	(c)	Interest Receivable	45,40,357	2,69,238
			<u>5,09,97,607</u>	<u>2,21,17,738</u>
Note No:	10	Other Income	2011-12	2010-11
	(a)	Interest Income	51,39,239	90,411
	(b)	Profit on Sale of Rights in property	10,00,000	-
	(c)	Profit on sale of Assets	2,16,314	(7,39,81,678)
	(d)	Other Miscellaneous income	7,549	-
			<u>63,63,102</u>	<u>(7,38,91,267)</u>
Note No:	11	Other Expenditure:		
		Rates and Taxes, excluding taxes on income	2,500	2,500
		Travelling & Conveyance	-	32,873
		Legal and Professional Charges	1,09,442	-
		Auditors' Remuneration:		
		- Audit Fees	28,090	38,605
		Miscellaneous Expenses	11,016	29,467
			<u>1,51,048</u>	<u>1,03,445</u>



12. Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2012.

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

(ii) Loans & Advances:

The balances of Loans & Advances and Sundry Creditors are subject to Confirmation.

(iii) There are no employees and hence there is no liability under Payment of Gratuity Act .

(iv) Disclosures are required by the Accounting Standard - 18 on "Related Party Disclosure" are given below.

i. Related parties and relationship

(a) Where Control Exists:

Modern India Limited : Holding Company

(b) Significant Influence

Alcyone Trading Company Private Ltd.

Camellia Mercantile Private Limited

Candescent Traders Pvt. Ltd.

F. Pudumjee Investment Co. Ltd.

Ignatius Trading Company Pvt. Ltd.

Modern Derivatives & Commodities Pvt. Ltd.

Modern India Free Trade Warehousing P Limited

Sarat Leasing & Finance Ltd.

(c) Key Management Personnel & Relatives:

(i) Mr. V. K. Jatia - Chairman

(ii) Mr. Vedant Jatia.

Note: In respect of above parties, there are no provision for doubtful debts as on March 31, 2012 and no amount has been written off or written back during the year in respect of debts due from / to them.





ii. Related Parties Transactions:

	Nature of Transactions	Significant Influence Rs.	Holding Company Rs.	Total Rs.
(a)	Loans Taken	0	0	0
		<i>108175000</i>	<i>217445401</i>	<i>325620401</i>
(b)	Repayment out of Loans taken	0	0	0
		<i>108175000</i>	<i>657945401</i>	<i>766120401</i>
(c)	Amount of loans outstanding at the year end	0	0	0
		<i>0</i>	<i>440500000</i>	<i>440500000</i>
(d)	Interest on Loans taken	0	0	0
		<i>1496181</i>	<i>52495150</i>	<i>1496181</i>
(e)	Amount of interest outstanding at the year end	0	0	0
		<i>1973348</i>	<i>40599749</i>	<i>42573097</i>
(f)	Loans Given	<b>15100000</b>	0	<b>15100000</b>
		<i>50000000</i>	<i>0</i>	<i>50000000</i>
(g)	Repayment out of Loan Given	<b>34985000</b>	0	<b>34985000</b>
		<i>0</i>	<i>0</i>	<i>0</i>
(h)	Amount of loans outstanding at the year end	<b>30115000</b>	0	<b>30115000</b>
		<i>50000000</i>	<i>0</i>	<i>50000000</i>
(i)	Interest on Loans Given	<b>3694853</b>	0	<b>3694853</b>
		<i>90411</i>	<i>0</i>	<i>90411</i>
(j)	Amount of interest outstanding at the year end	<b>3694853</b>	0	<b>3694853</b>
		<i>90411</i>	<i>0</i>	<i>90411</i>

Note: Previous Years Figures are given in *Italics*

- (v) Figures of the previous year has been regrouped, reclassified and rearrange wherever necessary.

As the amounts involved are not material disclosures as per Accounting Standard 3-Cash Flow Statement have not been given.

- (vi) Additional information as required under Schedule VI of the Companies Act, 1956 are provided to the extent applicable.



(vii) Earning Per Share:

Earning Per Shares has been calculated as under :

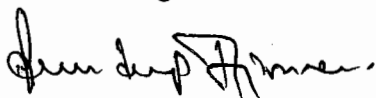
	Current Year Rupees	Previous Year Rupees
(a) Profit / (Loss) After Taxation	45,38,863	(73994712)
(b) Number of Equity Shares Outstanding	15000000	15000000
(c) Earning Per Shares (Basic and diluted)	0.30	(4.93)

**Signatures to Schedules '1' to '12'**

As per our report of date attached

For Ajmera Ajmera & Associates.

Chartered Accountants  
Firm Reg. No. 123989W



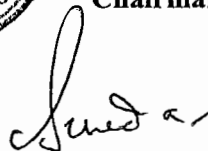
**Sandeep Ajmera**  
Partner  
Membership No. 48277



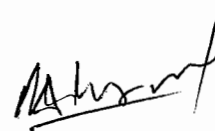
For and on behalf of the Board



**Chairman**



Director



Director

Mumbai, dated : **15 MAY 2012**

Mumbai, dated : **15 MAY 2012**

